

Shelby City Council Agenda
Regular Meeting
June 6, 2022 at 6:00 p.m.

City Hall Council Chamber
300 South Washington Street
Shelby, North Carolina

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

Invocation

Pledge of Allegiance

A. Approval of Agenda

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

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

B. Public Hearing:

1-116

- 1) Proposed Fiscal Year (FY) 2022-2023 Annual Operating Budget for the City of Shelby
 - a. Consideration of Fiscal Year (FY) 2022-2023 Budget Ordinance: Ordinance No. 34-2022
 - b. Consideration of Fiscal Year (FY) 2022-2023 Supplemental Budget Ordinance: Ordinance No. 35-2022

C. Consent Agenda:

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

- 1) Approval of the Minutes of the Special Meeting of May 10, 2022 117-121
- 2) Approval of the Minutes of the Special Meeting of May 11, 2022 122-125
- 3) Approval of the Minutes of the Special Meeting of May 23, 2022 126-131
- 4) Approval of the Minutes of the Regular Meeting of May 16, 2022 132-145
- 5) Acceptance of the Certificate of Sufficiency regarding Petition of Annexation of applicant, Cleveland Partners, LLC 146-150

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6) Acceptance of the Certificate of Sufficiency regarding Petition of Annexation of applicant, Don Peeler Realty	151-154
7) Approval of Special Event Application:	155-163
a) 175 th Anniversary celebration, First Baptist Church: request date June 25, 2022	
8) Approval of a resolution accepting American Rescue Plan funding: Resolution No. 43-2022	164-171
9) Approval of a resolution providing for the sale and issuance of a \$6,000,000 City of Shelby, North Carolina General Obligation Street and Sidewalk Improvement Bond, series 2022: Resolution No. 44-2022	172-198
10) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's TAMP Resurfacing Project: Ordinance No. 36-2022	199-200
11) Adoption of an ordinance authorizing demolition of a dwelling (608 Suttle Street): Ordinance No. 37-2022	201-207
12) Management Reports:	208-235
a. Monthly Financial Summary – April 2022	
13) Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council – July 4, 2022	236-237
D. Unfinished Business:	238
None	
E. New Business:	
1) Consideration of appointments to City advisory boards and commissions:	239-242
a) Housing and Redevelopment Authority Commission	
2) Consideration of appointments to City advisory boards and commissions:	243-251
b) Alcoholic Beverage Control Board	

F. City Manager's Report 252

G. Council Announcements and Remarks 252

H. Closed Session 252

- 1) To consult with an attorney employed or retained by the public body in order to preserve the attorney client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded, pursuant to N.C.G.S.143-318.11(3)

I. Adjournment: 252

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

- 1) Motion to adjourn

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

B. Public Hearing:

Agenda Item: B-1

- 1) Proposed Fiscal Year (FY) 2022-2023 Annual Operating Budget for the City of Shelby
 - a. Consideration of Fiscal Year (FY) 2022-2023 Budget Ordinance: Ordinance No. 34-2022
 - b. Consideration of Fiscal Year (FY) 2022-2023 Supplemental Budget Ordinance: Ordinance No. 35-2022

Presenting: (Rick Howell, City Manager)

Summary of Available Information:

- City Manager Budget Message
- Public Notice
- Ordinance No. 34-2022
- Ordinance No. 35-2022
- Fee Schedule

City Manager's Recommendation / Comments

City Council has previously been provided a copy the formal Budget Ordinance for the fiscal year beginning July 1, 2022, the Supplemental Budget Ordinance, the Authorized Personnel Summary, the Schedule of Fees and Charges as well as the Budget Summary. This hearing is required by the NC General Statutes to allow the public to comment on the proposed budget. A public copy has been provided in the administrative offices of City Hall and has been posted online for public inspection. The hearing is specifically intended to allow public comment directly to City Council for consideration prior to a formal vote.

A formal vote on the budget and appurtenant documents can be taken tonight if Council desires to do so. As a reminder a balanced budget must be adopted by City Council no later than June 30, 2022.



Office of the City Manager

May 25, 2022

The Honorable O. Stanhope Anthony III, Mayor
Members of the City Council
Shelby, North Carolina

Mayor Anthony and Members of the City Council

Pursuant to Section 159-11 of the North Carolina General Statutes, attached is my recommended FY 2022-23 Budget for your review and consideration. I want to thank the Mayor and Council for your efforts to communicate your wishes for this budget. I also want to thank all of the management team for their hard work and attention to detail. They remain steadfastly committed to providing accurate and detailed information that allows me to present a realistic and pragmatic budget. These people work tirelessly to produce budget requests that are responsible and allow them to continue to deliver the expected high-quality service to our citizens and customers. They have been very responsive to the direction of management and City Council.

City Council also provided me with direction at your 2022 Council retreat reaffirming past goals and priorities. These goals and priorities were communicated with the understanding that successful achievement will lend itself to realization of what was envisioned in the Strategic Growth Plan approved by Council in 2005 as well as specific plans adopted by Council since. Many of these goals involve capital projects which are proposed to be funded using reserves and recurring revenue from the respective general and utility funds. Some of these are one-time expenditures that spend down savings in order to meet a defined capital need. Some are recurring capital investments that the City must continue to make year after year. This includes a continuing commitment to investment in water, sewer, electric, natural gas, building and transportation infrastructure.

The City must be vigilant in addressing infrastructure challenges facing the City but proceed in a thoughtful and careful manner with these projects. The need to invest in the City's future must be accompanied and tempered with the full knowledge that new operational costs come with some of them. It makes little to no sense to expend capital and then not meet the annual operational needs to maintain it in a high-quality manner.



Office of the City Manager

The budget is balanced and meets all the applicable requirements of the North Carolina Local Government Budget and Fiscal Control Act. A public hearing will be scheduled as required by NC General Statute 159-12 for your regular meeting of June 6, 2022 in City Council Chambers. Following the close of the hearing the City Council may take action on the proposed budget. The budget must be adopted by City Council prior to June 30, 2022. As the designated budget officer (NCGS 159-9) it is the responsibility of the City Manager to give the governing board a balanced and fiscally responsible budget that sets forth appropriate funding levels in order to provide services to citizens at desired levels as determined by City Council. I take this very seriously as it annually has implications on the day to day lives of our citizens and businesses.

It should go without saying that the budget adoption is the most important annual fiscal policy decision that City Council will make. The provisions of the NC General Statutes and the City Charter make it clear that City Council shall adopt a balanced annual budget for each fund to provide adequate resources for those services that it wishes to provide to its citizenry. It is the basis from which I make day to day decisions on how services are provided to the citizens of Shelby throughout the year. There continue to be numerous challenges facing the City that affect our ability to serve citizens, residents, and customers today and into the future.

Introduction

The following information contains my final recommendation for the City Budget for the year beginning July 1, 2022 and ending June 30, 2023. These recommendations are impacted by a thorough process that takes into account department requests, management evaluation of those requests as well as an informed dialog between management and the departments. The process also takes into account guidance and recommendations from the Mayor and City Council provided during the annual retreat as well as budget workshops.

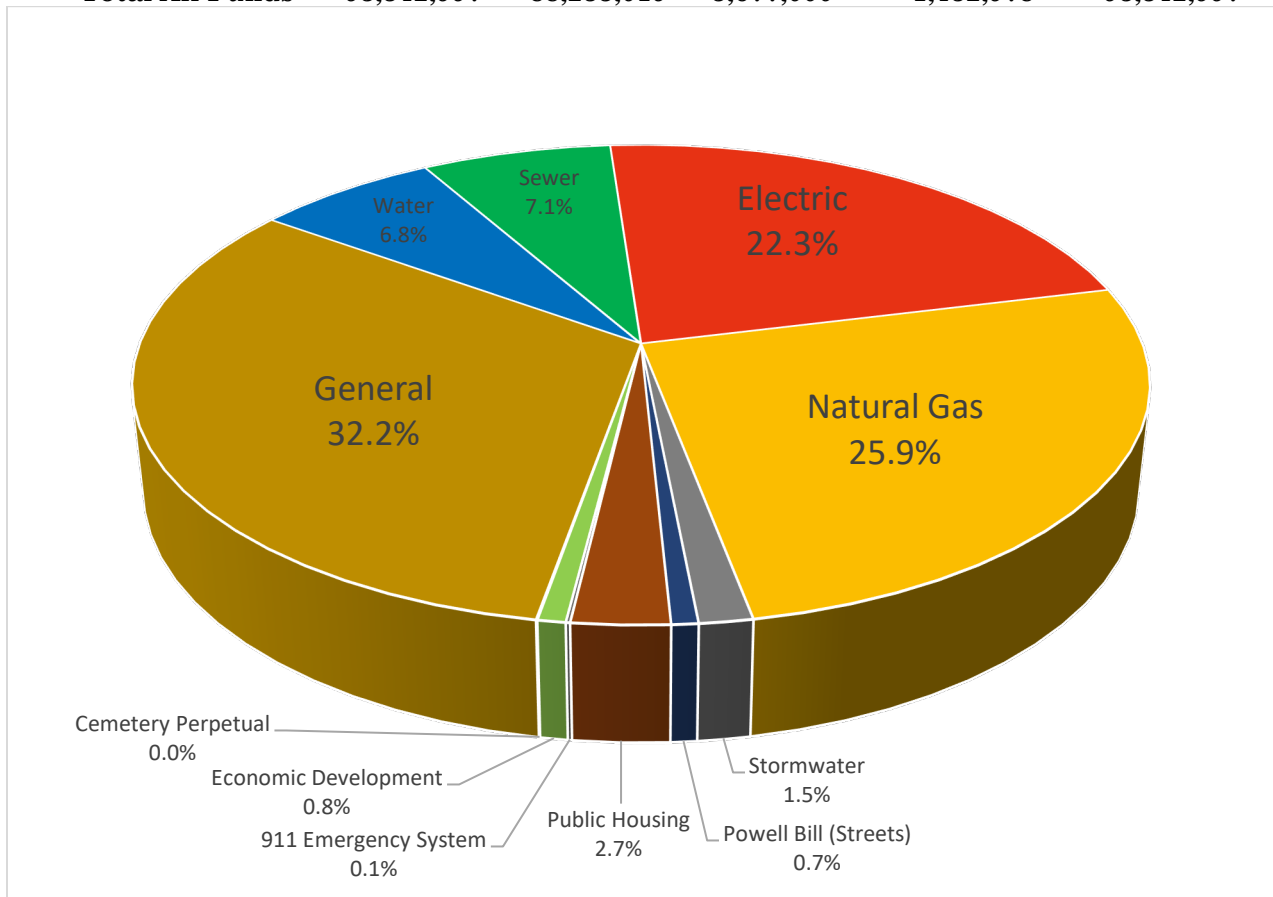
Overview of Budgetary Funds

As you know the City maintains in accordance with the NC Budget and Fiscal Control Act a number of budgetary Funds including the General, Electric, Natural Gas, Water, Sewer, Powell Bill (Streets), Public Housing and Stormwater. These funds are set up for fiscal and accounting purposes with a self-balancing set of accounts for the purpose of carrying out specific activities or attaining certain objectives. The City's budget includes eight (8) major governmental and enterprise funds. The table below summarizes the budget for each City Fund and the total of the balanced budget. I would note that the overall proposed budget of \$89,665,997 is a 12.5% net increase (\$9,929,856) from the current fiscal year adopted budget of \$79,736,141. This increase is due to the substantial increase (\$7,600,000) in the commodity price of natural gas. The remaining net increase can be largely attributed to citywide pay increases, the cost of fuel as well as other inflationary impacts.



Office of the City Manager

Fund	Budgeted Expenditures	Budgeted Revenues	Interfund Transfers	Fund Balance Appropriation	Total Projected Rev/Tran/App
General	30,014,271	26,621,437	3,300,000	92,834	30,014,271
Water	6,370,517	6,145,100	0	225,417	6,370,517
Sewer	6,621,100	6,621,100	0	0	6,621,100
Electric	20,806,000	20,416,000	0	390,000	20,806,000
Natural Gas	24,154,747	24,154,747	0	0	24,154,747
Stormwater	1,363,405	878,405	0	485,000	1,363,405
Powell Bill (Streets)	679,000	679,000	0	0	679,000
Public Housing	2,485,707	2,245,980	0	239,727	2,485,707
911 Emergency System	107,000	107,000	0	0	107,000
Economic Development	711,250	334,250	377,000	0	711,250
Cemetery Perpetual	30,000	30,000	0	0	30,000
Total All Funds	93,342,997	88,233,019	3,677,000	1,432,978	93,342,997





General Fund

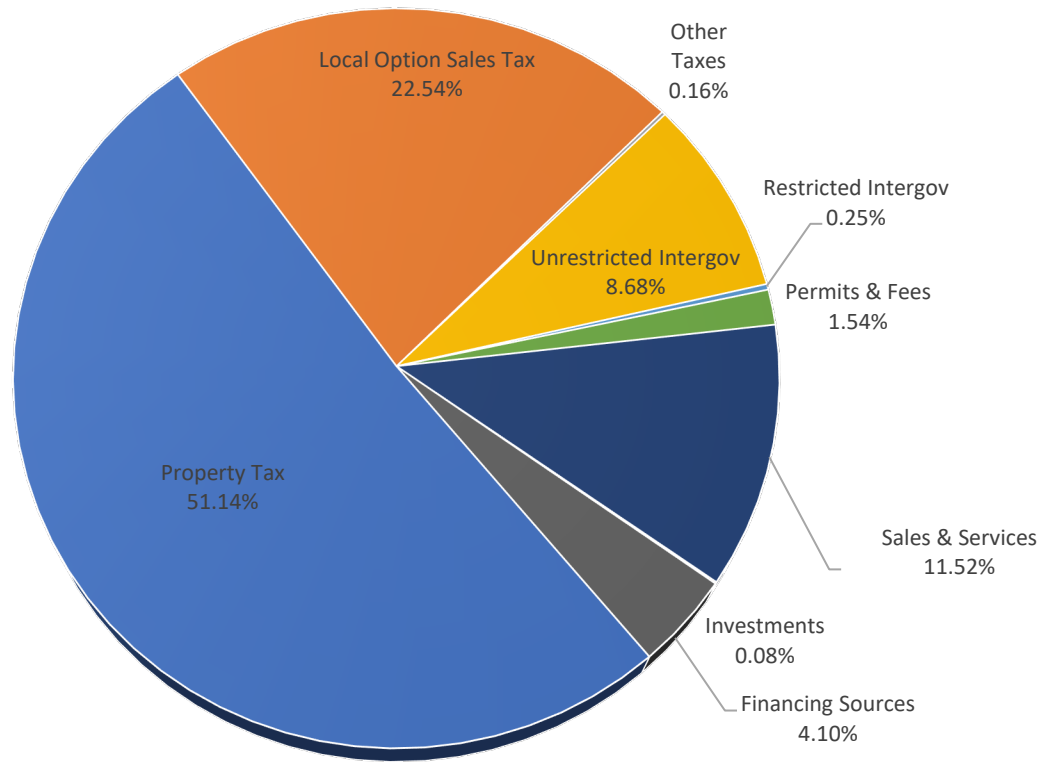
The General Fund is the primary location of funding for the general operations of the City. It is termed “general” because transactions that are not related to any utility or other specific purpose fund are accounted for within this budget. The General Fund budget for fiscal year 2022-2023 is \$30,014,271. This is a net increase of \$1,220,271 or 4.2% over the previous fiscal year. The largest part of this increase is targeted toward implementation of the Phase I of the revised Pay and Classification Plan.

General Fund Revenues

The table below summarizes the City’s operating revenues for the General Fund. The total revenue available for general fund services, excluding inter-fund transfers and the appropriation of fund balance, is \$26,621,437. The budget is balanced with transfers from other funds (\$3,300,000) and an appropriation of \$92,834 in fund balance. General Fund revenues are categorized in several major and minor types. The four major types include 1) property taxes, 2) local option sales taxes, 3) unrestricted intergovernmental and, 4) sales and service charges.

Revenue Source	Budget 20-21	Budget 21-22	Amount Change	% Change
Property Tax	13,570,500	13,615,000	44,500	0.3%
Local Option Sales Tax	5,175,000	6,000,000	825,000	16.0%
Other Taxes	39,000	42,000	3,000	7.6%
Unrestricted Intergov	2,304,000	2,310,000	6,000	0.2%
Restricted Intergov	34,500	67,000	32,500	94.2%
Permits & Fees	248,300	410,700	162,400	65.4%
Sales & Services	2,586,900	3,065,700	478,800	18.5%
Investments	40,000	20,000	(20,000)	(50.0%)
Financing Sources	1,495,800	1,091,037	(404,763)	(27.1)
Subtotal	25,494,000	26,621,437	1,127,437	4.4%
Fund Balance Approp	0	92,834	92,834	-
Transfers from other Funds	3,300,000	3,300,000	0	0
Net Total	28,794,000	30,014,271	1,220,271	4.2%

City of Shelby, NC General Fund Revenue Sources

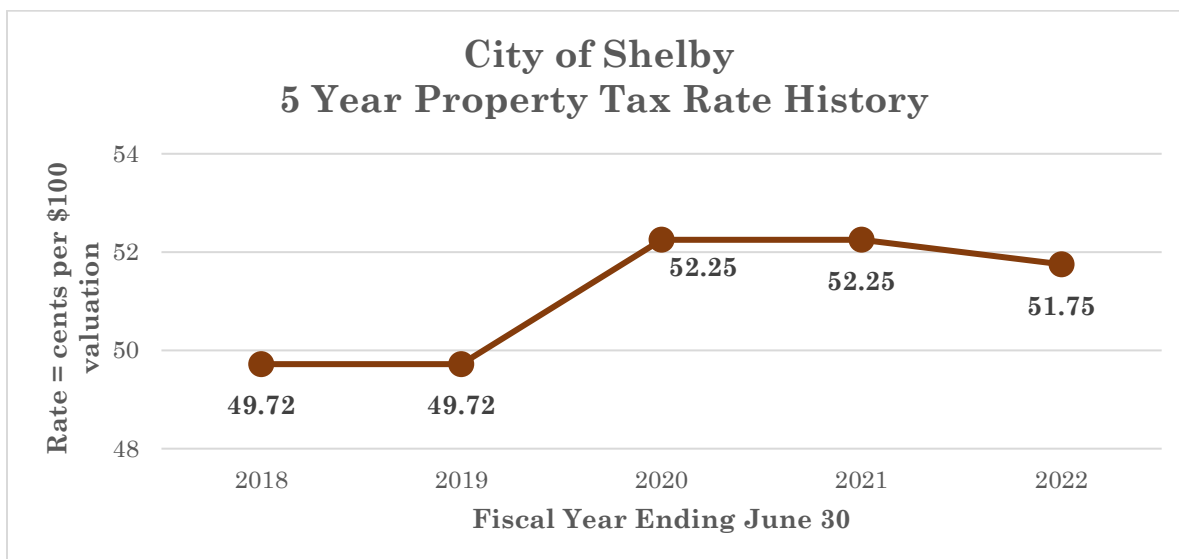


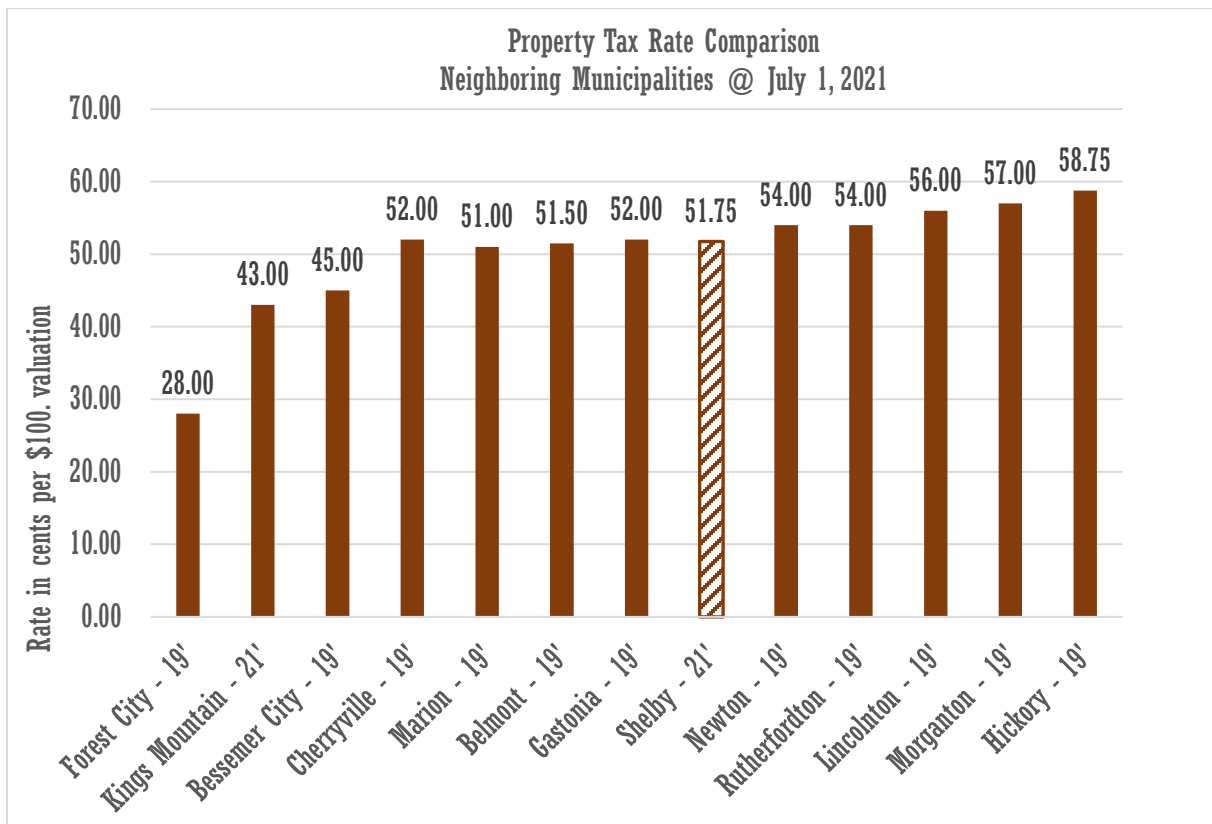
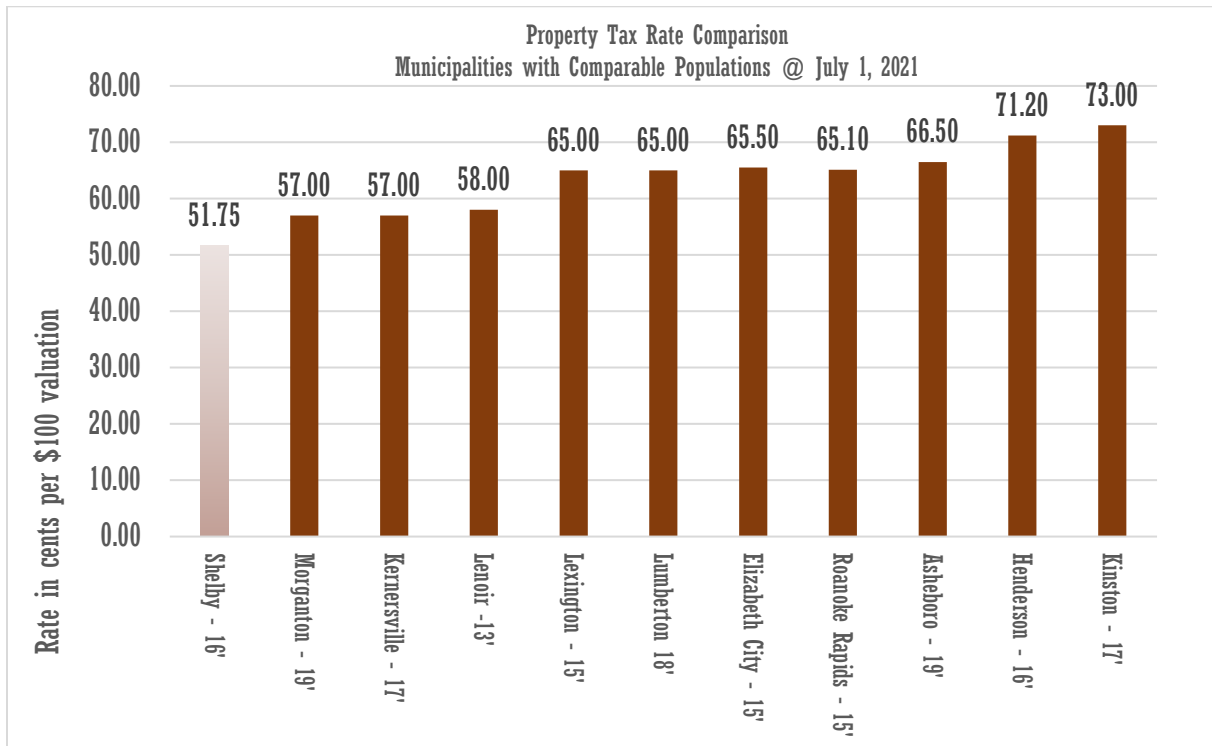


Ad valorem Tax

Ad valorem taxes constitute the largest revenue source within the general fund. This revenue consists of two components. They are the value of all taxable property (real and personal) as assessed by the County Tax Administrator. It is often referred to as the assessed valuation. The other is the actual tax rate per \$100 of valuation. This rate is controlled by City Council as provided for in the NC General Statutes and can only be adjusted one time per year through the budget process. The current assessed valuation is expected to be \$2,676,193,677 with the collection rate expected to be 98.48% (up from 97.12%) at the June 30 close of the fiscal year. This revenue makes approximately 45.3% of the total general fund budget. It is recommended that the tax rate be maintained at 51.75 cents per \$100 of valuation.

The recommended property tax rate for Shelby continues to be among the lowest of full-service North Carolina municipalities with populations between 15,000 and 30,000. It should also be noted that Shelby’s rate is also amongst the lowest in the region. The accompanying charts (See below) are for illustrative purposes. Most of the very few cities whose property tax rates are lower than Shelby’s do not provide a comparable level of services. However, many of those with higher property tax rates do not make use of significant electric and natural gas utility transfers to supplement the tax rate. However, the ability to maintain such a low tax rate will depend upon the economy, the future growth in revenue and the willingness to be vigilant in keeping our cost of doing business under control with an attitude toward continuous improvement and efficiency in the delivery of service to our citizens. I have over these many years challenged staff to guard against “mission creep”. Mission creep is characterized by the gradual broadening of the original objectives of an organization. Mission creep often comes in the form of good ideas or new programs however minor in cost they may be. Over time mission creep can divert resources from the core mission of the City.







Office of the City Manager

The City has known challenging times in the recent past but there is a positive trend in the right direction. Positive economic development news this year includes the continuation of investment by private companies as well as the addition of jobs in our community. These include the ongoing expansion at Ames Copper (IMC) that will see the investment of an additional \$26.3 million and 46 new jobs averaging \$51,700 in annual wages over the next 3 years. Other positive signs include the sale of shell building #3 at 620 Plato Lee Road to Steffes which will invest \$29 million, create 130 new jobs averaging \$47,392 annual wages over the next 3-5 years, a possible expansion of Mafic, the start of construction on shell building #4 as well as other commercial and residential investment.

Establishing priorities is critical when you combine these positive revenue trends with the infrastructure projects needed to make Shelby an even better place to do business and to continue to serve our citizens with high quality services. The City must be prepared to openly have the discussion and debate regarding the expectations the citizens have of their City government and what they are willing to do without or continue to pay for now and in the future. Fortunately, the City is in a sound financial position and is as ready as it can be to meet the uncertainties that may follow.

The Mayor and Council have adopted goals and objectives in the past few years that are geared to balancing service delivery citywide to meet basic needs and to progressively address aging infrastructure. This budget recommendation addresses the infrastructure and services associated only with current service levels. It is important to note that while this General Fund budget addresses the basic needs for FY 2022-23 it is still too reliant on transfers of natural gas and electric funds. Holding the line on spending the past few years has allowed the City to maintain a reasonable general fund reserve for cash flow and emergency purposes. This budget does attempt to “catch up” on long delayed capital purchases and projects badly needing to be addressed.

Reserve funds in all of our utilities are very healthy. Use of these reserve funds should be limited largely to emergency situations, protection of the City’s credit rating with bondholders in accordance with our legally binding bond covenants, cash flow for day-to-day operations and capital projects deemed important by City Council. These monies are not limitless and unnecessary use to fund annually recurring operational or expenses only puts the City at enhanced financial risk.

The budget is presented in a format that groups expenditures into major areas: personnel services, operations, capital outlay, debt service, and non-departmental allocations. Management’s goal is to develop a results-oriented budget with performance measures in the future rather than just numbers not tied to specific goals and projects.



General Fund Expenditures

- 1) Implementation of Phase I of the revised Pay and Classification Market Study is the top priority. This detailed analysis and data regarding the market competitiveness of our current salary structure was presented to City Council in the spring of 2018 and revised in 2022.
- 2) The total number of full time General Fund employees increases from 251 to 254 with the addition of a new position in Human Resources that will focus on recruitment and retention of employees. In addition part time positions and the associated funding in the Fire and Rescue Department will be converted to add two new full time firefighter positions.
- 3) Capital spending has been decreased and is reflective of the needs identified in the annual plan for the purchase of capital and rolling stock equipment.

Water Fund

The Water Fund is up (5.3%) in overall spending from fiscal year budget 2021-22 (\$6,039,171) to (\$6,370,517) in fiscal year 2022-23. The bulk of the increase is related to the implementation of Phase I of the revised Pay and Classification Plan as well as operational costs associated with increases in fuel and water treatment chemicals.

Revenue

A 4% rate increase is recommended for the coming fiscal year in order to meet new debt service requirement. The increase will generate approximately \$300,000 of the new revenue expected.

Revenue Source	Budget 21-22	Budget 22-23	Amount Change	% Change
Water Late Fees	30,000	40,000	10,000	33.3%
Proceeds Asset Sales	3,000	3,000	0	0.0%
Water Charge Receipts	5,619,640	5,920,000	300,360	5.3%
Water Tap Fees	40,000	80,000	40,000	100.0%
Water Cutoff Fees	4,000	4,000	0	0.0%
Interest & Inv Income	500	100	(400)	(80.0%)
Proceeds from Financing	70,000	80,000	10,000	14.3%
County Debt Serv Pmt	12,000	10,000	(2,000)	16.7%
Fed BAB Payment	38,000	0	(38,000)	100.0%
Other Income	8,000	8,000	0	0.0%
Fund Balance Appropriated	214,031	225,417	11,386	5.3%
Transfer from other funds	0	0	0	0.0%
Total	6,039,171	6,370,517	331,346	5.5%



Expenditures

In order to avoid a larger short term rate increase staff was asked to reduce spending in operating and capital. Notable changes in expenditures are as follows.

- 1) Implementation of Phase I of the Pay and Classification Market Study is the top priority. This detailed analysis and data regarding the market competitiveness of our current salary structure was presented to City Council in the spring of 2018 and updated in 2022.
- 2) The total number of full time Water Fund employees remains at 20.
- 3) Capital spending is increased by \$88,000.
- 4) Operating costs is reduced by \$185,000.

Expenditure Category	Budget 21-22	Budget 22-23	Amount Change	% Change
Personnel	1,414,810	1,618,575	203,765	14.4%
Operating	1,559,478	1,744,670	185,192	11.9%
Debt Service	2,458,000	2,246,000	(212,000)	(8.6%)
Capital	120,000	208,000	88,000	73.3%
Allocations	481,883	548,272	66,389	13.8%
Transfers	5,000	5,000	0	0.0%
Total	6,039,171	6,370,517	331,346	5.5%



Office of the City Manager

Sewer Fund

The Sewer Fund increases (3.5%) in overall spending from fiscal year budget 2021-22 (\$6,398,644) to (\$6,621,100) in fiscal year 2022-23. . The bulk of the increase is related to the implementation of Phase I of the revised Pay and Classification Plan as well as operational costs associated with increases in fuel and other operational costs.

Revenue

No rate increase is recommended for the coming fiscal year.

Revenue Source	Budget 21-22	Budget 22-23	Amount Change	% Change
Sewer Late Fees	32,000	42,000	10,000	31.3%
Sewer Charge Receipts	5,961,072	6,200,000	238,928	4.0%
Sewer Tap Charges	39,729	60,000	20,271	51.0%
Grease Trap Insp Fee	25,000	25,000	0	0.0%
Interest & Inv Income	500	100	(400)	(80.0%)
Proceeds from Financing	243,200	269,000	25,800	10.6%
Fed Reimb BAB	16,000	0	(16,000)	(100.0%)
Other Income	20,000	20,000	0	0.0%
Transfer from other funds	0	0	0	0.0%
Fund Balance Appropriated	61,143	0	(61,143)	(100.0%)
Total	6,398,644	6,621,100	222,456	3.5%



Expenditures

Notable changes in expenditures are as follows.

- 1) Implementation of Phase I of the revised Pay and Classification Market Study is the top priority. This detailed analysis and data regarding the market competitiveness of our current salary structure was presented to City Council in the spring of 2018 and updated in 2022.
- 2) The total number of full time Sewer Fund employees remains at 22.
- 3) Capital spending is increased by \$70,000.
- 4) Debt service will decrease by \$99,000.

Expenditure Category	Budget 21-22	Budget 22-23	Amount Change	% Change
Personnel	1,718,985	1,937,450	218,465	12.7%
Operating	1,484,770	1,539,660	54,890	3.7%
Debt Service	2,324,000	2,225,000	(99,000)	(4.3%)
Capital	409,200	479,862	70,662	17.3%
Transfers	5,000	5,000	0	0.0%
Allocations	456,689	434,128	(22,561)	(4.9%)
Total	6,398,644	6,621,100	222,456	3.5%



Office of the City Manager

Electric Fund

The Electric Fund is down (5.6%) in overall spending from fiscal year budget 2021-22 (\$22,039,455) to (\$20,806,400) in fiscal year 2022-23. This is attributed to the reduction in wholesale power cost purchase of the NC Municipal Power Agency #1 of which the City is a member.

Revenue

A retail rate decrease of 3% is included in the budget. This provides net \$1,200,000 rate reduction for our electric customers.

Revenue Source	Budget 21-22	Budget 22-23	Amount Change	% Change
Electric Late Fees	100,000	100,000	0	0.0%
Proceeds Asset Sale	1,000	5,000	4,000	400.0%
After Hours Service Chgs	20,000	20,000	0	0.0%
Electric Charge Receipts	21,520,000	19,970,000	(1,550,000)	(7.2%)
Electric Pole Rental	28,000	110,000	82,000	292.9%
Interest & Inv Income	4,500	1,000	(3,500)	(77.9%)
Proceeds from Financing	355,000	200,000	(155,000)	43.7%
Other Income	10,955	10,000	(955)	(8.7%)
Fund Balance Appropriation	0	0	0	0.0%
Total	22,039,455	20,806,000	(1,233,456)	(5.6%)



Expenditures

Notable changes in expenditures are as follows.

- 1) Implementation of Phase I of the revised Pay and Classification Market Study is the top priority.
- 2) The total number of full time Electric Fund employees remains at 16.
- 3) Capital spending is increased by \$491,000 in accordance with the Electric System Asset Management Plan adopted by Council in 2018.
- 4) Wholesale power costs are reduced by \$2,078,000.

Electric Expenditures cont.

Category	Budget	Budget	Amount	%
	21-22	22-23	Change	Change
Personnel	1,315,785	1,567,100	251,315	19.1%
Operating	17,494,465	15,416,284	(2,078,181)	(11.9%)
Debt Service	405,000	509,000	104,000	25.7%
Capital	1,242,097	1,734,000	491,903	39.6%
Less Allocations	672,108	669,616	(2,492)	0.3%
Transfers to other Funds	910,000	910,000	0	0
Total	22,039,455	20,806,000	(1,233,455)	(5.6%)



Office of the City Manager

Natural Gas Fund

The Natural Gas Fund is up significantly (49%) in overall spending from fiscal year budget 2021-22 (\$16,125,600) to (\$24,154,747) in fiscal year 2022-23.

Revenue

No rate increase is recommended for the coming fiscal year. Net margin revenues are expected to remain flat for the coming fiscal year.

Revenue Source	Budget 21-22	Budget 22-23	Amount Change	% Change
Nat Gas Charges Receipts	15,900,000	23,977,747	8,077,747	50.8%
Utility Late Fees	60,000	50,000	(10,000)	(16.7%)
Afterhours Charges	1,000	1,000	0	0.00%
Connection Fees	30,000	45,000	15,000	50.0%
Interest & Investment Income	5,000	1,000	-4,000	(80.0%)
Proceeds from Financing	120,000	65,000	(55,000)	(45.8%)
FED Pay on BAB	3,600	0	(3,600)	(100.0%)
Other Income	1,000	1,000	0	0.0%
Proceeds - Sale of Assets	5,000	5,000	0	0.0%
Subtotal	16,125,600	24,154,747	8,029,147	49.8%
Fund Balance Appropriation	0	0	0	0.0%
Transfer from other funds	0	0	0	0.0%
Net Total	16,125,600	24,154,747	8,029,147	49.8%



Expenditures

Notable changes in expenditures are as follows.

- 1) Implementation of Phase I of the revised Pay and Classification Market Study is the top priority.
- 2) The total number of full time Natural Gas Fund employees remains at 19.
- 3) Capital spending is increased by \$163,000 in order to fund system improvements identified in the Council adopted Natural Gas System Asset Management Plan of 2019.
- 4) Operating costs are increased by \$7,800,000. This amount reflects the increase in the commodity price paid on the market for the purchase of natural gas for resale to customers. Increased commodity pricing is passed on directly to the customer.

Category	Budget	Budget	Amount	%
	21-22	22-23	Change	Change
Personnel	1,425,300	1,550,550	125,250	8.8%
Operating	10,330,594	18,194,560	7,863,966	76.1%
Debt Service	275,000	271,000	(3,500)	(1.3%)
Capital	509,786	673,000	163,214	32.0%
Less Allocations	874,920	755,137	(119,783)	(13.7%)
Transfers to other Funds	2,710,000	2,710,000	0	0.0%
Total	16,125,600	24,154,747	8,029,147	49.8%



Stormwater Fund

The Stormwater Fund is up (4.5%) in overall operational spending from fiscal year budget 2021-22 (\$840,520) to (\$878,405) in fiscal year 2022-23. There is also a large appropriation of fund balance net retained earnings to be used toward stormwater system repairs totaling \$485,000. This is a one time expenditures and brings the total stormwater budget to \$1,363,405 or a 62% increase from last fiscal year.

Revenue

No rate increase is recommended for the coming fiscal year. Revenues are expected to increase (4.5%) due to growth in customer charges (\$37,000) generated by new private development for the coming fiscal year.

Revenue Source	Budget 21-22	Budget 22-23	Amount Change	% Change
Stormwater Plan Review	520	1,000	480	92.3%
Stormwater Charges	840,000	877,405	37,405	4.5%
Proceeds from Financing	0	0	0	0.0%
			0	0.0%
Subtotal	840,520	878,405	37,885	4.5%
Fund Balance Appropriation	0	485,000	485,000	NA
Net Total	840,520	1,363,405	522,885	62.2%



Expenditures

Notable changes in expenditures are as follows.

- 1) Implementation of Phase I of the revised Pay and Classification Market Study is the top priority.
- 2) The total number of full time Stormwater Fund employees remains at 3.
- 3) Debt service spending is reduced by \$29,700 due to debt retirement.
- 4) Operating costs decrease by \$93,000.
- 5) Capital costs increase by \$485,000 for a one time expenditures targeted toward stormwater repair and replacement projects throughout the City.

Revenue Source	Budget 21-22	Budget 22-23	Amount Change	% Change
Personnel	235,400	261,400	26,000	11.0%
Operating	556,120	462,875	-93,245	-16.8%
Debt Service	49,000	19,300	-29,700	-60.6%
Capital	0	485,000	485,000	NA
Allocations	0	134,830	134,830	NA
Total	840,520	1,363,405	522,885	62.2%



KEY CHALLENGES / OPPORTUNITIES FOR FY 2021-22

Challenges

The most important challenges faced by the City as a whole revolve around two key issues. The first is the need to continue to capitalize and increase on the momentum the City currently has in attracting quality outside investment from the private sector. This investment is essential for the short and long term health of the City. Investment means jobs, increases tax receipts, and increases in utility receipts. The City's challenge is to attract development which includes residential, commercial and industrial. This includes areas currently outside the city where infrastructure is now available but also the redevelopment of neighborhood and commercial areas around the center city. The City will need to be aggressive in attracting new business development within the Washburn Switch Business corridor, commercial development along and adjacent to the existing US 74 corridor and new residential development that must also continue to focus on redevelopment of areas in the urban core now characterized by vacant lots and boarded up houses. A continuation of the minimum housing code will continue but at some point the City will need a path forward in attracting private investment to areas such as West Shelby, Chestnut Street, South Lafayette Street and Northeast Shelby. If successful with these efforts the pressure on the tax and utility rates can be lessened somewhat in the future.

Another key challenge is to retain and attract high quality employees. The proposed implementation of Phase I of the revised Pay and Classification Market Study in this budget takes another significant step toward a more competitive wage environment for our employees. As you all know our employees are the City's most important asset in service delivery. They are essential when it comes to protecting the public safety and providing the excellent service our citizens have come to expect. As growth in private investment occurs the City must be willing to increase wages proportionately or face losing our best employees to other employers. However, it seems that retention of positions classifications that include manual labor and equipment operation will continue to be difficult given the contraction of this labor pool. We will continue to evaluate the labor market and make recommendations in future budgets to take both proactive and sometimes reactive steps in this regard.

Opportunities

The implementation of key infrastructure upgrade projects in the past 5 years such as the Water Treatment Plant modernization project, the Wastewater Treatment Plant biosolids, construction of shell buildings #3 and #4, the various water, sewer, electric and natural gas projects that will further improve service throughout the City and the industrial areas are all integral opportunities for the City to continue to see residential, commercial and industrial growth that will bring population growth, high quality jobs and tax base expansion.



Office of the City Manager

Another opportunity comes in the form of the proposed Rail Trail Project. While not funded in this budget the City continues to plan for and seek grant and private funding. The Rail Trail Project has the potential to be transformational (for transportation, residential and commercial redevelopment and economic development) in various parts of the City. This project has garnered significant private and public funding support of nearly \$9,000,000. The City will receive word on a \$25 million USDOT RAISE grant to be used toward construction of the entire project from Sunset Cemetery to the SC state line in July. If fully funded a separate project budget ordinance will be presented to City Council for consideration at a later date.

Finally, there continue to be opportunities to attract visitors and visitor spending to our community through a variety of events and venues. The American Legion World Series, the Earl Scruggs Center, Don Gibson Theatre, City Park, Hanna Park and the First Broad River Trail System. Visitor travel and the associated spending must continue to be a part of our overall economic development strategy.

There are ongoing opportunities for the City to continue to partner with Cleveland County through our continued industrial shell building program, future recreation initiatives such as the Rail-Trail and other quality of life issues where there is general agreement.

CONCLUSION

The FY 2022-23 budget proposal continues the current level of service provided by the City's many departments. I still see challenges but given the current improvements in the economy our successes should hearten the outlook toward the future. It is my hope and expectation that the City staff and employees are up to the challenge of continuing the high quality service provided to our citizens. Basic services have been maintained and this should be our focus. While this budget is proposed by the City Manager, it is neither final nor is it necessarily a reflection of what will be approved by the City Council. The Mayor and City Council will review these recommendations to arrive at what you consider the proper expenditure of the available revenues for the upcoming year. A public hearing on the proposed budget is scheduled for Monday, June 6th. The budget covering all funds for the fiscal year beginning July 1, 2022 is balanced and presented to the Honorable Mayor and City Council for your thoughtful consideration at this time.

Respectfully submitted,

Rick Howell
City Manager

**NOTICE OF PUBLIC HEARING
CITY OF SHELBY, NORTH CAROLINA
PROPOSED FISCAL YEAR (FY) 2022-2023 BUDGET**

Notice is hereby given that in accordance with the provisions of North Carolina General Statute 159-12, the proposed budget for the fiscal year beginning July 1, 2022, for the City of Shelby has been submitted to the Mayor and Council and will be available on the City of Shelby's website at www.cityofshelby.com for access and review.

The public hearing will be held on Monday, June 6, 2022, at City Hall located at 300 South Washington Street, Shelby, NC. Public comments will be accepted by mail or by email from the date of this notice through Monday, June 6, 2022, at 3:00 p.m. Mailing address is P.O. Box 207, Shelby, North Carolina 28151-0207. Emails may be sent to carol.williams@cityofshelby.com.

The public hearing is being held for the further purpose of complying with the requirements of North Carolina General Statute §158-7.1 (c) by receiving public comments on the proposed allocation of funds for economic development purposes. Said funds will be utilized to pursue, including but not limited to, programmatic design, product development, and the expansion of sites and building inventory in Cleveland County. The City of Shelby will continue to promote development and infrastructure improvements in Cleveland County and, where appropriate will help facilitate due diligence on potential properties.

Agendas can be accessed via the City's website at www.cityofshelby.com. Questions about this notice should be directed to the City Clerk at 704 669-6588.

Updated: Thursday, May 19, 2022; Effective for Shelby City Council Meeting of Monday, June 6, 2022

CITY OF SHELBY
FY 2022-23 BUDGET ORDINANCE
ORDINANCE NO. 34-2022

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

Sec. 1) The following amounts are hereby appropriated in the General Fund for the operation of City Government and its activities for the fiscal year beginning July 1, 2022 and ending June 30, 2023 in accordance with the chart of accounts heretofore established for this City:

Governing Board	\$59,104
Administration	640,869
Finance	777,398
Purchasing	81,240
Human Resources	436,873
Customer Service	114,438
Information Systems	610,864
Meter Services	795
Garage	571,222
City Hall	108,450
Police	8,602,300
Communication	873,400
Fire	5,519,120
Building Inspections	424,050
Streets	1,334,500
Airport	483,850
Solid Waste	2,017,910
GIS	104,003
Planning Services	573,590
Special Appropriations	3,024,520
Parks & Recreation	1,910,050
Maintenance Grounds & Cemetery	<u>1,745,725</u>
Total	<u>\$30,014,271</u>

Sec. 2 It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Property Taxes	\$ 13,615,000
Local Option Sales Tax	6,000,000
Other Taxes	42,000
Unrestricted Intergovernmental Revenues	2,310,000
Restricted Intergovernmental Revenues	67,000
Permits and Fees	410,700
Sales & Services	3,065,700
Investment Revenues	20,000
Other Financing Sources	1,091,037
Fund Balance	92,834
Transfers	<u>3,300,000</u>
Total	<u>\$30,014,271</u>

Sec. 3) The following amounts are hereby appropriated in the Powell Bill Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Construction	\$ 505,925
Street Maintenance	157,475
Debt Service	<u>15,600</u>
Total	<u>\$ 679,000</u>

Sec. 4) It is estimated that the following revenues will be available to the Powell Bill Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Powell Bill	\$ 652,000
Interest Income	1,000
Proceeds from Financing	26,000
Fund Balance	<u>0</u>
Total	<u>\$ 679,000</u>

Sec. 5 The following amounts are hereby appropriated in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Emergency Telephone System	107,000
Total	<u>\$ 107,000</u>

Sec. 6) It is estimated that the following revenues will be available to the Emergency Telephone System Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

911 Revenues	107,000
Fund Balance Appropriated	<u>0</u>
Total	<u>\$ 107,000</u>

Sec. 7) The following amounts are hereby appropriated in the Economic Development Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Services	<u>\$ 711,250</u>
Total	<u>\$ 711,250</u>

Sec. 8) It is estimated that the following revenues will be available to the Economic Development Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

MSD Property Taxes	\$ 129,750
Local Occupancy Tax	200,000
Investment Revenues	2,500
Other Income	2,000
Transfers	377,000
Fund Balance Appropriated	<u>0</u>
Total	<u>\$ 711,250</u>

Sec. 9) The following amounts are hereby appropriated in the Housing Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Conventional	<u>\$ 2,485,707</u>
--------------	---------------------

Total \$ 2,485,707

Sec. 10) It is estimated that the following revenues will be available to the Housing Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Subsidies	\$ 617,542
HUD CFP Income	970,438
Rent Income	650,000
Other Income	8,000
Fund Balance	<u>239,727</u>
Total	<u>\$ 2,485,707</u>

Sec. 11) The following amounts are hereby appropriated in the Cemetery Perpetual fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Fund Balance Increase	30,000
Total	<u>\$ 30,000</u>

Sec. 12) It is estimated that the following revenues will be available to the Cemetery Perpetual Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Cemetery Fees	30,000
Total	<u>\$ 30,000</u>

Sec. 13) The following amounts are hereby appropriated in the Water Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Administration	\$ 3,205,592
Line Operation	1,003,420
Plant	<u>2,161,505</u>
Total	<u>\$ 6,370,517</u>

Sec. 14) It is estimated that the following revenues will be available to the Water Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Fees	\$ 6,044,000
Proceeds From Financing	80,000
Fund Balance	225,417
Other Income	<u>21,100</u>
Total	<u>\$ 6,370,517</u>

Sec. 15) The following amounts are hereby appropriated in the Sewer Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Administration	\$ 2,990,308
Line Operation	1,187,660
Plants	<u>2,443,132</u>
Total	<u>\$6,621,100</u>

Sec. 16) It is estimated that the following revenues will be available to the Sewer Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Fees	\$ 6,327,000
Other Income	25,100
Proceeds From Financing	269,000
Fund Balance	<u>0</u>
Total	<u>\$ 6,621,100</u>

Sec. 17) The following amounts are hereby appropriated in the Electric Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Administration	\$ 2,854,131
Purchase/Generation	14,125,474
Line Operation	<u>3,826,395</u>
Total	<u>\$20,806,000</u>

Sec. 18) It is estimated that the following revenues will be available to the Electric Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Fees	\$20,200,000
Proceeds From Financing	200,000
Other Income	16,000
Fund Balance	<u>390,000</u>
Total	<u>\$20,806,000</u>

Sec. 19) The following amounts are hereby appropriated in the Gas Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Administration	\$ 4,487,212
Gas Purchases	17,010,000
Line Operation	<u>2,657,535</u>
Total	<u>\$24,154,747</u>

Sec. 20) It is estimated that the following revenues will be available to the Gas Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Fees	\$24,073,747
Other Income	16,000
Proceeds From Financing	65,000
Fund Balance	<u>0</u>
Total	<u>\$24,154,747</u>

Sec. 21) The following amounts are hereby appropriated in the Stormwater Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Administration	1,363,405
Total	<u>\$ 1,363,405</u>

Sec. 22) It is estimated that the following revenues will be available to the Stormwater Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Fees	\$ 878,405
Proceeds From Financing	0
Fund Balance	<u>485,000</u>
Total	<u>\$ 1,363,405</u>

Sec. 23) That the revenues and expenditures set forth in Section 1 through Section 20 of this ordinance are hereby summarized as follows:

General Fund	\$30,014,271
Powell Bill Fund	679,000
Emergency Telephone System	107,000
Economic Development Fund	711,250
Housing Fund	2,485,707
Cemetery Perpetual Fund	30,000
Utilities-Water Fund	6,370,517
Utilities-Sewer Fund	6,621,100
Utilities-Electric Fund	20,806,000
Utilities-Gas Fund	24,154,747
Utilities-Stormwater Fund	<u>1,363,405</u>
Total	\$93,342,997
Less Interfund Transfers	<u>3,677,000</u>
Total FY 2022-23 Budget	<u>\$89,665,997</u>

Sec. 24) There is hereby levied a tax at the rate of fifty-one and seventy-five one hundredths cents (\$0.5175) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2022 for the purpose of raising the revenue listed as property taxes in the General Fund in Section 2 of this ordinance. This rate is based on an estimated total valuation of property for the purposes of taxation of \$2,628,500,562 and an estimated collection rate of 98.34%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2021-22.

- Sec. 25) There is hereby further levied an additional tax at the rate of twenty-five cents (\$0.25) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2022 within the boundaries of the Uptown Shelby Municipal Service District for the purpose of raising the revenue listed as uptown district tax in the Economic Development Fund in Section 8 of this ordinance. This rate is based on an estimated total valuation of property for the purposes of taxation of \$52,196,029 and an estimated collection rate of 99.41%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2021-22.
- Sec. 26) Copies of the Budget Ordinance shall be furnished to the City Manager (Budget Officer) and Finance Officer to be kept on file by them for their direction in the collection and disbursement of funds. Said officials are hereby authorized to receive and expend funds as herein set forth in accordance with the Shelby City Code and the General Statutes of the State of North Carolina.
- Sec. 27) The following authorizations and restrictions shall apply to the adoption and enactment of this budget:
- A. The City Manager shall be authorized to reallocate departmental appropriations among the various objects of expenditure as he believes necessary.
 - B. The City Manager shall be authorized to effect interdepartmental transfers in the same fund not to exceed ten percent (10%) of the appropriated monies for the department whose allocation is reduced.
 - C. The City Manager shall be authorized to effect transfers between capital projects that are budgeted in the same capital project fund.
 - D. The City Manager shall be authorized to transfer any remaining balances from any Capital Project upon its completion to the corresponding reserve fund. Interfund transfers from operating funds shall be accomplished by City Council authorization only.
 - E. The budget adopted herein may be amended to reflect encumbrance balances for expenditures properly committed but unpaid at the end of the prior fiscal year and increasing fund balances appropriated by a similar amount.

Adopted and Approved this the 6th day of June 2022.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

CITY OF SHELBY
FY 2022-23 SUPPLEMENTAL BUDGET ORDINANCE
ORDINANCE NO. 35-2022

WHEREAS, in accordance with applicable provisions of the North Carolina Local Government Budget and Fiscal Control Act, the City of Shelby has enacted the FY 2022-23 Budget Ordinance, providing for the annual operating budget of the City for the stated fiscal year; and,

WHEREAS, in support of enactment of the subject Budget Ordinance various legislative actions are necessary and required of the Shelby City Council to effectively implement the City's budget plan; and,

WHEREAS, City Council now desires to act on the needed measures as referenced herein in accordance with said Fiscal Control Act, applicable provisions of the North Carolina General Statutes, and appropriate sections of the Shelby City Code;

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

Section 1. The following actions are hereby adopted and approved in support of the City's FY 2022-23 Budget and the continued financial operations of the City subsequent thereto:

- a) The number of full-time positions authorized for employment by the City is confirmed as set forth in the Personnel Summary for a total of 344 positions. See Attachment A.
- b) During FY 2022, several positions were reclassified and must now be ratified as presented in the Reclassification Summary. See Attachment B.
- c) The City's fee schedule effective July 1, 2022 is attached.

Section 2. The City Manager (Budget Officer) and Finance Director of the City are hereby authorized and directed to cause the provisions of Section 1 of this ordinance to be properly implemented in accordance with applicable provisions of law and the policies of the City of Shelby. Further, the City Manager is authorized to delegate, as may be appropriate, the responsibility for logistical implementation and administration of the various components of this supplemental budget ordinance. All provisions of the Shelby City Code, the City of Shelby Fee Schedule, related City policies, and any other applicable documents of the City, revised or modified by the provisions of this ordinance, are hereby affirmed and authorized for revision and recording where needed or required.

Section 3. This ordinance shall become effective with its adoption and approval, while all applicable budgetary authorizations subject to fiscal year requirements set forth herein are to be effective on July 1, 2022.

Adopted and Approved this the 6th day of June 2022.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

Attachment A
Personnel Summary

**FY 2022-
2023**

General Fund

Mayor/Council	
Administration	6.00
Finance	5.00
Purchasing	3.00
Human Resources	4.00
Customer Service	10.00
Information Services	2.00
Meter Services	5.00
Garage	10.00
City Hall	
Police	89.00
Fire	56.00
Building/Zoning	3.00
Streets	10.00
Airport	1.00
Sanitation	16.00
GIS	3.00
Planning	6.00
Parks & Recreation	8.00
Park Maintenance	18.00

Total General Fund 255.00

Powell Bill 1.00

Housing 8.00

Utilities

Water	20.00
Sewer	22.00
Electric	16.00
Gas	19.00
Stormwater	3.00

Total Utilities 80.00

Total Personnel 344.00

New or Amended Job Classification Summary

DEPARTMENT	PREVIOUS JOB TITLE	PREVIOUS PAY GRADE & MINIMUM OF SCALE	AMENDED or NEW JOB TITLE	NEW PAY GRADE & MINIMUM OF SCALE
Water Resources	Field Operations Technician I	Grade 12 Min = \$14.38	Field Operations Technician II	Grade 14 Min = \$15.85
	Field Operations Technician I	Grade 12 Min = \$14.38	Field Operations Technician II	Grade 14 Min = \$15.85
Water Resources	Environmental Services Technician	Grade 16 Min = \$17.47	Plant Mechanic	Grade 15 Min = \$16.64
	Director of Engineering Services	Grade 33 Min = \$40.05	Assistant City Manager Infrastructure	Grade 35 Min = \$44.15
Administration	Administrative Assistant	Grade 13 Min = \$15.09	Executive Assistant/Deputy Clerk	Grade 15 Min = \$16.64

CITY OF SHELBY FEES SCHEDULE



Adopted: June 6, 2022
Effective: July 1, 2022

Prior Revisions:

July 1, 2022	Annual
November 15, 2021	Elec & Gas
August 16, 2021	Cust. Serv.
July 19, 2021	Water
July 1, 2021	Annual
March 1, 2021	Electric
February 1, 2021	Park Tourn.
July 1, 2020	Annual
July 1, 2019	Annual
February 4, 2019	Hanna Park
July 1, 2018	Annual
July 1, 2017	Annual
March 21, 2017	Golf
November 1, 2016	Gas
October 1, 2016	Electric
July 1, 2016	Annual

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Effective July 1, 2022
Replaces schedule effective 7/1/2019

SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT

<u>SERVICE</u>	<u>FEE</u>
Fuel (Av-Gas 100LL and Jet-A with Prist)	Posted price in terminal is adjusted with market pricing
<u>Aircraft Hangar Rental (50'x75' or 100'x100' Box Hangar)</u>	
Single Engine	Monthly \$200.00
	Daily \$25.00
Twin Engine	Monthly \$300.00
	Daily \$50.00
Turbine Engine (Less than 10,000 lbs.)	Monthly \$500.00
	Daily \$75.00
Turbine Engine (Greater than 10,000 lbs.)	Monthly \$750.00
	Daily \$100.00
<u>Aircraft Hangar Rental (T-Hangar)</u>	
Single T-Hangar Unit (41'6" Door)	Monthly \$250.00
	Daily \$30.00
Single T-Hangar Unit (44'6" Door)	Monthly \$275.00
	Daily \$35.00
T-Hangar Storage (with Bay Door)	Monthly \$250.00
T-Hangar Storage (without Bay Door)	Monthly \$200.00

Aircraft Tie Down	Monthly	\$45.00
	Daily	\$10.00
Vehicle Parking Fees	Monthly	\$20.00
(Applies to approved automobiles left on airport premises)		
After Hours Call Out (1 hour minimum charge)		\$45.00 per hour
Ground Power Unit (GPU)	1-4 hours	\$40.00
	Each additional hour	\$10.00
(GPU fee waived for 1-4 hours with a 100 gallon fuel purchase)		

Conference Room Rental Rate

\$20.00 hourly up to 4 hours. After 4 hours \$100.00 per day.

(Use of catering area additional \$25.00 per day).

(Electronic Equipment Usage additional \$25.00 per day)



Effective July 21, 2022
Replaces schedule effective 7/20/2020

MISCELLANEOUS FEES

Special Event Application	\$20.00 per event
Copy of Police Accident Report	\$1.00 each
Fingerprint Card	\$5.00 per card
Additional or New Roll Out Sanitation Cart Delivered	\$70.00 76.37 per cart
Sidewalk Café Permit	\$50.00 per year
Sidewalk Vendor/Temporary Food Establishment	\$50.00 per year
Taxi Cab Permits	\$15.00 per initial permit \$10.00 per renewal permit
Public Records Requests – copies *	\$.25/page
Public Records Special Service Charges *	\$33.00/hour in excess of 4 hours

*Prepayment of fees is required if estimated costs will exceed \$100



Effective February 1, 2021
Replaces schedule effective 7/1/2020

PARK & RECREATION FEES

Youth Athletic Programs User Fees

Sport	City/Other
Basketball	\$25/\$50
Softball	\$25/\$50
Baseball	\$25/\$50
Baseball/Softball Second Season	\$25/\$50
If played summer	\$10
Football	\$50
Cheerleading	\$25/\$50
Tennis Lessons	\$20/\$35 (2 weeks)

Youth Athletic Admission Fees

Sport	Fee
Football Games	\$1.00
Basketball Games	\$.50
Baseball Tournament Games	\$2.00 Adult \$1.00 Student

Adult Athletic Program User Fees

Sport	City/Other
Softball	\$10/\$25
Basketball	\$10/\$25
Adult Golf Lessons	\$40/\$60 hourly

Aquatics Fees

Program/Use	City/Other
Youth Daily	\$3.00 All
Adult Daily	\$4.00 All
Senior Daily	\$3.00 All
Youth Summer Pass	\$50/\$100
Adult Summer Pass	\$60/\$120
Senior Summer Pass	\$50/\$100
Family Summer Pass	\$150/\$300
Group Lessons	\$20/\$30 (2 weeks)
One on One Lessons	\$30/\$40 (2 weeks)
Mom & Tots	\$30/\$40 (2 weeks)
Lap Swim	\$2.00/\$3.00

Aerobics

	City/Other
Land Aerobics & Zumba	\$15/\$25 per month
Water Aerobics	\$2/\$3 per day

Amusements

	Fees
Carrousel	50 cents
Train	50 cents

Summer Day Camp

	City/Other
Base Fee	\$90/\$120 Per Week
Holly Oak Summer Activity Program	\$25/\$35 Per Week

Facility Rental Fees**

	City/Other
City Park Gym (no admission charged)	\$25/\$40 per hour – 3 hr. minimum
City Park Gym (admission charged)	\$40/\$50 per hour – 3 hr. minimum
Holly Oak Gym (no admission charged)	\$25/\$40 per hour – 3 hr. minimum
Holly Oak Gym (admission charged)	\$40/\$50 per hour – 3 hr. minimum
City Pavilion	\$40 per hour – 3 hr. minimum
Aquatics Center	\$100/\$150 per hour – 2 hr. minimum
Aquatics Party Area	\$15/\$25 per hour – 2 hr. minimum
Aquatics Conference Room	\$20/\$30 per hour
Carrousel	\$60/\$75 per hour – 2 hr. minimum
Train	\$60/\$75 per hour – 2 hr. minimum
CP Meeting Room	\$20/\$30 per hour
Tennis Courts	\$10/\$20 per hour
Outdoor Volleyball	\$10/\$20 per hour

Croquet Court	\$10/\$20 per hour
Horse Shoe Pits	\$10/\$20 per hour
Thompson Garden	\$75/\$100 per day
Holly Oak Old Center	\$75/\$100 per day
CP Scout Hut	\$75/\$100 per day
Civitan Picnic	\$30/\$50 per ½ day
Jaycee Picnic	\$30/\$50 per ½ day
Holly Oak Picnic	\$30/\$50 per ½ day
Optimist Park Picnic	\$30/\$50 per ½ day
Sports field (hour) – Non-tournament	\$25/\$40 per hour
Sports field (full day) – Non-tournament	\$150/\$200 per day
Sports field (weekend) – Non-tournament	\$300/\$400 Sat & Sun
Sports field Lights (hour) – Non-tournament	\$10/field per hour
Dogwood Shelter	\$30/\$50 per ½ day
Willow Oak Shelter	\$30/\$50 per ½ day
Cherry Shelter	\$30/\$50 per ½ day
Crepe Myrtle Shelter	\$30/\$50 per ½ day
Elm Shelter	\$30/\$50 per ½ day
Deer Track Shelter	\$30/\$50 per ½ day
Magnolia Pavilion	\$20/\$30 per hour – 3 hr. minimum

** Other fees may be applicable depending on the type of event being held.

Tournament Fees	Day 1	Day 2
One Sports Field	\$200	\$150
Two Sports Fields	\$250	\$200
Three Sports Fields	\$375	\$300
Four Sports Fields	\$500	\$400
Five Sports Fields	\$625	\$500
Six Sports Fields	\$750	\$600
Seven Sports Fields	\$875	\$700

Includes:

Initial Field Preparation

Lights

One Staff person

Additional Fees:

Additional Field Preparation \$25/field

Additional Staff \$18/hour

Security \$25/hour

Hourly Rental \$25/hour

- 20 or more teams = 20% discount of Total Fee

Cemetery Fees	City/Other
Lot	\$700/\$1,400

Golf	City/Other
	Effective July March 21, 201722
	Replaces prior fees effective 37-21-20167

Daily Fee Pricing:

Green Fee Weekdays – daily	\$9/\$11
Green Fee Weekends & Holidays - daily	\$11/\$13
Cart Weekdays – 9 holes	\$5
Cart Weekdays – 18 holes	\$9
Cart Weekend & Holidays – 9 holes	\$5
Cart Weekend & Holidays – 18 holes	\$9

Membership Fee Pricing:

Rounds:	City/Other
Unlimited Annual Rounds	\$300/\$440 \$375
Unlimited Family	\$500/\$640
Player Card	\$40/\$60 delete
Player Card Discount	\$2 off Green Fees delete

Lessons and Classes:

Adult Golf Lessons	\$20/\$30 hourly
Youth Golf Lessons	\$15/\$25 hourly
First Tee	\$60 per session

Player Card & Membership Rewards include: ~~delete chart~~

Incentive	20 rounds	40 rounds	60 rounds	80 rounds	100 rounds
Free Rounds	1 free Greens fee	2 free Greens fee	3 Free Cart Fee	5 Free Cart Fee	5 Free Rounds
	Weekday	Weekday	Weekday	Weekday	Weekday

- Play **FREE** on your birthday, includes cart (With Valid ID)
- 14-day advanced tee time reservations
- 1 Free 10 minute lesson included
- 10% discount on merchandise purchases*
- Refer a friend to purchase a ~~Players Card~~ or Full Membership and receive a **FREE** Round of Golf ~~delete reference to players card~~
- ~~\$2.00 off Greens Fee rack rate. (Players Card Only) delete~~



Effective July 1, 2019
Replaces schedule effective 7/1/2014

PERMIT FEES

New Construction Residential & Commercial Building Permits

Cost of total construction at \$115 sq. ft. Commercial or \$85 sq. ft. Residential or the owner's valuation whichever is greater multiplied by 0.004 = the permit fee.

Solar Construction

Permit fee is calculated as \$5 per every \$1,000.00 of project cost or 5% of the project cost.

Renovation Permit	\$100 Base Fee, plus \$.30/sq. ft.
Moving Permit	\$60.00
Demolition Permit	\$60.00
Manufactured Homes	\$300.00
Accessory Structures 400 sq. ft. or less	\$125.00
Accessory Structures 400 sq. ft. or greater	\$200.00
Swimming Pool	\$125.00
Electrical Permit	\$50.00
Plumbing Permit	\$50.00
Mechanical Permit	\$50.00
Gas Piping Permit	\$50.00
Insulation Permit	\$50.00
Re-inspection Fee	\$100.00
Min. Bldg. Permit Fee	\$100.00
Work started without permit	double the normal fee

Minimum Housing fees will consist of all costs accrued by the City of Shelby plus a 30 percent administration charge.

- The Building Inspector will determine building permit fees not listed
- All fees shall be rounded to the nearest dollar amount

Note: Permit fees are for blanket permits that include electrical, plumbing and mechanical.



Effective July 1, 2016
Replaces schedule effective 7/1/2014

PLANNING FEES

<u>PLANNING/ENGINEERING ACTIONS</u>	<u>FEE</u>
Minor Subdivision Review	\$50.00
Major Subdivision Review	\$50.00 + \$1 per lot
Stormwater Review > 1 acre	\$250.00
Site Plan Review > ½ acre	\$250.00
Site Plan Review < ½ acre	\$50.00
10%/70% Watershed Development	\$50.00
General Use Rezoning	\$500.00
Conditional District Rezoning	\$500.00
Conditional Use Permits	\$500.00
Special Use Permit	\$500.00
Zoning Verification Letter	\$20.00
Zoning Permit—Use By Right	\$60.00
Variances	\$500.00
Signs - 0-32 SF	\$25.00
All other signs	\$60.00
Annexation Requests	\$500.00
Street Closings	\$750.00
Curb Cut	\$5 per 12 foot section
Copies of the UDO	\$20.00
Sidewalk Café	\$50.00
Sidewalk Vendor	\$50.00
Right-Of-Way Encroachment Permit Application	\$50.00

Nuisance Abatement fees will consist of all costs accrued by the City of Shelby including administrative time.



Effective July 1, 2015
Replaces schedule effective 7/1/2014

REGULATORY FEES

Beer, Malt Beverages, Wines:

On-premises malt beverage	\$15.00
Off-premises malt beverage	\$5.00
On-premises unfortified wine, on-premises fortified wine, or both	\$15.00
Off-premises unfortified wine, on-premises fortified wine, or both	\$10.00

The tax for each additional license of the same type issued for the same year is one hundred ten percent (110%) of the base license tax, that increase to apply progressively for each additional license.

Peddlers

On Foot	\$10.00
With Horse or Other Animal	\$15.00
With a Motor Vehicle	\$200.00
1. Vehicle over one-half ton	\$100.00
2. Vehicle one-half ton size or less	\$25.00
Fruit and Produce, per vehicle	\$12.50
Other types, per vehicle	\$25.00

Dealer/Purchase of Precious Metals

Precious Metals Dealer Permit	\$180.00
Certificate of Compliance for Employees	\$10.00
Special Occasion Permit	\$180.00
Dealer Permit Renewal Fee	\$180.00
Employee Certificate Renewal Fee	\$3.00



Effective July 1, 2020 22
 Replaces schedule effective 7/1/2018 20

SOLID WASTE FEES

<u>Service:</u>	<u>Monthly Fee:</u>
R-1x1 - One Cart Picked Up Once a Week	\$12.13 \$13.23
R-2x1 - Two Carts Picked Up Once a Week	\$23.48 \$25.62
R-3x1 - Three Carts Picked Up Once a Week	\$39.72 \$43.33
R-4x1 - Four Carts Picked Up Once a Week	\$55.68 \$60.75
R-2x2 - Two Carts Picked Up Twice a Week	\$57.63 \$62.87
R-3x2 - Three Carts Picked Up Twice a Week	\$88.61 \$96.67
R-4x2 - Four Carts Picked Up Twice a Week	\$123.28 \$134.50
R-4x3 - Four Carts Picked Up Three times a Week	\$228.73 \$249.54
 <u>Miscellaneous Charges:</u>	
Replace 96-Gallon Rollout Can	\$70.00 \$76.37

The City of Shelby does not currently charge residential customers a monthly fee for additional rollout trash receptacles. This will be evaluated over the next 12 months and residential customers with more than 1 rollout receptacle will be contacted regarding options once the evaluation is complete.



Effective August 16, 2021
Replaces schedule effective July 1, 2021

CUSTOMER SERVICE FEES

SERVICE	8:00 AM TO 4:00 PM	WEEKEND, HOLIDAY & AFTER 4:00 PM
Service Call**	N/C	\$60.00
New Customer Service **	N/C	\$60.00
Returned Check	\$25.00	N/A
Non-Pay Collection Charge***	\$50.00	N/A
Non-Pay Reconnect **	N/C	\$60.00
Late Payment Fee	\$10.00	N/A
Remove or Lock Meter	\$40.00	N/A
Meter Interference (Per GS § 14-151)	Criminal or Civil Action, including felony or the greater of triple losses or \$5,000.00	
Damage to City-issued utility equipment/meters	Fee = Replacement cost of equipment	
Unauthorized Meter Access/Unsafe Meter Use	\$125.00 per occurrence	
Disconnect ELECTRIC Service at Riser	\$60.00	\$125.00
Reconnect ELECTRIC Service at Riser	\$60.00	\$125.00
Disconnect ELECTRIC Service at Pole	\$60.00	\$125.00
Reconnect ELECTRIC Service at Pole	\$60.00	\$125.00
Temporary ELECTRIC Service	N/A	N/A
First Meter Test	N/C	N/A
2nd Request Test (within 12 months)	\$40.00	N/A
First Utility Bill Reprint	N/C	N/A
2 nd Utility Bill Reprint (within 12 months)	\$1.00	N/A
Meter Test (if tampering is involved)	\$40.00	N/A
Reset GAS Meter	\$40.00	N/A
Relocate GAS Service	\$5.00/ft - \$100 min.	N/A
Upgrade GAS Service from inches to LBS	Residential = \$75.00 Commercial=actual cost	N/A
N/C = no charge N/A = not available or applicable		Original schedule effective June 1, 2008

** Service calls to reconnect services will not be performed after 10 PM

***The City will waive one (1) Collection Charge as a courtesy in a 24-month period.



Effective July 1, 2012

UTILITY DEPOSITS

WATER

Residential	\$30.00
Commercial/Industrial	Two (2) months estimated bill - peak usage months

SEWER

Residential	\$30.00
Commercial/Industrial	Two (2) months estimated bill - peak usage months
Residential Sewer Only (no other utility services on account)	\$60.00
Commercial Sewer Only (no other utility services on account)	Two (2) months estimated bill - peak usage months

ELECTRIC

Residential	\$120.00
Commercial/Industrial	Two (2) months estimated bill – peak usage months

GAS

Residential	\$140.00
Small Commercial	\$140.00
Large Commercial/Industrial	Two (2) months estimated bill – peak usage months

If a social security number or federal tax ID number is not provided, the required deposit will be twice the scheduled amount.



Schedule RESCTY
Effective July 19, 2021 22
Replaces schedule effective 7/19/2021

RESIDENTIAL WATER SERVICE (CITY)

AVAILABILITY

Metered water service will be provided to consumers within the City limits of Shelby for residential use, where access to existing facilities is feasible.

RATE

Customer Charge Per Consumption Unit \$14.85 ~~\$14.25~~ per billing period

Volume Charge (per 1,000 gallons used per billing period) \$2.45 ~~\$2.55~~

The minimum bill is the Customer Charge.

CONDITIONS

New service generally requires a separate water meter to serve each dwelling, townhome, duplex, apartment complex, or other such residential consumption unit.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Schedule RESRUR
Effective July 1, 2021 22
Replaces schedule effective 7/1/2018 21

RESIDENTIAL WATER SERVICE (RURAL)

AVAILABILITY

Metered water service will be provided to consumers outside the City limits of Shelby for residential use, where access to existing facilities is feasible.

RATE

Customer Charge Per Consumption Unit	\$29.70	\$27.79 per billing period
Volume Charge (per 1,000 gallons used per billing period)		\$4.90 \$5.10

The minimum bill is the Customer Charge.

CONDITIONS

New service generally requires a separate water meter to serve each dwelling, townhome, duplex, apartment complex, or other such residential consumption unit.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Schedule COMCTY
Effective July 1, 2021 22
Replaces schedule effective 7/1/2018 21

COMMERCIAL WATER SERVICE (CITY)

AVAILABILITY

Metered water service will be provided to consumers within the City limits of Shelby for commercial use, where access to existing facilities is feasible.

RATE

Customer Charge Per Consumption Unit **\$16.55** ~~\$15.90~~ per billing period

Volume Charge

First 15,000 gallons (per 1,000 gallons used per billing period) **\$2.45** ~~2.55~~

All over 15,000 gallons (per 1,000 gallons used per billing period) **\$1.95** ~~2.05~~

The minimum bill is the Customer Charge.

CONDITIONS

New service generally requires a separate water meter to serve each store, shop, office, warehouse, storage building or other such commercial consumption unit.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Schedule COMRUR
Effective July 1, 2021-22
Replaces schedule effective 7/1/2018-21

COMMERCIAL WATER SERVICE (RURAL)

AVAILABILITY

Metered water service will be provided to consumers outside the City limits of Shelby for commercial use, where access to existing facilities is feasible.

RATE

Customer Charge Per Consumption Unit **\$33.10** ~~\$31.01~~ per billing period

Volume Charge

First 15,000 gallons (per 1,000 gallons used per billing period) ~~\$4.90~~ **\$5.10**

All over 15,000 gallons (per 1,000 gallons used per billing period) ~~\$4.10~~ **\$4.30**

The minimum bill is the Customer Charge.

CONDITIONS

New service generally requires a separate water meter to serve each store, shop, office, warehouse, storage building or other such commercial consumption unit.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Schedule IRRCTY
Effective July 1, 2021 ~~22~~
Replaces schedule effective 7/1/2014 ~~21~~

IRRIGATION WATER SERVICE (CITY)

AVAILABILITY

Metered water service will be provided to consumers within the City limits of Shelby for irrigation use, where access to existing facilities is feasible.

RATE

Volume Charge (per 1,000 gallons used per billing period) \$~~2.85~~ \$3.00

CONDITIONS

Irrigation Systems – Commercial and Residential

All irrigation systems installed where water is provided by the City of Shelby must be connected to a separate irrigation meter installed by the City of Shelby. The City of Shelby requires the installation of a backflow assembly prior to the initiation of water service. At a minimum and consistent with the North Carolina Administrative Code “Rules Governing Public Water Systems”, the City of Shelby will require the installation of Reduced Pressure Zone (RPZ) device for adequate water system protection. To inquire about fees and obtaining an irrigation meter, call (704) 484-6866.

Once installed, please contact Customer Services (704) 484-6866 for an inspection of backflow prevention assembly. Once the assembly has passed inspection, the meter will be activated by the City of Shelby Utilities.

An initial test of the Reduced Pressure Principle (RP) backflow assembly and annually thereafter, is required. The customer is responsible for this testing and shall be responsible for submission of the *Backflow Prevention Test and Maintenance Report* to the City within 30 days of testing. All testing must be conducted by a contractor licensed by the State of North Carolina for testing of backflow prevention assemblies. A list of approved testers is available at www.cityofshelby.com/backflow. Testing information shall be forwarded to:

City of Shelby Utilities - c/o Backflow Prevention
824 W Grover St
Shelby, NC 28150

For additional questions regarding the Backflow Prevention program and/or assembly please contact City of Shelby Utilities at backflow@cityofshelby.com.



Schedule LGINDC
Effective July 1, 2021 22
Replaces schedule effective 7/1/2014 21

LARGE INDUSTRIAL WATER SERVICE (CITY)

AVAILABILITY

Metered water service will be provided to consumers within the City limits of Shelby for industrial use, where access to existing facilities is feasible.

RATE

Customer Charge Per Water Consumption Unit **\$360** ~~\$180.00~~ per billing period

Volume Charge (per 1,000 gals used per billing period) **\$1.92** ~~\$1.77~~

CONDITIONS

Large Industrial rate will be provided to industries involved in manufacturing, etc. who use in excess of 10,000,000 gallons per billing period on average.



Schedule LGINDR
Effective July 1, 2021 22
Replaces schedule effective 7/1/2017 21

LARGE INDUSTRIAL WATER SERVICE (RURAL)

AVAILABILITY

Metered water service will be provided to consumers outside the City limits of Shelby for industrial use, where access to existing facilities is feasible.

RATE

Customer Charge Per Water Consumption Unit **\$720.00**~~\$360.00~~ per billing period

Volume Charge (per 1,000 gals used per billing period) ~~\$3.28~~ **\$3.84**

CONDITIONS

Large Industrial rate will be provided to industries involved in manufacturing, etc. who use in excess of 10,000,000 gallons per billing period on average.



Schedule BW-1
Effective July 1, 2021 22
Replaces schedule effective 7/1/2014 21

RESALE (BULK) WATER SERVICE

AVAILABILITY

Resale (Bulk) water service will be provided to customers at the 824 W. Grover Street metered site. Customers must have their own transport vessel.

RATE

Volume Charge (per 1,000 gallons used per billing period) ~~\$5.80~~ **\$6.05**



Schedule WATERG
Effective July 1, 2021 ~~22~~
Replaces schedule effective 7/1/2014 ~~21~~

GOVERNMENTAL WATER SERVICE

AVAILABILITY

Water service under this schedule is available by written contract to governmental authorities to be used for metered resale.

RATE

Volume Charge (per 1,000 gallons used per billing period) \$2.60 ~~\$2.75~~



**Schedule SEWERI
Effective July 1, 2021**

Replaces schedule effective 7/1/2018

SEWER SERVICE (CITY)

AVAILABILITY

Sewer service will be furnished to residential, commercial and industrial customers within the corporate limits of Shelby, where access to existing City facilities is feasible.

RATE

A. **CUSTOMERS RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE**

Customer Charge Per Water Consumption Unit \$20.80 per billing period

Volume Charge (per 1,000 gallons) \$4.50

The Minimum Bill is the Customer Charge.

B. **CUSTOMERS NOT RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE**

Charge negotiated on basis of estimated or measured discharge of wastewater into the sewer system.

Minimum Bill: (1) \$43.10 for estimated discharge of 5,000 gallons or less used per billing period.

 (2) Rate under A. when actual measured discharge is required under D.

C. **CUSTOMERS RECEIVING LOW PRESSURE SEWER PUMP SERVICE**

Customer Charge Per Consumption Unit \$20.80 per billing period

Customer Pump Charge per Consumption Unit \$50.00 per billing period

Volume Charge (Per 1000 gallons used) \$4.50

The Minimum Bill is the Customer Charge.

D. See "Conditions" Paragraph on Reverse Side.

Schedule SEWERI
Effective July 1, 2021

Replaces schedule effective 7/1/2018

CONDITIONS

Sewer service billing for customers who receive all water used from the City's water supply system, is normally based on the entire amount of water metered and delivered by the City.

A customer who uses water received from sources other than the City's water supply system and which water is discharged into the City's sewer system, may be required to install and maintain, without expense to the City of Shelby, an acceptable device, or devices, for measuring the quantity of water received. The customer will pay a sewer service charge for such water discharged into the City's sewer system, as though all such water had been received from the City's water supply system.

A user of the City's water system for residential or commercial use, no part of which reaches the City's sewer system, may avoid the regular sewer charge by having a separate water meter installed to measure water used for this purpose.

In the event that a person or corporation discharging industrial wastes into the City's sewer system produces evidence to the City Manager that more than 10% of the total annual volume of water used for all purposes does not reach the City's sewer, an estimated percentage of total water consumption to be used in computing charges may be agreed upon between the City Manager and the persons discharging industrial wastes into said sewer.

A full sewer service charge will be made for water used to fill swimming pools, wading pools, and storage containers; unless such use is determined, at the time of delivery, by a measuring device other than the installed property water meter.

The Code of Ordinances of the City of Shelby, Chapter 44 Article IV, Sections 44-121 through 44-230, covers restrictions on the discharge of wastes into the City's sewer system and surcharge(s) for the treatment of wastes which are potentially harmful to the system and/or involve extra processing costs.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Schedule SEWERO
Effective July 1, 2021
Replaces schedule effective 7/1/2018

SEWER SERVICE (RURAL)

AVAILABILITY

Sewer service will be furnished to residential, commercial, and industrial customers outside the corporate limits of Shelby, where access to existing City facilities is feasible.

RATE

A. **CUSTOMERS RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE**

Customer Charge Per Water Consumption Unit	\$35.36 per billing period
Volume Charge (Per 1,000 gallons per billing period)	\$7.65

The Minimum Bill is the Customer Charge.

B. **CUSTOMERS NOT RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE**

Charge negotiated on basis of estimated or measured discharge of wastewater into the sewer system.

- Minimum Bill:
- (1) \$73.27 for estimated discharge of 5,000 gallons or less per billing period
 - (2) Rate under A. when actual measured discharge is required under D.

C. **CUSTOMERS RECEIVING LOW PRESSURE SEWER PUMP SERVICE**

Customer Charge Per Consumption Unit	\$35.36 per billing period
Customer Pump Charge per Consumption Unit	\$50.00 per billing period
Volume Charge (Per 1000 gallons per billing period)	\$7.65

The Minimum Bill is the Customer Charge.

D. See "Conditions" Paragraph on Reverse Side.

SCHEDULE SEWERO
Effective July 1, 2021
Replaces schedule effective 7/1/2018

CONDITIONS

Sewer service billing for customers who receive all water used from the City's water supply system, is normally based on the entire amount of water metered and delivered by the City.

A customer who uses water received from sources other than the City's water supply system and which water is discharged into the City's sewer system, may be required to install and maintain, without expense to the City of Shelby, an acceptable device, or devices, for measuring the quantity of water received. The customer will pay a sewer service charge for such water discharged into the City's sewer system, as though all such water had been received from the City's water supply system.

A user of the City's water system for residential or commercial use, no part of which reaches the City's sewer system, may avoid the regular sewer charge by having a separate water meter installed to measure water used for this purpose.

In the event that a person or corporation discharging industrial wastes into the City's sewer system produces evidence to the City Manager that more than 10% of the total annual volume of water used for all purposes does not reach the City's sewer, an estimated percentage of total water consumption to be used in computing charges may be agreed upon between the City Manager and the persons discharging industrial wastes into said sewer.

A full sewer service charge will be made for water used to fill swimming pools, wading pools, and storage containers; unless such use is determined, at the time of delivery, by a measuring device other than the installed property water meter.

The Code of Ordinances of the City of Shelby, Chapter 44 Article IV, Sections 44-121 through 44-230, covers restrictions on the discharge of wastes into the City's sewer system and surcharge(s) for the treatment of wastes which are potentially harmful to the system and/or involve extra processing costs.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Schedule SEWLIN
Effective July 1, 2021
Replaces schedule effective 7/1/2018

LARGE INDUSTRIAL SEWER SERVICE (CITY)

AVAILABILITY

Sewer service will be furnished to consumers within the corporate limits of Shelby, where access to existing City facilities is feasible.

RATE

Customer Charge Per Water Consumption Unit	\$185.20 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	\$2.45

CONDITIONS

Customer must use a minimum of 1,000,000 gallons per billing period to be eligible for this rate.

Sewer service billing for customers who receive all water used from the City's water supply system, is normally based on the entire amount of water metered and delivered by the City.

In the event that a person or corporation discharging industrial wastes into the City's sewer system produces evidence to the City Manager that more than 10% of the total annual volume of water used for all purposes does not reach the City's sewer system, an estimated percentage of total water consumption to be used in computing charges may be agreed upon between the City Manager and the persons discharging industrial wastes into said sewer system.

The Code of Ordinances of the City of Shelby, Chapter 44 Article IV, Sections 44-121 through 44-230, covers restrictions on the discharge of wastes into the City's sewer system and surcharge(s) for the treatment of wastes which are potentially harmful to the system and/or involve extra processing costs.



Schedule SEWLO
Effective July 1, 2021
Replaces schedule effective 7/1/2018

LARGE INDUSTRIAL SEWER SERVICE (RURAL)

AVAILABILITY

Sewer service will be provided to consumers not within the corporate limits of Shelby, where access to existing City facilities is feasible.

RATE

Customer Charge Per Water Consumption Unit	\$314.84 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	\$4.17

CONDITIONS

Customer must use a minimum of 1,000,000 gallons per billing period to be eligible for this rate.

Sewer service billing for customers who receive all water used from the City's water supply system, is normally based on the entire amount of water metered and delivered by the City.

In the event that a person or corporation discharging industrial wastes into the City's sanitary sewer system produces evidence to the City Manager that more than 10% of the total annual volume of water used for all purposes does not reach the City's sewer system, an estimated percentage of total water consumption to be used in computing charges may be agreed upon between the City Manager and the persons discharging industrial wastes into said sewer system.

The Code of Ordinances of the City of Shelby, Chapter 44 Article IV, Sections 44-121 through 44-230, covers restrictions on the discharge of wastes into the City's sewer system and surcharge(s) for the treatment of wastes which are potentially harmful to the system and/or involve extra processing costs.



Schedule SEWERG
Effective July 1, 2021
Replaces schedule effective 7/1/2015

GOVERNMENTAL SEWER SERVICE

AVAILABILITY

Sewer service under this schedule is available by written contract to governmental authorities to be used for metered resale.

RATE

Customer Charge Per Service Connection	\$23.35 per billing period
Volume Charge (per 1,000 gallons used per billing period)	\$6.70

CONDITIONS

Any governmental unit receiving this rate must upon written request from the City of Shelby provide a list of service connections to the sewer lines. The customer charge will be calculated based on the total number of connections to the sewer system.

In existing service where one meter serves more than one consumption unit, each unit will be considered to carry one customer charge per billing period, regardless of individual or aggregate consumption.



Effective July 1, 2021
Replaces schedule effective 7/1/2018

WATER AND SEWER FEE SCHEDULE

WATER FEES:

Tap Size	Tap Fee	Meter Set Fee	Service Fee	Total Cost
3/4"	\$1,100	\$180	\$200	\$1,480
1"	\$1,100	\$270	\$400	\$1,770
1 1/2"	\$1,500	\$735	\$600	\$2,835
2"	\$1,800	\$1,350	\$800	\$3,950
3"	\$350	N/A	\$1,000	\$1,350
4"	\$350	N/A	\$1,500	\$1,850
6"	\$350	N/A	\$3,000	\$3,350
8"	\$350	N/A	\$4,000	\$4,350
Hydrant Relocation				\$2,700

Water Tap Fee

- Water tap fee (for 3/4", 1", 1 1/2", and 2") includes all necessary hardware for connection to existing water mains and service line to customer property (includes meter box.) Meter will be placed on private property immediately outside public right of way.
- Taps to public water infrastructure shall be performed by the City. The City will provide work on all meter and hydrant relocations. Meter relocation fee shall be the same as tap fee.

Meter Set Fee

- For 3/4", 1", 1-1/2", and 2" water services, the meter set fee includes the City providing and installing appropriate water meter.
- For 3", 4", 6", and 8" water services, no meter set fee exists. The contractor/plumber shall provide water meter which has been reviewed and approved by the City of Shelby. (All water meters shall be compatible with the Itron MVRS remote meter reading system.)
- Irrigation systems shall have a separate meter installed (RPZ Backflow is required to be installed and tested at the customer's expense.) All applicable fees will be charged as listed above.

Water Service Fee

- Water service fee is the administrative costs associated with starting of new water service.

Effective July 1, 2021

Replaces schedule effective 7/1/2018

- Water service fees only apply to new services when connecting to the public water supply.

New Subdivision Water Connection

- All public water infrastructure for new subdivisions shall be pre-tapped by the contractor at the time of the public water system extension.
- When taps are installed by the contractor during construction of the public water system extension, tap fees apply to where new water mains are connecting to City’s existing infrastructure.

Pre-Tapped Customer Connection - Water

- Any property that has a pre-tapped connection to the City’s water system will be charged the water meter set and service fee.

Hydrant Relocation Fee

- If it is possible to relocate a hydrant, the hydrant fee will be \$2,700 or actual cost; whichever is greater.

Demolition of Structures - Water

- Properties which have been scheduled for demolition and will be redeveloped will have existing water service disconnected on the customer side of the meter box and the meter box will be removed. The service will remain connected at the main for a period of up to one (1) year from disconnection.
- At the time of disconnection from existing structure to be demolished, the City will inspect the existing service line. If service line is in poor condition (i.e., unapproved material, leaking, etc...) then service will be disconnected at the water main. If construction of a primary structure on the property begins within one (1) year, the City will reinstall tap service line and meter box at no cost to the customer.
- Customer shall begin construction of primary structure within one year of demolition. If construction has not begun at the one-year mark, the City may disconnect the service at the main and require new connection with tap, service and meter fees.

SEWER FEES:

Tap Size	Tap Fee	Service Fee	Total Cost
4"	\$900	\$500	\$1,400
6"	\$900	\$600	\$1,500
8"	\$900	\$2,000	\$2,900
10"	\$900	\$3,000	\$3,900
12"	\$900	\$4,000	\$4,900

Effective July 1, 2021
Replaces schedule effective 7/1/2018

Sewer Tap Fee

- Sewer tap fee includes tap, manhole boot, and roadway repairs for sewer connections in City maintained streets only.
- The customer's plumber/contractor is responsible for sewer service from sewer tap of manhole or sewer main to structure being served.
- Service line replacement will only incur a tap fee. All other costs associated with service line replacement shall be conducted by a licensed plumber at the customer's expense.
- City will perform taps on all existing public sewer mains and manholes.

Sewer Fees for Taps in NCDOT Streets

- Customer shall be responsible for paying all costs associated with connections to the City's sewer system in NCDOT streets. Costs may include boring, excavation, paving overlay, etc...
- The City of Shelby will coordinate work with NCDOT, a contractor (selected by the City) and the customer's plumber.
- Customer will be required to pay the estimated fees to the City prior to work commencing.
- Any cost above and beyond the estimated fees will be billed to the customer upon completion of the work.

Sewer Service Fee

- Sewer service fee is the administrative costs associated with a new sewer service and applies when connecting to the City's sewer system.

New Subdivision Sewer Connections

- All public sewer infrastructure for new subdivisions shall be pre-tapped by the contractor at the time of public sewer extension.
- When taps are installed by the contractor during construction of the public sewer extension, tap fees apply to where new sewer mains are connecting to the City's existing infrastructure.

Pre-tapped Customer Connections - Sewer

- Any property that has a pre-tapped connection to the City's sewer system will be charged the sewer service fee and a connection fee of \$50.00.

Tap Service Fees for Assessment Areas

- Service fees will be calculated in the total project cost assuming 100% connection.
- Connection to clean-out/stub-out in assessment area shall be \$50.00.

Demolition of Structures - Sewer

- Properties which have been scheduled for demolition and will be redeveloped will have existing sewer service capped at the right-of-way or sewer easement and remain connected at the main for a period of up to one (1) year from disconnection.

Effective July 1, 2021

Replaces schedule effective 7/1/2018

- At the time of disconnection from existing structure to be demolished, the City will inspect the existing service line. If service line is in poor condition (i.e., collapsing, unapproved material, etc...) then service will be disconnected at the sewer main/manhole. Customer will then be responsible for tap fee, service fee and new service lateral installed by the customer's licensed plumber.
- Customer shall begin construction within one year of demolition. If construction has not begun at the one-year mark, the City has the right to disconnect the service at the main/manhole and require new connection with tap and service fees.



Effective July 1, 2018²²
 Replaces schedule effective 7/1/2017¹⁸

MISCELLANEOUS WATER AND WASTEWATER FEES

MISCELLANEOUS WATER FEES:

Hydrant Meter Deposits:

Deposit required for Hydrant Flow Meter \$1,500.00

~~Backflow Preventer Testing Charge~~

~~City Staff to perform Backflow Assembly Testing~~ ~~\$60.00~~ delete

MISCELLANEOUS WASTEWATER FEES:

Significant Industrial User (SIU) Fee \$450.00/month

Pretreatment Surcharges:

High Strength BOD (For BOD >250 mg/L) \$0.20 per lb.

High Strength TSS (For TSS >250 mg/L) \$0.15 per lb.

High Strength NH3-N (For NH3-N >15.0 mg/L) \$0.40 per lb.

Additional Pretreatment Fees:

Non-Significant Industrial User Fees

- *Permit Application – Initial Permit Development* No Charge
- *Permit Issuance – Due upon Approval of Permit* \$200.00
- *Annual Permit Renewal/Modification Fee* \$100.00

Effective July 1, 2022
Replaces schedule effective 7/1/2018

Sampling & Miscellaneous Fees

- *Sampling/Monitoring Fees** *Cost to City (Contract Lab)*
- *Toxicity Monitoring (Acute and Chronic)* *Cost to City (Contract Lab)*

****SIU Fees include sampling as outlined by permit. Any additional samples will be billed at cost to the customer. Food Service Establishments requiring testing for Fats, Oils and Grease discharges are included in this category.***

FOG Charges:

<i>Small Customer</i>	<i>0 to 10,000 gals</i>	<i>\$9.52 per month</i>
<i>Medium Customer</i>	<i>10,001 to 50,000 gals</i>	<i>\$14.28 per month</i>
<i>Large Customer</i>	<i>50,001 or greater gals</i>	<i>\$19.04 per month</i>

NOTE: Rate based on water usage per month and can be adjusted accordingly with usage.

Septage Fees:

Septage Load:	\$60.00/Load (Typical load \leq 2500 gallons)	
	\$120.00/Load (Typical load \geq 2500 gallons)	
After Hours Charge:	\$60.00/Load (Typical load \leq 2500 gallons)	
	\$120.00/Load (Typical load \geq 2500 gallons)	
Annual Permit Fee:	\$100.00 *	

NOTE: *Permit will be issued for calendar year and Permit Fee is billed upon initial issuance and every December thereafter.

Low Pressure Sewer System:

New Connections: Low Pressure Pump shall be obtained from the City of Shelby.

Cost = Current pump pricing + 4" sewer tap fee + 4" sewer service fee.



Schedule ERS21
Effective July 1, 2022
 Replaces schedule effective 10/1/2016

RESIDENTIAL ELECTRIC SERVICE

AVAILABILITY

This service is available only to residential customers in residences, condominiums, mobile homes or individually metered apartments.

Charges are calculated as follows:

	Summer (June-September)	Non-Summer (October-May)
Basic Facilities Charge	\$13.13 15.00	\$13.13 15.00
Energy Charges:		
First 500 kWh	\$.10974 0.10645 per kWh	\$.10974 0.10645 per kWh
Next 500 kWh\	\$.10974 0.10645 per kWh	\$.10321 0.10011 per kWh
Over 1,000 kWh	\$.10719 0.10397 per kWh	\$.10005 0.09705 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule ERA20
Effective July 1, 2022
 Replaces schedule effective 10/1/2016

RESIDENTIAL ALL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available only to residential customers in residences, condominiums, mobile homes or individually metered apartments. In addition, all energy required for all water heating, cooking, clothes drying, and environmental space conditioning must be supplied electrically, and all electric energy used in such dwelling must be recorded through a single meter.

Charges are calculated as follows:

	Summer (June-September)	Non-Summer (October-May)
Basic Facilities Charge	\$15.00	\$15.00
Energy Charges:		
First 500 kWh	\$.10974 0.10645 per kWh	\$.10974 0.10645 per kWh
Next 500 kWh\	\$.10586 0.10268 per kWh	\$.10062 0.09760 per kWh
Over 1,000 kWh	\$.10586 0.10268 per kWh	\$.08512 0.08257 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule ELSMW
Effective October 1, 2016
 Replaces schedule effective 7/1/2014

SMALL GENERAL/INDUSTRIAL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available to the non-residential customer with monthly demand of 100kW or less.

Charges are calculated as follows:

	Rate	
Basic Facilities Charge	\$26.00	\$26.00
Minimum Demand: 30 kW		
	Summer (June-September)	Non-Summer (October-May)
Demand Charge:		
First 30 kW	No Charge	No Charge
All kW Over 30	\$ 8.00	\$8.00
Energy Charge:		
For the First 100 kWh per kW Billing Demand per month		
First 3,000 kWh	\$0.13 per kWh	\$0.13 per kWh
All Over 3,000 kWh	\$0.086 per kWh	\$0.081 per kWh
For the Next 200 kWh per kW Billing Demand per Month		
All kWh	\$0.086 per kWh	\$0.081 per kWh
For All Over 300 kWh per kW Billing Demand Per Month		
All kWh	\$0.086 per kWh	\$0.081 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule ESMALL
Effective October 1, 2016
 Replaces schedule effective 7/1/2014

SMALL GENERAL/INDUSTRIAL ALL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available to the non-residential customer with a monthly demand of 100 kW or less in which environmental space conditionings is required and all energy for such conditioning (heating and cooling) is supplied electrically thorough the same meter as all other electric energy used in the establishment. However, if any such establishment contains residential housekeeping units, all energy for all water heating and cooking for such units is also supplied electrically.

Charges are calculated as follows:

	Rate	
Basic Facilities Charge	\$26.00	\$26.00
Minimum Demand: 30 kW		
	Summer (June- September)	Non-Summer (October-May)
Demand Charge:		
First 30 kW	No Charge	No Charge
All kW Over 30	\$ 8.00 per kW	\$8.00 per kW
Energy Charge:		
For the First 100 kWh per kW Billing Demand per month		
First 3,000 kWh	\$0.13 per kWh	\$0.13 per kWh
All Over 3,000 kWh	\$0.086 per kWh	\$0.081 per kWh
For the Next 200 kWh per kW Billing Demand per Month		
All kWh	\$0.086 per kWh	\$0.081 per kWh
For All Over 300 kWh per kW Billing Demand Per Month		
All kWh	\$0.086 per kWh	\$0.081 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule EMLG1
Effective October 1, 2016
 Replaces schedule effective 7/1/2014

MEDIUM/ LARGE GENERAL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available to the non-residential customer whose monthly demand exceeds 100 kW but less than 500 kW in any three months out of twelve consecutive monthly billing periods, including the current billing period.

Charges are calculated as follows:

	Rate	
Basic Facilities Charge	\$50.00	\$50.00
Minimum Demand: 30kW		
	Summer (June- September)	Non-Summer (October-May)
Demand Charge:		
All kW	\$9.76	\$7.94
Energy charge:		
For the First 100 kWh per kW Billing Demand per Month		
All kWh	\$0.072 per kWh	\$0.072 per kWh
For the Next 200 kWh per kW Billing Demand per Month		
All kWh	\$0.072 per kWh	\$0.072 per kWh
For All Over 300 kWh per kW Billing Demand Per Month		
All kWh	\$0.072 per kWh	\$0.072 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule EMLALL
Effective October 1, 2016
 Replaces schedule effective 7/1/2014

MEDIUM/LARGE GENERAL ALL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available to the non-residential customer whose monthly demand exceeds 100 kW in any three months out of twelve consecutive monthly billing periods, including the current billing period, in which environmental space conditioning is required and all energy for all such conditioning (heating and cooling) is supplied electrically through the same meter as all other electric energy used in the establishment. However, if any such establishment contains residential housekeeping units, all energy for all water heating and cooking for such units is also supplied electrically.

Charges are calculated as follows:

	Rate	
Basic Facilities Charge	\$60.00	\$60.00
Minimum Demand: 30kW		
	Summer (June- September)	Non-Summer (October-May)
Demand Charge:		
All kW	\$9.76	\$7.94
Energy charge:		
For the First 100 kWh per kW Billing Demand per Month		
All kWh	\$0.072 per kWh	\$0.0682 per kWh
For the Next 200 kWh per kW Billing Demand per Month		
All kWh	\$0.072 per kWh	\$0.0682 per kWh
For All Over 300 kWh per kW Billing Demand Per Month		
All kWh	\$0.072 per kWh	\$0.0682 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule EMLIND
Effective October 1, 2016
 Replaces schedule effective 7/1/2014

MEDIUM/ LARGE INDUSTRIAL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available only to establishments classifies as “Manufacturing Industries” by the Standard Industrial Classification manual, 1957 or later version, published by the Bureau of Budget, United States Government, and where more than 50% of the electric consumption of such establishment is used for its manufacturing processes whose monthly demand exceeds 100 kW in any three months out of twelve consecutive monthly billing periods, including the current billing period.

Charges are calculated as follows:

	Rate	
Basic Facilities Charge	\$80.00	\$80.00
Minimum Demand: 30kW		
	Summer (June- September)	Non-Summer (October-May)
Demand Charge:		
All kW	\$9.76	\$7.94
Energy charge:		
For the First 100 kWh per kW Billing Demand per Month		
All kWh	\$0.0681 per kWh	\$0.0681 per kWh
For the Next 200 kWh per kW Billing Demand per Month		
All kWh	\$0.0681 per kWh	\$0.0681 per kWh
For All Over 300 kWh per kW Billing Demand Per Month		
All kWh	\$0.0681 per kWh	\$0.0681 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer’s total charges.



Schedule EVLGG
Effective October 1, 2018
 Replaces schedule effective 7/1/2014

VERY LARGE GENERAL ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available to the non-residential customer whose monthly demand is 500 kW or greater in any three months out of twelve consecutive monthly billing periods, including the current billing period.

Charges are calculated as follows:

	Rate	
Basic Facilities Charge	\$150.00	\$150.00
Minimum Demand: 30kW		
	Summer (June- September)	Non-Summer (October-May)
Demand Charge:		
All kW	\$9.76	\$7.94
Energy charge:		
For the First 100 kWh per kW Billing Demand per Month		
All kWh	\$0.0655 per kWh	\$0.0655 per kWh
For the Next 200 kWh per kW Billing Demand per Month		
All kWh	\$0.0655 per kWh	\$0.0655 per kWh
For All Over 300 kWh per kW Billing Demand Per Month		
All kWh	\$0.0655 per kWh	\$0.0655 per kWh

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule ECPEAK & ECPK1
Effective October 1, 2016
Replaces schedule effective 7/1/2014

COINCIDENT PEAK ELECTRIC SERVICE

AVAILABILITY

Electric Service under this rate is available to new commercial or industrial loads which begin receiving service after July 1, 1998. The demand of the new load must equal or exceed 500 kW but be less than 3,000 kW during at least three months of a twelve-month period.

Service under this Schedule shall be used solely by the contracting customer in a single enterprise, located entirely on a single contiguous site or premises.

This Schedule is not available for auxiliary or breakdown service and power delivered hereunder shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the City in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises, and permits for the delivery of such power, and the City shall not be liable to any customer or applicant for power in the event the City is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises, and/or permits.

TYPE OF SERVICE

The City will furnish 60-Hertz service through one meter, at one delivery point, at one of the following approximate voltages where available:

- Single-phase, 120/240 volts; or
- 3 phase, 208Y/120 volts, 480Y/277 volts; or
- 3 phase, 3 wire, 240, 480, 575, or 2400 volts, or
- 3 phase 4160Y/2400, 12470Y/7200, or
- 3 phase voltages other than the foregoing, but only at the City's option, and provided that the size of the Customer's load and the duration of the Customer's contract warrants a substation solely to serve that Customer, and further provided that the Customer furnish suitable outdoor space on the premises to accommodate a ground-type transformer

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective October 1, 2016
Replaces schedule effective 7/1/2014

installation, or substation, or a transformer vault built in accordance with the City's specifications.

The type of service supplied will depend upon the voltage available at or near the Customer's location. Prospective customers should ascertain the available voltage by inquiry at the office of the City before purchasing equipment.

Motors of less than 5 HP may be single-phase. All motors of more than 5 HP must be equipped with starting compensators and all motors of more than 25 HP must be of the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

RATE

	Rate	
Basic Facilities Charge	\$500.00	\$500.00
Minimum Demand: 30kW		
	Summer (June-September)	Non-Summer (October-May)
Demand Charge:		
All kW	\$18.00	\$5.00
Excess Demand	\$3.50 per kW	\$3.50 per kW
Energy charge:		
On-Peak	\$0.05680 per kWh	\$0.04988 per kWh
Off-Peak	\$0.05038 per kWh	\$0.04543 per kWh

DEFINITION OF "MONTH"

The term "month" as used in the Schedule means the period intervening between meter readings for the purposes of monthly billing, such readings being taken once a month.

DETERMINATION OF BILLING DEMAND

Billing Demand shall be the average of the integrated clock hour kW demands measured during the hours of the On-Peak Period on the day identified as the Peak Management Day used by the North Carolina Municipal Power Agency Number 1 (NCMPA1) for wholesale billing purposes during the corresponding month of Customer's billing.

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective October 1, 2016
Replaces schedule effective 7/1/2014

On-Peak Periods:

On-peak periods are non-holiday weekdays during the following times:

June-September	2pm – 6pm
December-February	7am – 9am
All other months	7am – 9am and 2pm – 6pm

HOLIDAYS

The following days of each calendar year are considered holidays:

New Years Day	Labor Day
Good Friday	Thanksgiving Day and the Friday following
Memorial Day	Christmas Day
Independence Day	

In the event that any of the foregoing Holidays falls on a Saturday, the preceding Friday shall be deemed to be the Holiday. In the event any of the foregoing Holidays falls on a Sunday, the following Monday shall be deemed to be the Holiday.

PEAK MANAGEMENT DAYS

Peak Management Days are the days on which NCMPA1 notifies its Participants to activate their peak management programs during On-Peak periods. The Peak Management Day used to establish the city's wholesale billing demand is the one Peak Management Day during the month on which NCMPA1 experienced the greatest average load (determined as the average of NCMPA1's integrated hourly loads during the hours of the On-Peak Period).

EXCESS DEMAND

Excess demand shall be the difference between the maximum integrated clock hour kW demand recorded during the current billing month and the Billing Demand for the same billing month.

NOTIFICATION BY CITY

The City will use diligent efforts to provide advance notice to the Customer of Peak Management Days if requested. However, the City does not guarantee that advance notice will be provided. Notification by the City will be provided to the Customer by direct telephone communications or automatic signal, as mutually agreed. The Customer will hold the City harmless in connection with its response to notification.

DETERMINATION OF ENERGY

The kWh of energy shall be the sum of all energy used during the current billing month as indicated by watt-hour meter readings.

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective October 1, 2016
Replaces schedule effective 7/1/2014

ON-PEAK ENERGY

For billing purposes in any month, On-Peak Energy, in kWh, shall be the metered energy during the On-Peak Energy Period, whereby the On-Peak Energy Period is defined as non-holiday weekdays from 7:00 AM to 11:00 PM.

OFF-PEAK ENERGY

For billing purposes in any month, Off-Peak Energy, in kWh, shall be the metered total monthly energy less the amount of energy billed in that month under On-Peak Energy.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing by the average power factor in percent for that month.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the City for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days prior notice of such termination in writing; but the City may require a contract for a longer original term of years where the requirement is justified by the circumstances.

Applicable Renewable Energy Portfolio Standards (REPS) charges will be added as per the Renewable Energy Portfolio Standards (REPS) Charge schedule.

North Carolina sales tax of 7% shall be added to the customer's total charges for each month, determined in accordance with the above electric rates.



Effective July 1, 2022
Replaces schedule effective 7/1/2021

RENEWABLE ENERGY PORTFOLIO STANDARDS (REPS) CHARGE

APPLICABILITY

The Renewable Energy Portfolio Standards Charge set forth in this Rider is applicable to all customer accounts receiving electric service from the City of Shelby (“City”), except as provided below. These charges are collected for the expressed purpose of enabling the City to meet its Renewable Energy Portfolio Standards compliance obligations as required by the North Carolina General Assembly in its Senate Bill 3 ratified on August 2, 2007.

BILLING

Monthly electric charges for each customer account computed under the City’s applicable electric rate schedule will be increased by an amount determined by the table below:

<u>Customer Type</u>	<u>Monthly Charges</u>		
	<u>Renewable Resources</u>	<u>DSM/Energy Efficiency</u>	<u>Total REPS Charge</u>
Residential Account	\$0.84 0.85	\$0.00	\$0.84 0.85
Commercial Account	\$4.41 4.65	\$0.00	\$4.41 4.65
Industrial Account	\$45.45 47.92	\$0.00	\$45.45 47.92

EXCEPTIONS

Industrial and Commercial Customer Opt-out

All industrial customers, regardless of size, and large commercial customers with usage greater than one million kWh’s per year can elect not to participate in City’s demand-side management and energy efficiency measures in favor of its own implemented demand-side management and energy efficiency measures by giving appropriate written notice to the City. In the event such customers “opt-out”, they are not subject to the DSM/Energy Efficiency portion of the charges above. All customers are subject to the Renewable Resources portion of the charges above.

Auxiliary Service Accounts

The following service schedules will not be considered accounts because of the low energy use associated with them and the near certainty that customers served under these schedules already will pay a per account charge under another residential, commercial or industrial service schedule:

- Outdoor Lighting Service (metered and unmetered)
- Street and Public Lighting Service
- Traffic Signal Service

Applicable North Carolina sales tax will be added to charges under this Rider.



Effective July 1, 2020~~20~~²²

Replaces schedule effective 7/1/2019~~20~~²⁰

ELECTRIC RATE RIDER RECR-1
Renewable Energy Credit Rider

AVAILABILITY

This optional rate rider is available to customers on any City of Shelby (“City”) rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, with or without battery storage, located and utilized at the customer’s primary residence or business. To qualify for this rate rider, the customer must have complied with the City’s Interconnection Standards and have an approved Interconnection Request Form. As part of the Interconnection Request Form approval process, the City retains the right to limit the number and size of renewable energy generating systems installed on the City’s System. The generating system that is in parallel operation with service from the City and located on the customer’s premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City’s applicable renewable energy interconnection interface criteria. Qualified customers must be generating energy for purposes of a “buy-all/sell-all” arrangement to receive credits under this rate rider. That is, the City agrees to buy all and the customer agrees to sell all of the energy output and associated energy from the renewable energy resource. Customers with qualified systems may also apply for NC GreenPower credits or sell Renewable Energy Certificate (“REC”) credits.

All qualifying facilities have the option to sell energy to the City on an “as available” basis and receive energy credits based on the Variable Rates identified in this Rider for the delivered energy.

MONTHLY CREDIT

Avoided Cost Credit Rate** (\$ per kWh):

	<u>Variable</u>
On-Peak energy*	\$0.0287 0.0321
Off-Peak energy	\$0.0105 0.0110

* These energy credits include a capacity component.

**For generation equal to or less than 20 kW the on-peak energy avoided cost credit rate can be applied to all hours.

RENEWABLE ENERGY CREDIT RIDER

Schedule RECR-1

Effective July 1, 2020

Replaces schedule effective 7/1/2019

MONTHLY ENERGY

Monthly Energy shall be the total kWh of energy produced by the generating facility during the current calendar month. All energy produced by the Customer's renewable energy generating system must be delivered to the City, since the city does not offer net metering at this time.

ON-PEAK ENERGY

On-Peak Energy shall be the metered energy during the On-Peak Energy Period of the current calendar month, whereby the On-Peak Energy Period is defined as non-holiday weekdays from 7:00 AM to 11:00 PM EPT.

OFF-PEAK ENERGY

Off-Peak Energy shall be the Monthly Energy less the amount of energy billed as On-Peak Energy.

CONTRACT PERIOD

Prior to receiving service under this Rider, the City and the customer shall have entered either an Interconnection Agreement or executed a Certificate of Completion (inverter-based generators less than 20 kW) and a Power Purchase Agreement which covers the special terms and conditions for the customer's requirements related to the interconnection of the customer's renewable energy generating system.

Each of these agreements shall have a minimum term of one (1) year. Either party may terminate the agreements after one year by giving at least thirty (30) days previous notice of such termination in writing.

GENERAL

Service under this Rider is subject to the provisions of the Service Regulations of the City contained in the City of Shelby Terms of Conditions of Electric Service and Electric Service Regulations.

SPECIAL CONDITIONS

The customer's service shall be metered with two meters, one of which measures all energy provided by the City and used by the customer, and the other measures the amount of energy generated by the customer's renewable energy generator which is provided to the City.

In the event that the City determines that it is necessary to install any additional equipment to protect the safety and adequacy of electric service provided to other customers, the customer shall pay for the cost of such equipment in accordance with the terms of its Power Purchase Agreement.



**Schedule EDR
Effective December 1, 2021**

ECONOMIC DEVELOPMENT RIDER

APPLICABILITY

The Economic Development Rider is applicable to customer accounts receiving permanent electric service from the City of Shelby (“City”), after December 1, 2021, that meet the following criteria:

- 1) New commercial or industrial customers which enter into a service agreement with the city where the noncoincident peak demand of the new load must exceed 500 kW.
- 2) Existing commercial or industrial customers which enter into a new service agreement with the city for either a new or expanded separately metered service where the noncoincident peak demand of the new or expanded service load exceeds 500 kW.

This rider is available in conjunction with service under any of the City’s applicable Commercial or Industrial rate schedules.

Any Customer desiring to receive service under this rider shall provide written notification to the City of such desire. Such notice shall provide the City with information concerning the load to be served. The Customer’s information shall provide the basis to the City that the characteristics of the load will meet the minimum eligibility requirements of this rider and the electric rate schedule to which this rider applies.

The Discount Schedule applicable below will be based on the information provided by the customer in the written notification and agreed to by the city.

All terms and conditions of the electric rate schedule, whichever is applicable to the Customer, shall apply to service supplied to the Customer except as modified by this Rider.

MONTHLY CREDIT

The Customer will receive a Monthly Credit on the bill calculated on the then-effective electric rate, whichever is applicable to the Customer. The schedule of Monthly Credits will be calculated as described below under the heading “Application of Credit”.

**Economic Development Rider
Schedule EDR
Effective December 1, 2021**

APPLICATION OF CREDIT

Beginning with the date on which service under the then-effective electric rate is to commence for the eligible load, a Monthly Credit based on the applicable discount schedule below will be applied to the total bill, including the Customer Charge, Demand Charges, Energy Charges, or Minimum Bill, excluding other applicable riders and special charges, if any.

Discount Period	Discount
Months 1-12	20%
Months 13-24	15%
Months 25-36	10%
Months 37-48	5%
After Month 48	0%

Contract Period

Customers receiving service under this rider will be subject to a ten-year contract period.



Effective ~~March~~ July 1, 2021~~22~~
 Replaces schedule effective ~~3/1/2020~~ 21

OUTDOOR LIGHTING SCHEDULE

Standard Outdoor LED Lighting Rental Rate

<u>Road Focus Fixture</u>	<u>Monthly Rate</u>
40 Watt 30' Wooden Pole	\$10.97 11.10
73 Watt 30' Wooden Pole	\$12.58 12.71
161 Watt 30' Wooden Pole	\$16.05 16.19

Specialty Outdoor LED Lighting Rental Rate

<u>American Revolution Fixture</u>	<u>Monthly Rate</u>
Wadsworth Pole	\$22.76 25.89
Hadco Pole	\$18.89 20.38
Shakespeare Pole 15'	\$15.13 16.32
Shakespeare Pole 18'	\$15.39 16.63
<u>Washington Fixture</u>	
Wadsworth Pole	\$30.97 37.12
Hadco Pole	\$27.11 31.61
Shakespeare Pole 15'	\$23.34 27.55
Shakespeare Pole 18'	\$23.61 27.86
<u>Independence Fixture</u>	
Wadsworth Pole	\$29.99 32.74
Hadco Pole	\$26.12 27.23
Shakespeare Pole 15'	\$22.36 23.17
Shakespeare Pole 18'	\$22.62 23.48

Outdoor Lighting Schedule
Effective ~~March~~ July 1, 2021-22

Granville III Fixture

Monthly Rate

Burlington Pole	\$35.06 37.03
Wadsworth Pole	\$29.22 32.97
Hadco Pole	\$25.35 27.46
Shakespeare Pole 15'	\$21.58 23.40
Shakespeare Pole 18'	\$21.85 23.71

Road Focus Fixture

40 Watt 26' Fiberglass Pole	\$16.78 18.17
40 Watt 35' Fiberglass Pole	\$18.03 19.75
73 Watt 26' Fiberglass Pole	\$18.38 19.77
73 Watt 35' Fiberglass Pole	\$19.63 21.36
161 Watt 26' Fiberglass Pole	\$21.86 23.25
161 Watt 35' Fiberglass Pole	\$23.11 24.83

Additional Equipment Cost Due Before Installation

Additional 30' Standard Wooden Pole	Actual Cost
Additional 35' Standard Wooden Pole	Actual Cost
Additional Bracket 6 ft, 8 ft, 12 ft or 20 ft	Actual Cost
	Actual Cost
	Actual Cost
	Actual Cost
Additional Down Guy	Actual Cost
Additional Span Guy	Actual Cost
Underground Secondary Conductor	Actual Cost
House Shield – American Revolution	Actual Cost
House Shield – Independence Fixture	Actual Cost



Effective July 1, 2019

ELECTRIC EVENT PANEL FEES

Event panels are available for use uptown in specific locations. Request for the use of the event panels must be made during the event application process and paid for prior to the event.

Event panel

Energy charge - \$5.00/day

Rental charge - \$10.00/day

Total charge per day would be \$15.00 per event panel.

Multiple panels are available for rental.

Stage panel

Energy charge - \$10.00/day

Rental charge - \$100.00/day

Total charge per day would be \$110.00 per stage panel.

Full Day Rentals Only

Must be paid in advance with event application.



Effective July 1, 2019

ELECTRIC INCENTIVES

	<u>Existing Home</u>	<u>New Construction</u>
Air Source Heat Pump 15-16.9 SEER	\$300	\$400
Air Source Heat Pump 17+ SEER	\$400	\$400
Geothermal Heat Pump	\$500	\$500
Water Heater	\$150	\$150



Schedule 41
Effective July 1, 2014
Replaces schedule effective 5/10/2013

RESIDENTIAL GAS SERVICE

AVAILABILITY

Gas Service under this rate is available for all residential purposes in individual residences and in individual units of multiple-family buildings located where City gas service is available.

CHARACTER OF SERVICE

Natural gas supplied under this schedule is sold on a firm basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

MEASUREMENT, BILLING AND PAYMENT

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base. For billing purposes, the volume of natural gas billed under this rate schedule shall be billed by the hundred cubic foot units (CCF).

RATE

The customer's total bill is calculated using the following components.

$$\text{Total Bill} = \text{FC} + (\text{U} \times \text{CR})$$

FC = Monthly Facilities Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity rate to the average incremental cost of gas supply for the current period. This value is computed on a per dekatherm basis and converted to a per hundred cubic feet basis using the current heating value content of the gas. The Total Commodity Rate will be calculated each billing cycle.

Residential Gas Service
Schedule 41
Effective July 1, 2014
Replaces schedule effective 5/10/2013

	<u>Monthly Facilities Charge</u>	<u>Base Commodity Rate</u>
Residential Gas Service	\$8.50	\$6.69 per dekatherm

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule 42
Effective July 1, 2014
Replaces schedule effective May 10, 2013

GENERAL COMMERCIAL AND INDUSTRIAL GAS SERVICE

AVAILABILITY

Gas Service under this rate is available for all non-residential customers where City gas service is available.

CHARACTER OF SERVICE

Natural gas supplied under this schedule is sold on a firm basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

MEASUREMENT, BILLING AND PAYMENT

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base. For billing purposes, the volume of natural gas billed under this rate schedule shall be billed by the hundred cubic foot units (CCF).

RATE

The customer's total bill is calculated using the following components.

$$\text{Total Bill} = \text{FC} + (\text{U} \times \text{CR})$$

FC = Monthly Facilities Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity rate to the average incremental cost of gas supply for the current period. This value is computed on a per dekatherm basis and converted to a per hundred cubic feet basis using the current heating value content of the gas. The Total Commodity Rate will be calculated each billing.

**General Commercial and Industrial Gas Service
Schedule 42
Effective July 1, 2014
Replaces schedule effective May 10, 2013**

	<u>Monthly Facilities Charge</u>	<u>Base Commodity Rate</u>
General Commercial and Industrial Gas Service	\$12.50	\$5.30/dekatherm

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule 43
Effective November 1, 2016
Replaces schedule effective May 10, 2013

HIGH LOAD FACTOR GAS SERVICE

AVAILABILITY

Gas Service under this rate schedule is available to any eligible commercial or industrial consumer using natural gas principally for process stream generation, manufacturing purposes, or any other base-load application, where the use of gas for space heating is only incidental. This rate is not available to consumers whose use of gas during the month of least consumption is less than 50% of the use during the month of greatest consumption

CHARACTER OF SERVICE

Natural gas supplied under this schedule is sold on a firm basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

The customer must remain on this tariff schedule for a period no less than 12 months before switching tariffs or service.

MEASUREMENT, BILLING AND PAYMENT

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base. For billing purposes, the volume of natural gas billed under this rate schedule shall be billed by the hundred cubic foot units (CCF).

RATE

The customer's total bill is calculated using the following components:

$$\text{Total Bill} = \text{FC} + (\text{U} \times \text{CR})$$

FC= Monthly Facilities Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity rate to the average incremental cost of gas supply for the current period. This value is computed on a per dekatherm basis and converted to a per hundred cubic feet basis using the current heating value

High Load Factor Gas Service
Schedule 43
Effective November 1, 2016
Replaces schedule effective May 10, 2013

content of the gas. The Total Commodity Rate will be calculated each billing cycle.

	<u>Monthly Facilities Charge</u>	<u>Base Commodity Rate</u>
High Load Factor Gas Service	\$60.00	\$3.58 per dekatherm

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.



Schedule 44
Effective May 10, 2013
Replaces schedule effective 7/10/2011

INTERRUPTIBLE GAS SERVICE
WITH OR WITHOUT PARTIAL FIRM REQUIREMENTS

AVAILABILITY

Gas service under this rate schedule is available by written contract to eligible large industrial consumers, whose use of gas is principally for process purposes, and where space heating is incidental only. This service is offered only to customers who average daily gas usage is reasonably anticipated to equal or exceed 100 dekatherms per day. Existing customer's consumption must be equal to or greater than 36,500 dekatherms per year to qualify for this rate.

STANDBY ALTERNATE FUEL CAPACITY

Customers purchasing gas pursuant to this Rate Schedule shall maintain, in useable condition, alternate fuel facilities with ample on-site alternate fuel capability for supplying 100% of the establishment's gas requirements during periods of gas interruption or curtailment. Such interruption or curtailment shall be immediately effective upon verbal or written notification by the City and Customer shall refrain from using gas until permitted to do so by the City. It is understood and agreed that the City will have the right to suspend gas service without further notice to the Customer in the event the Customer fails to curtail Customer's use of gas in accordance with the City's notice of curtailment.

CHARACTER OF SERVICE

Natural gas supplied under this schedule is sold on an interruptible basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

The customer must remain on this tariff schedule for a period no less than 12 months before switching tariffs or service.

MEASUREMENT, BILLING AND PAYMENT

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base. For billing purposes, the volume of natural gas billed under this rate schedule shall be billed by the hundred cubic foot units (CCF).

RATE

The customer's total bill is calculated using the following components:

**Interruptible Gas Service
Schedule 44
Effective May 10, 2013
Replaces schedule effective 7/10/2011**

Total Bill = FC + (U x CR)

FC = Monthly Facilities Charge
 U = Customer Monthly Usage in CCF
 CR = Total Commodity Rate for the current period in CCF

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity rate to the average incremental cost of gas supply for the current period. This value is computed on a per dekatherm basis and converted to a per hundred cubic feet basis using the current heating value content of the gas. The Total Commodity Rate will be calculated each billing cycle.

	<u>Monthly Facilities Charge</u>	<u>Base Commodity Rate</u>
Interruptible Gas Service	\$60.00	
	First 1500 MCF/month	\$2.08 per dekatherm
	Next 1500 MCF/month	\$1.66 per dekatherm
	Next 3000 MCF/month	\$1.36 per dekatherm
	Next 9000 MCF/month	\$1.12 per dekatherm
	All volumes over 15,000 MCF per month	\$0.92 per dekatherm

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.

PROVISIONS:

1. Whenever curtailment or interruption of interruptible gas delivered hereunder is required, the City shall issue a curtailment order to consumer, specifying the quantity of gas to be curtailed and the time at which such curtailment is to be made.

When restoration of service is permissible, the City shall similarly issue a restoration order specifying the quantity of gas to be restored and the time at which such restoration is to be made. Consumer shall carry out all such orders at the time specified therein. A curtailment order shall be issued at least one hour in advance of its effective time.

2. In the event customer fails to discontinue the use of interruptible gas after one hour's notice that the interruptible gas under this schedule is not available, all gas so used shall be paid for by the consumer at a rate of \$55.00 per DT of maximum day use of such unauthorized gas, in addition to the regular commodity charge for such gas and any charges for firm gas.

Interruptible Gas Service
Schedule 44
Effective May 10, 2013
Replaces schedule effective 7/10/2011

3. When a customer is notified to curtail service, or while gas service is being curtailed, customer finds it impossible to continue operations on his standby fuel because some bona fide emergency and the City has gas available from some source other than its Contract Demand Service from Transcontinental Gas Pipe Line Corporation, the City may, at its discretion, furnish emergency gas service upon request from customer for such service. All emergency gas so used shall be paid for by the consumer at the rate of \$3.00 per dekatherm of gas plus the highest incremental gas commodity cost for gas purchased by the City in the current month. The City shall not be liable in any way to any customer for failure in whole and in part, temporary or permanent, to deliver emergency gas under this provision.



Schedule 45
Effective July 1, 2018
 Replaces schedule effective July 1, 2014

INDUSTRIAL FIRM
TRANSPORTATION GAS SERVICE

AVAILABILITY

This service is available to any industrial class of customer whose annual consumption is equal to or greater than 912,500 dekatherms per year. The customer must also be located inside the city limits of Shelby, NC and be connected to the City of Shelby (City) natural gas system for a minimum of 12 months:

- A. To the extent that the City and Customer have adequate facilities and equipment available and in place for transporting and delivery of such volumes of gas;
- B. When a Customer has executed a Service Agreement with the City, wherein the City agrees to transport and deliver volumes of gas received for the Customer as specified therein.

CHARACTER OF SERVICE

Transportation of natural gas by the City under this rate schedule shall be on a firm basis. Natural gas supplied under this schedule shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

Each year, qualifying customers shall request this transportation service prior to March 1st and provide a Maximum Daily Quantity (MDQ) which represents the quantity of gas the City is obligated to transport on a firm basis. The annual service shall commence July 1st and run through June 30th of the following year. The City Manager must approve and accept the MDQ prior to the commencement of service. Once the City approval is granted, the service will be provided under this Rate Schedule through June 30th of the following year. The customer must remain on this rate schedule through June 30st of the following year.

RATE

	<u>Monthly Facilities Charge</u>	<u>Base Commodity Rate</u>
Industrial Firm Transportation Gas Service	\$500.00	
	First 50,000 Dekatherms	\$.635 per Dekatherm
	Next 25,000 Dekatherms	\$.435 per Dekatherm
	Next 25,000 Dekatherms	\$.245 per Dekatherm
	All over 100,000 Dekatherms	\$.135 per Dekatherm

Schedule 45
Industrial Firm Transportation Gas Service
Effective July 1, 2018
Replaces schedule effective July 1, 2014

The usage charges are subject to a minimum monthly bill of \$42,625.00 per month. The City reserves the option to waive the monthly minimum billing at their discretion.

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.

DETERMINATION OF DELIVERIES

The volumes of gas transported pursuant to this schedule shall be the volumes delivered to the City by the Customer at the point of delivery with Williams Transco. Gas delivered hereunder shall be billed as the first gas through the Customer's meter each month.

BALANCING OF TRANSPORTATION VOLUMES

Receipts and deliveries of gas hereunder shall be at uniform rates of flow with no significant fluctuations or imbalances. Customers (or its Agent) are responsible to match daily gas deliveries into the City's system with daily gas consumption by Customer as closely as possible. Any imbalances shall be corrected by the Customer (or its Agent), insofar as practicable, during the month in which they occur. Customers (or its Agent) are expected to proactively manage intra-month imbalances. Customer (or its Agent) may adjust its daily nominations during a month in order to correct any accumulated imbalance and maintain a monthly balance subject to the operating limitations of the City. The City reserves the right to limit the amount of such imbalances to avoid operating problems, comply with balancing requirements of the upstream pipeline(s), and to mitigate the need to acquire additional daily supply at prices that would adversely affect sales customers. The Customer (or its Agent) will be responsible for any imbalance charges assessed by upstream pipeline(s) in connection with any gas transported by the Customer under this Rate Schedule.

In the event Customer (or its Agent) fails to abide by the requirements set forth above, the City shall have the right to curtail deliveries to Customer if an imbalance is negative or reducing Customer's nominated quantities if an imbalance is positive. The Customer will be responsible for any imbalance charges assessed by upstream pipeline(s) in connection with any gas transported by the Customer. The City reserves the right to take other reasonable action to mitigate system operational problems. The City will use its reasonable efforts to notify the Customer or the Customer's Agent before proceeding with a unilateral nomination reduction or delivery curtailment and will notify Customer of any reduction to Customer's nomination that has been instituted by the City.

Any time the Customer is consistently using more or less gas than is being delivered to the City for the Customer's account, it shall be the Customer's responsibility to bring its supply and requirements into balance. Customers must balance within 5% of their monthly deliveries and

Schedule 45
Industrial Firm Transportation Gas Service
Effective July 1, 2018
Replaces schedule effective July 1, 2014

within 10% of their daily deliveries in order to maintain the integrity of the system under normal operating conditions.

In instances where there is an over-deliver of supply for a month, the City at its option, may cash-out this over-supply and purchase any or all of the excess volumes at a rate of 20 cents per dekatherm lower than its lowest cost of commodity supply that month.

In instances where there is an under-deliver of supply for a month, the City at its option, may cash-out this under-supply and sell any or all of the deficit volumes to the Customer at a rate of 20 cents per dekatherm higher than the firm sales tariff rate (High Load Factor Rate) for that month.

During an Operational Flow Order (OFO) on any upstream pipeline and in other situations where the City notifies the customer via email or by phone, Customers must balance within 5% of their daily deliveries to maintain the integrity of the system and avoid causing the City to purchase additional gas or sell excess gas.

In instances where there is an over-deliver of supply during an OFO or in other situations identified by the City, the City at its option, may cash-out this over-supply and purchase any or all of the excess volumes at a rate of 20 cents per dekatherm lower than its lowest cost of commodity supply or the price to sell excess supply for that day.

In instances where there is an under-deliver of supply during an OFO or other situation identified by the City, the City at its option, may cash-out this under-supply and sell any or all of the deficit volumes to the Customer at a rate of 20 cents per dekatherm higher than the highest cost of commodity supply for that day.

In addition, the Customer will also be charged imbalance penalties in instances where the City incurs imbalance or overrun penalties from the pipeline supplier due to overruns or under-deliveries. These charges will be based on a prorated share of the penalty attributed to the Customer.

LATE PAYMENT CHARGE

Unless bill is paid on or before ten (10) days after the due date as shown on bill, the account will be assessed late fees as outlined in the City's fee schedule.

SPECIAL PROVISIONS

1. The customer will operate within the guidelines required by Williams Transco Gas Pipeline (transporter). When requested by the City, the Customer, or its agent, shall inform the City, by 8:30 am (or other time prescribed by the City) of the working day prior to the day(s) the gas is to be delivered, of the anticipated consumption level and the volume requested for delivery. At that time, the City, or its agent, shall inform the Customer of any restrictions on the volume requested for delivery.

Schedule 45
Industrial Firm Transportation Gas Service
Effective July 1, 2018
Replaces schedule effective July 1, 2014

2. The Customer, or its agent, is responsible for all of the necessary arrangements and notification for the scheduling of transportation on the pipeline.
3. The Customer, or its agent, must purchase the necessary software package provided by Williams Transco Gas Pipeline to make possible daily monitoring of gas flows.
4. Gas transported on this schedule shall be separately metered and shall not be used interchangeably with firm gas purchased or transported on any schedule.
5. The term of the contract shall be for a term of not less than one year.
6. Customers must remain on this tariff schedule for a period of no less than 12 months before switching tariffs or service.

RECONNECTION CHARGE

There shall be a charge for reconnection of services terminated because of non-payment of bills in accordance with the City Code.



**Schedule SMI
Effective December 1, 2021**

SMALL/MEDIUM INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

Gas service under this rate schedule is available to eligible industrial consumers, whose use of gas is principally for process purposes, and where space heating is incidental only. This service is offered only to customers whose average daily gas usage is reasonably anticipated to equal or exceed 100 dekatherms per day. Existing customer's consumption must be equal to or greater than 36,500 dekatherms per year to qualify for this rate.

- A. To the extent that the City and Customer have adequate facilities and equipment available and in place for transporting and delivery of such volumes of gas;
- B. When a Customer has executed a Service Agreement with the City, wherein the City agrees to transport and deliver volumes of gas received for the Customer as specified therein.

CHARACTER OF SERVICE

Natural gas supplied under this schedule is sold on a firm basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

MEASUREMENT, BILLING AND PAYMENT

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base.

MONTHLY RATE

The customer's total bill is calculated using the following components.

$$\text{Total Bill} = \text{FC} + (\text{U} \times \text{CR})$$

**Small/Medium Industrial Firm Gas Service
Schedule SMI
Effective December 1, 2021**

- FC = Monthly Facilities Charge
- U = Customer Monthly Usage in CCF
- CR = Total Commodity Rate for the current period in CCF

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity Rate to the average incremental cost of gas supply for the current period. This value is computed on a per dekatherm basis and converted to a per hundred cubic feet basis using the current heating value content of the gas. The average incremental cost of gas supply shall be estimated upon the current monthly billing, and true up to match actual costs in the following month. The cost of gas true up may result in additional charges or a credit due the customer. The base commodity rate is shown below.

Small/Medium Industrial Firm Gas Service

<u>Monthly Facilities Charge</u>	<u>Base Commodity Rate</u>	
\$200.00	First 5,000 dekatherms	\$2.80/dekatherm
	Next 5,000 dekatherms	\$1.80/dekatherm
	All over 10,000 dekatherms	\$1.00/dekatherm

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.

LATE PAYMENT CHARGE

Unless bill is paid on or before ten (10) days after the due date as shown on bill, the account will be assessed late fees as outlined in the City's fee schedule.



Schedule 46
Effective July 1, 2018
Replaces schedule effective 7/1/2014

LARGE INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

Gas service under this rate schedule is available to eligible large industrial consumers, whose use of gas is principally for process purposes, and where space heating is incidental only. This service is offered only to customers whose average daily gas usage is reasonably anticipated to equal or exceed 1000 dekatherms per day. Existing customer's consumption must be equal to or greater than 365,000 dekatherms per year to qualify for this rate.

- A. To the extent that the City and Customer have adequate facilities and equipment available and in place for transporting and delivery of such volumes of gas;
- B. When a Customer has executed a Service Agreement with the City, wherein the City agrees to transport and deliver volumes of gas received for the Customer as specified therein.

CHARACTER OF SERVICE

Natural gas supplied under this schedule is sold on a firm basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

Each year, the customer shall elect a Maximum Daily Quantity (MDQ) which represents the quantity of gas the City is obligated to provide on a firm basis. The customer shall elect a MDQ prior to March 1st of each year that will be utilized for a 12-month term starting July 1st through June 30th following the MDQ election. The City Manager must approve and accept the MDQ prior to the commencement of service. Once the City approval is granted, the service will be provided under this Rate Schedule through June 30th of the following year. The customer must remain on this rate schedule through June 30th of the following year.

MEASUREMENT, BILLING AND PAYMENT

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base. For billing purposes, the volume of natural gas billed under this rate schedule shall be billed by the hundred cubic foot units (CCF).

Schedule 46
Large Industrial Firm Gas Service
Effective July 1, 2018
Replaces schedule effective 7/1/2014

RATE

The customer's total bill is calculated using the following components.

$$\text{Total Bill} = (\text{MDQ} \times \text{D}) + (\text{U} \times \text{CR})$$

- MDQ = Maximum Daily Quantity elected for term July 1 – June 30th, Dt/day
- D = Monthly Demand Charge
- U = Customer Monthly Usage in CCF
- CR = Total Commodity Rate for the current period in CCF

The customer shall pay the Demand Charge component of the rate (MDQ x D) each month during the July 1- June 30th term regardless of the amount of gas purchased. In the event that the customer utilizes more gas on a daily basis, as measured and reported by the City's telemetering equipment, the MDQ will be adjusted upward to match the highest daily delivery measured for the remainder of the term July 1 – June 30th.

The revision of the customer MDQ based on actual deliveries shall not create any right to service at a specified level. All changes to character and quantity of service shall be subject to the City's consent based on the evaluation of the capacity of the City's pipeline system and gas supply contracts.

The Monthly Demand Charge shall be equal to 100% of the weighted average of the monthly reservation charges paid by the City to Transco for firm transportation service (including applicable demand surcharges) for capacity to deliver gas to the City's gas system. The Monthly Demand Charge shall be computed using the following formula: Firm Sales Daily Reservation Rate x days in the Month = Monthly Demand Charge. The Firm Sales Daily Reservation Rate shall be computed based on the weighted average of the price paid by the City for telescoped capacity on Transco, utilizing the telescoped reservation charges and surcharges in effect from time to time and charged by Transco (currently 17%, Zone 1-5; 25%, Zone 2-5; and 58%, Zone 3-5).

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity Rate to the average incremental cost of gas supply for the current period. The average incremental cost of gas supply shall be estimated upon the current monthly billing and trued up to match actual costs in the following month. The cost of gas true up may result in additional charges or a credit due the customer. The base commodity rate is shown below.

		<u>Base Commodity Rate</u>
Large Industrial Firm Gas Service	All Volumes	\$.85 per dekatherm

Any applicable North Carolina state or local sales tax will be added to the customer's total charges.

Schedule 46
Large Industrial Firm Gas Service
Effective July 1, 2018
Replaces schedule effective 7/1/2014

NOTIFICATION OF MONTHLY AND DAILY USE

The Customer must notify the City on or before the fifteenth day prior to each month and provide an estimate of the gas to be used each month. The Customer must not exceed the MDQ on any day, without written permission from the City. Any volumes exceeding the MDQ without permission from the City are hereby defined as Unauthorized Over-Run Volumes. The City reserves the right to curtail any Unauthorized Over-Run Volumes. The Customer shall be liable for any incremental charges or assessments (including, but not limited to penalties) by the upstream interstate pipeline during the time of the unauthorized usage by such Customer. The Customer shall also be billed any difference between the City's average incremental commodity cost for the month and the maximum daily commodity cost incurred for any Unauthorized Over-Run Volumes. The payment of a penalty for Unauthorized Over-Run volumes shall not under any circumstances be considered as giving any such Customer the right to take Unauthorized Over-Run volumes, nor shall such payment be considered as a substitute for any other remedies available to the City.

When requested by the City, the customer, or its agent, shall inform the City by 8:30 am (or other time prescribed by the City) of the working day prior to the day(s) the gas is to be consumed of the anticipated customer's usage. The Customer must also keep their usage to within 5% of their daily estimated volumes to maintain the integrity of the system.

In instances where the Customer uses more than 5% of their estimated volumes during OFO or other situations where the City has notified the customer to estimate daily volumes, the City at its option, may invoice the Customer for actual gas supply commodity costs plus penalties in lieu of the average incremental cost of gas supply for the current period for the volumes over 5% of the Customer's estimated daily volumes for the cost gas supply for that day.

LATE PAYMENT CHARGE

Unless bill is paid on or before ten (10) days after the due date as shown on bill, the account will be assessed late fees as outlined in the City's fee schedule.



Effective July 1, 2022
Replaces Incentives Effective 8/7/2018

NATURAL GAS INCENTIVES

Residential Incentives

Existing Customer Rebates

<u>Appliance</u>	<u>Rebate Amount</u>
Primary Heat	\$400.00 1 st furnace \$100.00 2 nd furnace
Dual Fuel Heat Pump*	\$200.00 1 st dual fuel furnace \$100.00 2nd dual fuel furnace
Water Heater	\$200.00 1 st water heater \$100.00 2 nd water heater
Tankless Water Heater	\$150.00
Range	\$100.00
Dryer	\$100.00

New Customer Rebates and Incentives

<u>Appliance</u>	<u>Rebate Amount</u>	<u>Free Service Line Footage</u>
Primary Heat	\$400.00 1 st furnace \$100.00 2 nd furnace	100'
Dual Fuel Heat Pump*	\$200.00 1 st dual fuel furnace \$100.00 2nd dual fuel furnace	50'
Water Heater	\$200.00 1 st water heater \$100.00 2 nd water heater	75'
Tankless Water Heater	\$150.00	75'
Range	\$100.00	25'
Dryer	\$100.00	50'
Logs	N/A	25'

Commercial and Industrial Incentives

Please contact the Director of Energy Services for commercial and/or industrial rebates.
*Qualifying dual fuel heat pumps must have at least a 15.00 Seasonal Energy Efficiency Ratio (SEER) rating.



Effective July 1, 2018
Replaces schedule effective 7/1/2014

STORMWATER UTILITY FEE

<u>Type</u>	<u>Monthly Fee</u>
Residential	\$2.50
Commercial	
1 – 2 ERU	\$5.00
3 – 5 ERU	\$10.00
6 – 10 ERU	\$15.00
11 – 25 ERU	\$25.00
26 – 50 ERU	\$75.00
51 – 100 ERU	\$150.00
101 – 199 ERU	\$300.00
200 – 500 ERU	\$600.00
501 – 999 ERU	\$1,200.00
1000+ ERU	\$2,000.00

- Residential fees apply to a single dwelling on one parcel
- Commercial fees apply to any developed parcel that is not defined as residential (e.g. multifamily, office, institutional, commercial, industrial, etc.)
- Parcels with less than 400 square feet of impervious surfaces are not subject to a stormwater fee.

One Equivalent Residential Unit (ERU) is equal to 2,600 square feet of impervious area.



Effective July 1, 2018

Replaces schedule effective 7/1/2014

STORMWATER UTILITY FEE CREDIT PROGRAM

The City of Shelby Stormwater Fee Credit program offers commercial property owners the opportunity to reduce their stormwater utility fee charges by applying for available fee credits. The fee credits described below are cumulative and a stormwater fees may be reduced as much as thirty (30) percent based on the following three credit categories:

- **Water Quality (10% credit)** – Properties qualifying for this fee credit shall provide an onsite Best Management Practice (BMP) that reduces the impact of pollution on water quality and conforms with the design and maintenance standards in the City of Shelby’s Phase II Stormwater Ordinance and the NCDENR BMP Manual (minimum 85% TSS removal). The required water quality analysis is to be prepared and sealed by an engineer registered in the State of North Carolina.

- **Water Quantity (10% credit)** – Properties qualifying for this fee credit shall provide a post developed rate of runoff that is less than or equal to the runoff rates at pre-development. Properties that reduce their peak discharge rate to pre-developed conditions are eligible to receive a stormwater runoff control credit. If site conditions do not allow for a complete reduction to the pre-developed peak discharge rate, the credit will be determined proportionally based on the amount of reduction attained (i.e., if the developed peak discharge is reduced by 70 percent of the differential runoff, then the corresponding credit would be $0.70 \times 10\% = 7\%$). Runoff rate analysis is to be based on a 10-year storm event with supporting calculations prepared and sealed by an engineer registered in the State of North Carolina.

- **Industrial Stormwater Permit (10% credit)** – An industrial property that is covered by an individual or general National Pollution Discharge Elimination System (NPDES) stormwater discharge permit is eligible for this credit if all requirements of the aforementioned permit are satisfied. An annual inspection report must be provided to the City to verify compliance and receive this fee credit.

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

C. Consent Agenda:

Agenda Item: C-1

- 1) Approval of the Minutes of the Special Meeting of May 10, 2022

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Special Meeting of May 10, 2022

City Manager's Recommendation / Comments

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

MINUTES

Special Meeting – Budget Workshop
City Hall Council Chamber

May 10, 2022
Tuesday, 12:00p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Andrew L. Hopper Sr., David White, David Causby, Charles Webber, Violet Arth and Emilie Bullock.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, Assistant City Manager of Utilities Benjamin (Ben) Yarboro, City Clerk Carol Williams, Director of Finance Elizabeth (Beth) B. Beam, Police Chief Jeffrey (Jeff) Ledford

Mayor Anthony called the meeting to order at 12:10 p.m.

A. Budget Session: Utility (Enterprise) Funds – Natural Gas and Electric

Mr. Howell began his presentation by stating this session would cover the Natural Gas Fund and the Electric Fund revenues and expenditures. The presentation and all handouts are hereby incorporated by reference and made a part of these Minutes.

Mr. Howell stated that it's important to consider each of the Enterprise funds (Electric, Natural Gas, Water, Sewer and Stormwater) as separate self-sustaining budgets.

As a reminder, Mr. Howell reviewed the City Manager's responsibilities in the budget process as well as by the Local Government Budget and Fiscal Control Act, adding:

- North Carolina General Statute 159-9 designates the City Manager as the budget officer.
- North Carolina General Statute 159-11 requires submission of a balanced budget and budget message prior to June 1 each year, which does not have to occur at a formal Council meeting.
- The City Manager is obligated as the Chief Operating Officer to submit a responsible budget that provides for desired service levels and addresses Council's goals and priorities for the City.
- North Carolina General Statute 159-13(b) (14) directs and limits no appropriation may be made from a utility or public service enterprise fund to any other fund than the appropriate debt service fund unless the total of all other appropriations in the fund equal or exceed the amount that will be required during the fiscal year, as shown by the budget ordinance, to meet operating expenses, capital outlay, and debt service on outstanding

utility or enterprise bonds or notes.

Mr. Howell stated that the enterprise funds need to be self-supporting, and the City needs to pay their bills and maintain the systems with the money that is received, and if there is excess money left over, then Council has the option of transferring that money.

Mr. Howell stated that the overview of the Enterprise funds will include a description and explanation of revenue sources, discussion of significant budget drivers, description and explanation of services provided, and breakdown by utility department and function.

Mr. Howell commented the reserve funds in the Enterprise funds are relatively healthy. Use of these reserve funds should be limited largely to emergency situations, protection of the City's credit rating with bondholders in accordance with our legally binding bond covenants, cash flow for day-to-day operations, and capital projects deemed important by City Council. These monies are not limitless and unnecessary use to fund annually recurring operational or expenses only puts the City at enhanced financial risk.

Mr. Howell stated that City Council needs to consider building in an annual inflationary factor based on the Bureau of Labor Statistics consumer price index (CPI) in the budget beginning with fiscal year 2023.

NATURAL GAS FUND

Mr. Howell stated that the largest factor in the Natural Gas Fund for the 2023 proposed budget is the increase in gas charges, that number increasing from \$15,900,000 in 2022 to \$23,977.747 in 2023. This is an \$8 million increase.

Mr. Howell explained that the City has recently conducted an Allocation Study and found an amount that each Enterprise fund pays to the General Fund that provide services or support. The Allocations line item is that funds fair share of supporting the employees that are paid out of the General Fund. This Allocation is shown as an expense in each of the Enterprise funds.

Mr. Howell stated that most of the money spent in the Natural Gas fund is for operating expense which is used for the purchase of natural gas. In 2021 the net position in the Natural Gas fund (after transfers) was \$2.5 million, which was a good year.

Mr. Howell stated that Natural Gas commodity purchases is a major factor in the proposed 2023 budget. In fiscal year 2022 gas purchases were projected at \$8.7 million, in 2023 they are projected at \$16 million. Mr. Merritt commented that the number for 2022 is going to be closer to \$16 million due to the increase in the natural gas market.

Mr. Howell added that the Natural Gas Fund is more dependent on cold weather.

Mr. Howell indicated no increase for the margin rate schedule is recommended for this coming fiscal year.

Mr. Howell further indicated that there is a proposed 5% market rate adjustment for natural gas employees. The natural gas department will be included in year 2 of the new market pay plan, which could be implemented in January 2023.

ELECTRIC FUND

Mr. Howell stated the Electric Fund is down slightly, 6 percent, in overall spending from Fiscal Year 2021-2022 from \$22,039,455 to \$20,696,000.

Mr. Howell further stated no rate increase is recommended for the coming fiscal year. Revenue is expected to remain relatively flat with growth not to exceed 1 percent.

Mr. Howell stated that most people think the City buys our power from Duke Energy – this is incorrect. The City buys power from ourselves due to being a member of the North Carolina Municipal Power Agency Number 1 (NCMPA1).

Mr. Howell noted that there is a \$1.27 million decrease in Electric charges. Mr. Howell also pointed out that the increase in pole rental charges is due to the other entities (Spectrum, BellSouth, etc.) are starting to pay their rental fees.

Mr. Howell explained the gap in the revenues and expenditures in the Electric Fund over the past two years. The Power Agency had several successful years from an operating standpoint, so the City received a rebate in 2020 and 2021 which was added to the Electric Fund reserves. These were one-time credits.

In 2021 the net position in the Electric fund (after transfers) was \$5.9 million, which was a good year.

Mr. Howell added that the Electric Fund is more dependent on hot summers.

Mr. Howell stated that a 13 percent decrease in wholesale power costs from NCMPA1 is anticipated. This could bring a retail rate reduction to our customers, however, Mr. Howell stated that he does not have an exact number at this time.

Mr. Howell further indicated that there is a proposed 5% market rate adjustment for electric employees, in addition, the electric department will be included in year 1 of the new market pay plan.

B. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 1:36 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Minutes of May 10, 2022

DRAFT

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-2

2) Approval of the Minutes of the Special Meeting of May 11, 2022

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Special Meeting of May 11, 2022

City Manager's Recommendation / Comments

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

MINUTES

Special Meeting – Budget Workshop
City Hall Council Chamber

May 11, 2022
Wednesday, 12:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Andrew L. Hopper Sr., David White, David Causby, Charles Webber, Violet Arth and Emilie Bullock.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, Assistant City Manager of Utilities Benjamin (Ben) Yarboro, City Clerk Carol Williams, Director of Finance Elizabeth (Beth) B. Beam, Police Chief Jeffrey (Jeff) Ledford, Director of Water Resources David Hux, Director of Energy Services Julie McMurry, City Attorney Andrea Leslie-Fite

Mayor Anthony called the meeting to order at 12:08 p.m.

A. Budget Session: Utility (Enterprise) Funds – Sewer, Water and Stormwater

Mr. Howell began his presentation by stating this session would cover the Sewer, Water and Stormwater Fund revenues and expenditures. The presentation and all handouts are hereby incorporated by reference and made a part of these Minutes.

SEWER FUND

Mr. Howell stated that the revenues in the Sewer Fund have been surprisingly strong. Mr. Howell reminded Council that it's only been in the past few years that the Sewer fund has been positive in the net retained earnings. Clearwater Paper is a big factor in this positive change. The Sewer Fund is largely reliant on sewer charges. The 2023 proposed budget shows a 3 percent change in revenue from \$6,398,644 to \$6,621,100.

Mr. Howell explained the biggest change on the expenditure side of the Sewer Fund is due to personnel. Water Resources has 48 employees with 10 vacancies currently. The personnel amount proposed for 2023 is due to an additional pay increase for Water Resources employees. Debt service amount is also high at \$2.225 million, due to the Biosolids Project, but it is money well spent. Mr. Howell reiterated that the Sewer Fund is strong, and net retained earnings are increasing but there are still needs.

Mr. Howell indicated no rate increase is recommended for this coming fiscal year.

Mr. Howell further indicated that there is a proposed 5% market rate adjustment for employees, with an additional increase for Water Resources this year.

WATER FUND

Mr. Howell began by stating that the Water Fund is not yet balanced and that a decision is still needed as to whether there will be a rate change in the Water Fund. Mr. Howell stated the Water Fund revenue is relatively flat with a decrease in the budget of about 3 percent from \$6,039,171 in 2022 to \$5,860,100 proposed for 2023. The Water Fund is largely reliant on water charges.

Mr. Howell explained the expenditure side of the Water Fund shows an increase for personnel, an increase for capital, and operations. The capital amount is increased this year due to the City making significant cuts the previous two years, however, the amount proposed for 2023 is a more normal amount.

Mr. Howell noted that the operation costs at the Water Treatment Plant is increased mainly due to the price of chemicals. Mr. Hux added that tank maintenance is also a factor in the operation costs.

Mr. Howell further indicated that there is a proposed 5% market rate adjustment for employees, with an additional increase for Water Resources this year.

STORMWATER FUND

Mr. Howell stated the Stormwater Fund revenue is increased by about 5 percent from \$840,520 in 2022 to \$878,405 proposed for 2023. Revenues are reliant on Stormwater charges, at the rate of \$2.50/month per residential unit.

Mr. Howell stated on the expenditure side there is an increase for personnel like the other funds have reflected. However, operating costs and debt service are both down this year. Allocations in the amount of \$134,830 from the Stormwater Fund to the General Fund started this year.

Mr. Howell indicated there aren't any plans to make a change in the rate structure to the Stormwater Fund. However, he did state that City Council needs to consider building in an annual inflationary factor based on the Bureau of Labor Statistics consumer price index (CPI) in the budget beginning with fiscal year 2023.

Mr. Howell further indicated that there is a proposed 5% market rate adjustment for Stormwater employees. The Stormwater department will be included in year 2 of the new market pay plan, which could be implemented in January 2023.

Adjournment:

- 1) Motion to adjourn**

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 1:34 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Minutes of May 11, 2022

DRAFT

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-3

3) Approval of the Minutes of the Special Meeting of May 23, 2022

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Special Meeting of May 23, 2022

City Manager's Recommendation / Comments

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

MINUTES

Special Meeting – Budget Workshop
City Hall Council Chamber

May 23, 2022
Monday, 12:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Andrew L. Hopper Sr., David Causby, Charles Webber, Violet Arth and Emilie Bullock.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, City Clerk Carol Williams, Director of Human Resources Deborah (Deb) Jolly, Police Chief Jeffrey (Jeff) Ledford, Fire Chief William Hunt, MPA, EFO, Director of Planning and Development Services Walter (Walt) Scharer, AICP, City Attorney Andrea Leslie-Fite

Absent: Council member David White

Mayor Anthony called the meeting to order at 12:12 p.m.

A. Budget Session: General Fund

Mr. Howell stated that the Utility Funds that were discussed a few weeks ago are all balanced and he will get those budgets to Council by Friday, May 27th. Mr. Howell began his presentation of the General Fund revenues and expenditures by stating this budget is not yet balanced and adjustments will be complete by Friday, May 27th as well. The presentation and all handouts are hereby incorporated by reference and made a part of these Minutes.

GENERAL FUND

Mr. Howell stated that the overview of the General Fund will include a description and explanation of revenue sources, breakdown of major revenue streams, discussion of significant budget drivers, description and explanation of services provided, and breakdown by utility department and function.

Utilizing charts and graphs, Mr. Howell provided a summary, description, and explanation of the revenue categories within the City's General Fund.

General Fund Revenue Categories:

- Property taxes levied on real, personal, motor vehicles and public service companies represent 46 percent of our revenue
- Local Option Sales Taxes has grown to 20 percent
- Transfers from other funds is around 11 percent
- Sales and Service charges and fees is about 10 percent
- Capital Financing Sources is 4 percent
- Permits, Fees, Investment Revenue, Restricted Intergovernmental Revenue and Other taxes finish out the revenue categories.

Mr. Howell discussed the changes in the revenue sources and mentioned the \$825,000.00 increase in Local Option Sales Taxes, this is due to being conservative with the amount last year. Mr. Howell proposed a \$1.10 increase in the fee schedule for the Solid Waste collection fee per residential customer. Mr. Howell stated this is the only change proposed in the General Fund.

General Fund revenues are increased 3.6 percent for Fiscal Year 2023.

Major General Fund Revenue Streams

- Ad valorem property tax includes two components: Tax Base and Tax Rate (per \$100 of valuation set by City Council)

The components of Tax Base include assessed valuation of all real and personal property as provided by the Cleveland County Tax Assessor

Tax Levy equals Tax Base valuation multiplied by the Tax Rate

Current tax rate is 51.75 cents per \$100 valuation and that will stay the same in this year's budget.

Mr. Howell presented the Property Tax Rate Comparison of Municipalities (peer cities) with Comparable Populations graph chart as of July 1, 2021

Mr. Howell also presented the Property Tax Rate Comparison of Neighboring Municipalities graph chart as of July 1, 2021

- Local Option Sales Taxes (Articles 39, 40, 42, 44)

Generates approximately \$3.7 billion annually statewide

Cleveland County and municipalities receive approximately \$33,000.00 annually in gross collections

The City of Shelby now receives approximately \$5 million plus a hold harmless amount

Levied by County Commissioners as allowed by NC General Statute

County Commissioners determine how sales tax is distributed by NC Department of Revenue; the current method remains as ad valorem distribution, which amounts to about 13.70 percent to the City of Shelby

- Utilities Sales Taxes – The Department of Revenue quarterly distributes sales tax from four separate utilities – electricity, piped natural gas,

telecommunications to cities, and telecommunications service and video programming service to counties and cities.

Mr. Howell presented the General Fund revenues comparison between the current Fiscal Year 2021-2022 and the proposed Fiscal Year 2022-2023, showing a 3.6 percent change for an overall increase of \$1,035,837.00.

Mr. Howell projected the amount of utilities sales taxes to be distributed at approximately \$2 million per year. This amount does not vary much as it is based on statistical data and a statewide formula.

General Fund Expenditures

Regarding General Fund expenditures, Mr. Howell provided and summarized charts by category including personnel, operating, capital, debt service and allocations. Mr. Howell commented the overall amount of change for General Fund expenditures is an increase of 6.09 percent or \$1,754,522.

Mr. Howell indicated most of the increase in expenditures is for personnel. He reminded Council about the proposed 5% market rate adjustment for employees, and the implementation of year 1 of the 3-year adjustment of the City's positions (sworn Police officers, Water Resources, and Electric employees are included in year 1).

An increase of \$372,176 in operating spending is reflected in the budget which includes the increase in fuel costs.

A decrease in capital spending of \$664,963 is reflected in the budget due in part to last year the City bought a new fire truck.

An increase in debt service payments of \$102,000 is also reflected in the General Fund budget.

Mr. Howell reviewed the General Fund Expenditures by Department stating that some numbers may look a bit skewed but it's because allocations have increased in that department. The percent of increase in expenditures is shown as 6.09 percent.

In further review, Mr. Howell explained:

- Public Safety makes up over half of the expenditures
- Special Appropriations includes individuals who retire from the City with 22 or more years of continuous, uninterrupted full-time service and are eligible to retire. These individuals may continue with the City's health insurance plan without charge to the employee until the retired employee reaches Medicare eligibility. Mr. Howell stated the City currently has 57

retirees on health insurance and anticipates a gradual reduction of that number in the coming years.

- Human Resources shows an increase in personnel by 31 percent which reflects the addition of an employee to assist with recruitment and retention. Mr. Howell stated this position is much needed as this department is understaffed and recruitment and retention are important as the City tries to stay competitive.
- Police budget shows an increase in capital due to the purchase of radios. Many of the radios bought 10 or 12 years ago have aged out and need to be replaced. Handheld radios can cost between \$3,000 - \$5,000 each. The City is getting rid of some radios in certain departments, like Public Works, where a cell phone works as well and is cheaper to use.
- Fire and Rescue Department budget reflects two new full-time positions and an elimination of part-time positions. Mr. Howell stated it is a cost savings and easier to hire and retain full-time positions.
- Public Works Department shows an increase in operating costs due to the amount of fuel the department uses.
- Planning Department shows a decrease in capital because last year that department purchased a vehicle.
- Park Maintenance Department shows an increase in capital due to the purchase of a few mowers and other equipment.
- Airport is close to being self-sustaining with the increase in the number of T-Hangar spots and fuel sales.

Mayor Anthony asked how many unfilled positions does the City have currently. Mrs. Jolly responded that the City has 34 full-time vacancies, and we have 2 retirements happening soon, approximately 10 percent of our workforce. Mr. Howell stated this number fluctuates year to year. Mr. Howell commented that these positions are necessary and need to be filled even if it's taking us longer finding the right person. Mr. Howell further commented that we are not at the point where we do away with the unfilled positions, but he understands the Mayor's thought process and it is something to consider in the future, but not now.

Mayor Anthony initiated a discussion about the use of cameras to help reduce crime. Chief Ledford stated the City has an infrastructure of cameras in high crime areas, but technology will never replace police officers. Chief Ledford further stated that more cameras are budgeted.

Mr. Webber stated he supports the hiring of a Retention and Recruitment specialist, and it is a good use of our money.

Mr. Hopper stated we are in the business of sustaining this City and it takes creativity to accomplish our goals efficiently.

Mr. Howell concluded by stating he will have his budget message narrative, the

budget ordinance, supplemental ordinance, and updated fee schedule to Council by Friday, May 27th and the Public Hearing will be on Monday, June 6th.

Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to adjourn the meeting at 1:35 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Minutes of May 23, 2022

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-4

- 4) Approval of the Minutes of the Regular Meeting of May 16, 2022

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of May 16, 2022

City Manager's Recommendation / Comments

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

MINUTES

Regular Meeting
City Hall Council Chamber

May 16, 2022
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members David Causby, David White, Violet Arth, Andrew L. Hopper Sr., and Emilie Bullock.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, Assistant City Manager of Utilities Benjamin (Ben) Yarboro, City Attorney Andrea Leslie-Fite, City Clerk Carol Williams, Public Information and Communications Officer Chip Nuhrah, Director of Finance Elizabeth (Beth) Beam, CPA, Director of Human Resources Deborah (Deb) Jolly, Police Chief Jeffrey (Jeff) Ledford, Assistant Fire Chief David Vanhoy, EFO, Director of Planning and Development Services Walter (Walt) Scharer, AICP, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

Absent: Council Member Charles Webber

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

Mr. White led the Pledge of Allegiance.

A. Approval of agenda:

1) Motion to adopt the proposed agenda

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

B. Public Comment: None

C. Public Hearings:

1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (1712 S. Lafayette Street): Ordinance No. 25-2022

Mr. Scharer introduced a zoning map amendment for property located at 1712 S. Lafayette Street from R10 zoning district to General Business 2 Conditional Zoning (GB2CZ) zoning district to operate a halfway house. Mr. Scharer listed the development standards for a halfway house such as, property separation, operation, location, parking and screening.

Mr. Scharer stated that the amendment is inconsistent with the Shelby Comprehensive Land Use Plan but consistent with other zoning districts in the area. Conditional Zoning is not the only requirement needed to allow for a halfway house to be at this location; a Special Use permit is also required by the Zoning Board of Adjustment.

Mayor Anthony asked for clarification that if a change in zoning occurs to GB2CZ then the only use for this property is a halfway house due to the Conditional Zoning attachment to the application. Mr. Scharer responded that is correct.

Mayor Anthony opened the public hearing at 6:10 p.m. and invited comments from the public.

Iverson Smith who resides at 1510 Knox Street, Shelby, North Carolina spoke against the proposed zoning. Mr. Smith is concerned about the number of group homes that are already in South Shelby. Mr. Smith also commented that he did not think it was appropriate to have a halfway house near schools. Mr. Smith stated that there has been an increase in vandalism and thefts since the group homes have been established.

John Grellman who resides at 1605 McFarland Drive, Shelby, North Carolina spoke against the proposed rezoning amendment for the property located at 1712 S. Lafayette Street. Mr. Grellman is a husband, father, and an educator. He does not think Mr. Dean (the applicant) was aware that:

- there are 3 schools in the area**
- 11-, 12-, and 13-year-olds walk to and from school every day or to and from practices at their schools**

Mr. Grellman stated that to even consider having a halfway house at this location is grossly irresponsible. He claims there have already been problems with just 3 or 4 residents at the halfway house. Mr. Grellman stated that the concept of a halfway house is great but only when conditions are right. Mr. Grellman concluded by stating statistics from an article in prisonlegalnews.com.

Mrs. Rachel Hamrick who resides at 3014 Poplar Circle, Shelby, North Carolina spoke for members of the Brittain Village community. Mrs. Hamrick clearly stated that the community does not want any rezoning of the property at all, especially to GB2CZ for a halfway house. Mrs. Hamrick stated that there are already problems with the four residents. Mrs. Hamrick inquired about the drawing that was submitted with the application, what is the buffer area? Mayor Anthony answered the buffer would meet the specifications the City requires.

Krista Ford who resides at 112 Holly Hill Road, Shelby, North Carolina voiced her concerns with the property at 1712 South Lafayette Street. Mrs. Ford is

concerned about safety in the community. Mrs. Ford questioned whether the statements in the interview with The Star were valid concerning the property manager being on site, 24-hour surveillance. Mrs. Ford listed six or more emergency calls to 1712 S. Lafayette Street (for example, fighting each other, marijuana on the premises, eviction issues, etc.) Mrs. Ford concluded by stating that there is fear in the community and pleaded with the Council to not approve the rezoning of this property. Mrs. Ford offered a petition that has 110 signatures opposed to the rezoning.

Carol McAllister Carpenter who resides at 3016 Harold Court, Shelby, North Carolina spoke against the proposed rezoning. Her family has owned her house since 1967. Mrs. Carpenter stated Brittain Village is a safe community with elderly and young people living there. She is opposed to a halfway house being allowed in the community.

George Rogers who resides at 400 Garland Place, Shelby, North Carolina, spoke against the proposed rezoning. Mr. Rogers' father-in-law is 86 years old and lives in Brittain Village. Mr. Rogers stated that his research showed that all of North Carolina's halfway houses were over capacity. Mr. Rogers also tracked how far away the halfway house was from James Love School and found it to be only .26 of a mile distance. Mr. Rogers further stated that he contacted a Cleveland County School Board member that stated that he was unaware of the halfway house being so close to the school.

Karen Clarke who resides at 35 Drewery Lane, Shelby, North Carolina spoke in favor of the proposed rezoning. Mrs. Clarke stated that Mr. Dean purchased the house from her family and has made great improvements to the house. Mrs. Clarke encouraged Council to tour the house if they haven't already. Mrs. Clarke stated that Mr. Dean desires to lead people to the Lord and to change people. Mrs. Clarke referred to David Barton, an American historian, that points out that spiritual influences help people rehabilitate. Mrs. Clarke stated that she respects Mr. Dean for his goals that he has for the halfway house and believes Mr. Dean can be successful in rehabilitating people.

Mr. Cedric Dean (the applicant) who resides at 1712 South Lafayette Street, Shelby, North Carolina stated while he was in prison, he accepted Christ. Mr. Dean stated that this is not a halfway house, this is a house for people that have been failed by the system. Mr. Dean said that he was asked by the Federal and State Probation offices to help with the problem of rehabilitation, and he wanted to find a solution to the problem. Mr. Dean stated he is trying to make this community safer by taking men in and giving them opportunities instead of them sleeping on the street.

James Holland who resides at 1712 S. Lafayette Street, Shelby, North Carolina spoke in favor of the rezoning. He stated that he was approved to

stay at this house by the Cleveland County Clerk of Court. He stated when he was released from prison, he lived under a bridge for three months due to be homeless. He stated that losing his children prompted him to try to kill himself. He said that with Mr. Dean's help he has been going to church, listens to gospel music, and helps buy food for others in the home when they don't have anything.

Ms. Jemeka Jefferies who resides at 906 Lake Drive, Shelby, North Carolina spoke against the proposed zoning. Ms. Jefferies questioned whether Mr. Dean resides at 1712 S. Lafayette Street. Ms. Jefferies believes Mr. Dean lives in Charlotte and that he would not want this halfway house in his Charlotte neighborhood. Ms. Jefferies further stated that she personally has looked for other properties or businesses that are vacant and are already zoned properly to assist Mr. Dean in relocating the halfway house. Ms. Jefferies stated that Brittain Village is the only community that has four schools within 1.9 miles and is a neighborhood that people watch out for each other. Ms. Jefferies thanked Council for their service to the community and reminded them that they were chosen to represent, help and protect the citizens. Ms. Jefferies concluded by stating that if Mr. Dean did not want this in his Charlotte neighborhood why would the people of Brittain Village want it in theirs.

Mayor Anthony closed the public hearing at 6:51 p.m.

Mayor Anthony asked City Attorney Leslie-Fite to help guide Council in this matter on the statement of reasonableness. Mrs. Leslie-Fite referred Council to General Statute 160D-605 printed in their agenda. Mrs. Leslie-Fite explained that this process requires a two-part analysis:

- Council is required to deliver a consistency statement or inconsistency statement.
- Council is required to adopt a reasonableness statement or unreasonable statement.

Mrs. Leslie-Fite further instructed Council that when a motion is made, it should include addressing the plan consistency part and whether the rezoning is reasonable or unreasonable based on the presentation from Mr. Scharer and the recommendation of the Planning and Zoning Board.

City Attorney Leslie-Fite listed the factors that should be considered when determining reasonableness:

- the size, physical conditions, and other attributes of the area
- the benefits and detriments to the landowners, the neighbors, and the surrounding community
- the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment

- why the action taken is in the public interest
- any changed conditions warranting the amendment

Mrs. Leslie-Fite further stated that Council's motion needs to address the plan consistency and statement of reasonableness.

Ms. Arth commented on the concerns the residents raised about the sex offenders living in the area and the proximity to the schools. Ms. Arth continued by stating that the halfway house residents are allowed to live there because the house is 1372 feet from any school, and the State requirement is 1000 feet. Ms. Arth wanted to ask Chief Ledford if any other sex offenders lived within that proximity; however, Chief Ledford was not in attendance of the meeting.

Mr. Hopper asked City Attorney Leslie-Fite what the most efficient way was to make a motion either to approve or deny the amendment. Mrs. Leslie-Fite referred Council to the Ordinance prepared if Council chose to approve the amendment. Mrs. Leslie-Fite continued by stating that the verbiage in Section 2 of the Ordinance can be modified to suit the reasonableness factor of the proposed amendment.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to deny Ordinance No. 25-2022 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA at 1712 SOUTH LAFAYETTE STREET" based on the analysis of it being inconsistent with the Comprehensive Land Use Plan and it changes the character of the surrounding community.

2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (Gilliatt Street): Ordinance No. 26-2022

Mr. Scharer introduced a zoning map amendment for property located on Gilliatt Street from Light Industrial (LI) zoning district to R10 zoning district. According to Mr. Scharer the applicant wishes to build a residence on this property and a zoning of R10 is consistent with the Comprehensive Land Use Plan.

Ms. Arth asked Mr. Scharer about the surrounding properties in this area. Mr. Scharer stated that City Council previously amended the zoning of several properties from LI to R10 for residential use, just like this proposed amendment.

Mayor Anthony opened the public hearing at 7:05 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:06 p.m.

ACTION TAKEN: Upon a motion made by Mr. Arth, City Council voted unanimously to approve and adopt Ordinance No. 26-2022 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA ON GILLIATT STREET” based on the consistency of the Comprehensive Land Use Plan and is reasonable for the area.

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (Arboretum Way): Ordinance No. 27-2022

Mr. Scharer introduced a zoning map amendment for property located on Arboretum Way which is in the ETJ from General Business Condition Zoning (GBCZ) district to R20 zoning district. According to Mr. Scharer the applicant wishes to build a subdivision on this property and a zoning of R20 is consistent with the Comprehensive Land Use Plan. Mr. Scharer stated that R20 is more suitable for this property because sewer is not available in the area.

Ms. Arth inquired whether the possibility of parking pads for Recreational Vehicles would be allowed. Mr. Scharer stated there are other Development Standards that would have to be approved for that to happen.

Mayor Anthony opened the public hearing at 7:08 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:09 p.m.

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to approve and adopt Ordinance No. 27-2022 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA ON ARBORETUM WAY” based on the consistency of the Comprehensive Land Use Plan and is reasonable for the area.

4) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (Eaves Road): Ordinance No. 28-2022

Mr. Scharer introduced a zoning map amendment for property located on Eaves Road which is in the ETJ from R20 zoning district to R6-CZ zoning district. According to Mr. Scharer the applicant wishes to build a subdivision on this property. A zoning of R6-CZ is inconsistent with the Comprehensive Land Use Plan, however, now that sewer is in the area this amendment is consistent with the local land use.

Mr. Howell and Ms. Leslie-Fite explained that if the zoning is changed, the applicant would still need to go through the subdivision regulation process.

Mr. Scharer also stated that since the property is along the Rail Trail, the developer would be responsible for developing greenways along the Rail Trail, along Hickory Creek, and along the sewer line toward Pinnacle School property.

Mayor Anthony opened the public hearing at 7:15 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:16 p.m.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Ordinance No. 28-2022 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA ON EAVES ROAD” based on the consistency of the Comprehensive Land Use Plan and is reasonable for the area.

- 5) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (Toms Street and Wyke Road): Ordinance No. 29-2022

Mr. Scharer introduced a zoning map amendment for property located on Toms Street and Wyke Road which is zoned a variety of districts (LI, R6, R8) to R6-CZ zoning district. According to Mr. Scharer the applicant wishes to build a subdivision on this property. A zoning of R6-CZ is consistent with the Comprehensive Land Use Plan due to the layout of the proposed subdivision for the Conditional Zoning.

Ms. Arth addressed the traffic on Wyke Road being very busy especially during school hours. Mr. Scharer explained that a second entrance from Toms Street into the subdivision was devised to help alleviate the traffic on Wyke Road.

Mayor Anthony opened the public hearing at 7:19 p.m. and invited comments from the public.

Brice Dimitruk who resides at 2013 A Van Buren Avenue, Indian Trail, North Carolina, spoke as the applicant in this proposed zoning amendment. He stated he was in favor of the zoning amendment. Mr. Dimitruk stated the developer is looking at traffic calming, and connectivity issues to help with traffic flow.

Yves Boudreau who resides at 102 Donlynn Drive, Shelby, North Carolina stated he owns a business on Wyke Road, and the traffic is already a concern for his tenants and his customers. Mr. Boudreau asked if there was a plan to possibly widen the road Wyke Road. Mr. Scharer stated that Wyke Road is a NCDOT road, and City staff would work with the NCDOT if traffic issues

needed to be addressed but there are not any plans currently to modify Wyke Road.

Mayor Anthony closed the public hearing at 7:24 p.m.

ACTION TAKEN: Upon a motion made by Mr. Causby, City Council voted unanimously to approve and adopt Ordinance No. 29-2022 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA AT TOMS STREET AND WYKE ROAD” based on the consistency of the Comprehensive Land Use Plan and is reasonable for the area.

- 6) Consideration of a resolution authorizing purchase of land pursuant to G.S. 158-7.1: Resolution No. 35-2022

Mr. Howell introduced Resolution No. 35-2022 for Council’s consideration. Mr. Howell stated the purpose of the public hearing is to allow the public to comment regarding the City’s intent to acquire this property for economic development purposes.

Mayor Anthony opened the public hearing at 7:26 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:27 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Resolution No. 35-2022 entitled, “A RESOLUTION AUTHORIZING PURCHASE OF LAND PURSUANT TO G.S. 158-7.1”.

- 7) Consideration of a resolution assigning government property to Economic Development: Resolution No. 36-2022

Mr. Howell introduced Resolution No. 36-2022 for Council’s consideration. Mr. Howell stated the City acquired two parcels at 414 South Lafayette Street for public use centered around parking for the Depot Park. Mr. Howell continued by stating that the property is much larger than necessary for parking, therefore, the City’s intent is to now use a part of this property for Economic Development.

Mayor Anthony opened the public hearing at 7:28 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:29 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Resolution No. 36-2022 entitled, “A RESOLUTION ASSIGNING GOVERNMENT PROPERTY TO ECONOMIC DEVELOPMENT”.

D. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of May 2, 2022
- 2) Approval of Special Event Application:
 - a. Dover Foundation YMCA - The Memorial 5K Race requested date: May 21, 2022
- 3) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from Cleveland Partners, LLC: Resolution No. 37-2022
- 4) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from Don Peeler Realty: Resolution No. 38-2022
- 5) Approval of a resolution accepting Holman Drive into the City of Shelby street system: Resolution No. 39-2022
- 6) Consideration of Fiscal Year (FY) 2021-2022 Budget Ordinance Amendment No. 10: Ordinance No. 30-2022
- 7) Approval of a resolution accepting American Rescue Plan funding: Resolution No. 40-2022
- 8) An ordinance rescinding Ordinance 52-2019: Ordinance No. 31-2022

E. Unfinished Business:

- 1) **SECOND READING** – An Ordinance Amending Chapter 4 of The City of Shelby Code of Ordinances: Ordinance No. 24-2022

City Attorney Leslie-Fite reintroduced Ordinance No. 24-2022 for Council’s consideration. Mrs. Leslie-Fite reminded Council that this ordinance updates Chapter 4 of our Code of Ordinances to comply with the new statutory changes

requiring cities to include misdemeanor language to every ordinance the city wishes to be punishable as a misdemeanor.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Ordinance No. 24-2022 entitled, “AN ORDINANCE AMENDING CHAPTER 4 OF THE CITY OF SHELBY CODE OF ORDINANCES”

- 2) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby’s TAMP Phase 1 Natural Gas Line Rehabilitation Project: Ordinance No. 32-2022

Mr. Howell introduced Ordinance No. 32-2022 for Council’s consideration stating this ordinance appropriates \$960,000 for the construction and replacement of natural gas lines identified in the TAMP Phase 1 area.

ACTION TAKEN: Upon a motion made by Mrs. Bullock, City Council voted unanimously to approve and adopt Ordinance No. 32-2022 entitled, “AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY’S TAMP PHASE 1 NATURAL GAS LINE REHABILITATION PROJECT”

- 3) Approval of a resolution awarding the bid for replacement of natural gas lines in the N. Morgan, Leander St., Royster Ave., Cline St., Grice St., and Gidney St. areas: Resolution No. 41-2022

Mr. Howell introduced Resolution No. 41-2022 for Council’s consideration stating this Resolution awards the bid contract for the replacement of natural gas lines to Appling Boring, Inc.

Ms. Arth inquired as to the disparity in bids the City received. Mrs. McMurry stated there are just a few gas contractors and they are very busy – so supply and demand concept is evident.

ACTION TAKEN: Upon a motion made by Mrs. Bullock, City Council voted unanimously to approve and adopt Resolution No. 41-2022 entitled, “A RESOLUTION AWARDED THE BID FOR REPLACEMENT OF NATURAL GAS LINES IN THE N. MORGAN, LEANDER ST., ROYSTER AVE., CLINE ST., GRICE ST., AND GIDNEY ST. AREAS”

- 4) Consideration of an ordinance establishing a capital project ordinance and budgets for the City of Shelby’s City Hall Roof Replacement Project: Ordinance No. 33-2022

Mr. Howell introduced Ordinance No. 33-2022 for Council’s consideration stating this ordinance would appropriate \$295,000 of ARPA funding and

\$345,000 of budgeted general fund capital outlay funding to replace City Hall's slate roof. Mr. Howell further stated based on research the original roof from 1939 has only been repaired twice. This funding would replace the roof with another slate roofing material.

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to approve and adopt Ordinance No. 33-2022 entitled, "AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY'S CITY HALL ROOF REPLACEMENT PROJECT"

F. New Business

- 1) Approval of a resolution establishing a public hearing date for City of Shelby property on Artee Road: Resolution No. 42-2022

Mr. Howell introduced Resolution No. 42-2022 for Council's consideration stating this resolution would set a public hearing date to hear public comment regarding the proposed voluntary annexation of city owned property into the city limits. Mr. Howell stated this property is approximately 41 acres plus an additional NCDOT parcel along Artee Road and the new US 74 bypass.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Resolution No. 42-2022 entitled, "A RESOLUTION ESTABLISHING A PUBLIC HEARING DATE FOR CITY OF SHELBY PROPERTY ON ARTEE ROAD"

G. City Manager's Report:

- Regarding City Park Aquatics Center – bids for the renovation project were due Friday, May 13th, unfortunately no qualified bids were received so the project will be rebid for Friday, June 3rd.
- Regarding Phase IA of the Carolina Harmony Trail – The second bid opening was held Friday, May 6th, 2022. Only one bidder submitted at the initial bid opening so staff is working with the consulting engineer to value engineer the cost reductions to bring it closer to budget.
- The City has received a grant award totaling \$10,000 from ElectriCities of NC for a downtown revitalization grant to be used toward the restoration of the old railroad depot on Market Street.
- The City anticipates submitting a grant application in the fall to the NC Rural Transformation Grant program. This grant focuses on retaining businesses, attracting new customers, supporting downtown economic

development, supporting community enhancements for economic growth, building local government capacity, and creating resilient neighborhoods through investment in quality-of-life improvements. The maximum grant is \$900,000 and must demonstrate impact on communities negatively impacted by COVID 19.

- Piedmont Construction has begun mobilizing to begin the sewer project at the Randolph Road industrial park site. This system will serve the 64 acres in the park as well as some surrounding areas. Construction is scheduled to be complete in January 2023.
- T-Hangar #4 is complete and all 10 spaces are occupied by paying customers.
- The updated Airport Layout Plan has been reviewed and approved by the NC Division of Aviation and will be presented to Council in June for adoption. The City is still awaiting approval from the Federal Aviation Administration (FAA) which could take up to a year.
- Beginning in June/July monthly presentations by City staff will be brought to Council on a variety of issues facing the City.
- RAISE grant was submitted (\$25 million) in April. The City is using a company named Strategics to help work through the federal process and hopefully enhance our opportunity to receive this grant.
- The Chamber Legislative breakfast is Monday, May 23rd at the LeGrand Center.
- The Town/State dinner is June 1st in Raleigh – Mr. Howell needs to know who is interested in attending.
- Rescheduling the Budget workshop that was cancelled last week for Monday, May 23rd at noon.

H. Council Announcements and Remarks:

Mayor Anthony suggested that Council may want to look at the Advisory Boards to develop some policies, such as expertise, attendance, city residency, etc. Mr. Howell stated that staff will come back with some recommendations for Council to review.

Mr. Causby reminded everyone to vote tomorrow in the primary election.

I. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 7:48 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Minutes of May 16, 2022

DRAFT

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-5

- 5) Acceptance of the Certificate of Sufficiency regarding Petition of Annexation of applicant, Cleveland Partners, LLC

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum dated June 1, 2022 from Carol Williams, City Clerk to Rick Howell, City Manager
- Certificate of Sufficiency

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 annexation petition will be on the City Council's agenda for final action on Monday, June 20th.

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

MEMO

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: June 1, 2022

Re: Cleveland Partners, LLC – Petition for Voluntary Annexation

BACKGROUND:

Cleveland Partners, LLC submitted a Petition of Contiguous Annexation dated April 7 and April 24, 2022. City Council adopted and approved Resolution No. 37-2022 on May 16, 2022 directing the City Clerk to determine sufficiency of the contiguous annexation petition from Cleveland Partners, LLC.

REVIEW:

In accordance with the North Carolina General Statute 160-58.1, staff has investigated the petition submitted by Cleveland Partners, LLC 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 the North Carolina General Statute (NCGS) 160A-29 on Monday, June 20, 2022.



City of Shelby
Planning and Development Services Department

General Application

Address of Subject Property:

1313 Rainbow Drive SHELBY NC

Applicant(s) Name:

CLEVELAND PARTNERS LLC (VERNON BAUMRIND)

Address:

850 S Park Rd #133

Charlotte NC 28210

Email:

V.Baumrind@gmail.com

Phone:

704.643.6300

Owner(s) Name:

SAME AS ABOVE

Email:

Phone:

Relationship to Property: Owner

Developer, Contractor, etc.

Other:

Request for (Check all that apply):

- Annexation (Contiguous & Satellite)
- Change in Tenant/Building Use
- Site Plan Review & Zoning Permit
- Street Name Change
- Street/ROW Closing
- Special Use Permit
- UDO Text Amendment
- Zoning Map Amendment
- Conditional Zoning Map Amendment
- Zoning Permit or Home Occupation Permit

Project Information (Fill in applicable information):

Parcel Number: _____

Proposed Zoning: _____

Proposed Land Use: _____

Previous Use: _____

Approx. Building Sq. Ft.: _____

Approx. Project Acreage: _____

Business Name: _____

Construction Sq. Ft.: _____

Valuation: _____

Provide a detailed description of the proposed project. Attach additional pages or documentation if necessary.

SURVEY ATTACHED
CURRENT DEED ATTACHED

Oath: By signing, I hereby certify that all information that I have provided in this application is correct and complete to the best of my knowledge. I understand that providing false or incomplete information may be grounds for denial of my request or may result in future action by the City Council to revoke the permit.

Signature of Applicant

4/7/22
Date

Received by: _____

_____ Date



City of Shelby
Planning and Development Services Department

General Application

Address of Subject Property:

PARCEL No. 45655
PIN: 2536245281 RAINBOW DRIVE

Applicant(s) Name: BVI PARTNERS LLC (VERNON BAUMRIND)

Address: 8508 PARK RD. #133

CHARLOTTE NC 28210

Email: VBAUMRIND@gmail.com

Phone: 704-643-6300

Owner(s) Name: SAME AS ABOVE

Email: _____

Phone: _____

Relationship to Property: Owner Developer, Contractor, etc. Other: _____

Request for (Check all that apply):

- Annexation (Contiguous & Satellite)
- Change in Tenant/Building Use
- Site Plan Review & Zoning Permit
- Street Name Change
- Street/ROW Closing
- Special Use Permit
- UDO Text Amendment
- Zoning Map Amendment
- Conditional Zoning Map Amendment
- Zoning Permit or Home Occupation Permit

Project Information (Fill in applicable information):

Parcel Number: _____

Proposed Zoning: _____

Proposed Land Use: _____

Previous Use: _____

Approx. Building Sq. Ft.: _____

Approx. Project Acreage: _____

Business Name: _____

Construction Sq. Ft.: _____

Valuation: _____

Provide a detailed description of the proposed project. Attach additional pages or documentation if necessary.

GIS MAP ATTACHED
CURRENT DEED ATTACHED

Oath: By signing, I hereby certify that all information that I have provided in this application is correct and complete to the best of my knowledge. I understand that providing false or incomplete information may be grounds for denial of my request or may result in future action by the City Council to revoke the permit.

Vernon Baumrind
Signature of Applicant

4/24/2022
Date

Received by: _____

_____ Date



Post Office Box 207 · Shelby, NC 28151-0207

CERTIFICATE OF SUFFICIENCY

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

I, Carol Williams, 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 contiguous annexation to the City of Shelby primary corporate limits, as defined by North Carolina General Statute 160A-31.
- c. The petition is signed by and includes 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 6th day of June, 2022.

(SEAL)

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-6

- 6) Acceptance of the Certificate of Sufficiency regarding Petition of Annexation of applicant, Don Peeler Realty

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum dated June 1, 2022 from Carol Williams, City Clerk to Rick Howell, City Manager
- Certificate of Sufficiency

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 annexation petition will be on the City Council's agenda for final action on Monday, June 20th.

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

MEMO

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: June 1, 2022

Re: Don Peeler Realty – Petition for Voluntary Annexation

BACKGROUND:

Cleveland Partners, LLC submitted a Petition of Contiguous Annexation dated April 1, 2022. City Council adopted and approved Resolution No. 38-2022 on May 16, 2022 directing the City Clerk to determine sufficiency of the contiguous annexation petition from Don Peeler Realty.

REVIEW:

In accordance with the North Carolina General Statute 160-58.1, staff has investigated the petition submitted by Don Peeler Realty 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 the North Carolina General Statute (NCGS) 160A-29 on Monday, June 20, 2022.



City of Shelby
Planning and Development Services Department

General Application

Address of Subject Property: 70 ALDES LEAVES ROAD, SHELBY, N.C.

Applicant(s) Name: DON PEELER REALTY, INC.
Address: 101 APPLE HILL DRIVE
SHELBY, N.C. 28152
Email: DONPEELER NC @ AOL.COM
Phone: 704-913-1033

Owner(s) Name: KENNETH WAYNE ALLEN
Email: KENALLEN28 @ HOTMAIL.COM
Phone: 704-692-3670

Relationship to Property: Owner Developer, Contractor, etc. Other: _____

- Request for (Check all that apply):
- Annexation (Contiguous & Satellite)
 - Change in Tenant/Building Use
 - Site Plan Review & Zoning Permit
 - Street Name Change
 - Street/ROW Closing
 - Special Use Permit
 - UDO Text Amendment
 - Zoning Map Amendment
 - Conditional Zoning Map Amendment
 - Zoning Permit or Home Occupation Permit

Project Information (Fill in applicable information):
Parcel Number: 5430
Proposed Zoning: R-10
Proposed Land Use: RESIDENTIAL DEVELOPMENT
Previous Use: R-20 RESIDENTIAL
Approx. Building Sq. Ft.: 14-1500
Approx. Project Acreage: 70
Business Name: DON PEELER REALTY, INC.
Construction Sq. Ft.: 14-1500 SQ. FT. NEW
Valuation: #130+1 - NEW HOMES
@ #300,000 EA. = \$39 MILLION PLUS
#3+ MI. INFRASTRUCTURE
= \$42+ MILLION

Provide a detailed description of the proposed project. Attach additional pages or documentation if necessary.
130+ SINGLE FAMILY HOMES RESIDENTIAL DEVT. INFRASTRUCTURE

Oath: By signing, I hereby certify that all information that I have provided in this application is correct and complete to the best of my knowledge. I understand that providing false or incomplete information may be grounds for denial of my request or may result in future action by the City Council to revoke the permit.

Don L. Peeler, Pres.
Signature of Applicant

APRIL 1, 2022
Date

Received by: _____

_____ Date



CERTIFICATE OF SUFFICIENCY

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

I, Carol Williams, 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 contiguous annexation to the City of Shelby primary corporate limits, as defined by North Carolina General Statute 160A-31.
- c. The petition is signed by and includes 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 6th day of June, 2022.

(SEAL)

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-7

7) Approval of Special Event Application:

- a) 175th Anniversary celebration, First Baptist Church: request date June 25, 2022

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum dated June 1, 2022 from Carol Williams, City Clerk to Rick Howell, City Manager
- Special Event Application – First Baptist Church

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: Carol Williams, City Clerk

Date: June 1, 2022

Re: Special Event Permit Application

BACKGROUND:

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

- ✓ 175th Anniversary Celebration, First Baptist Church, requested date: June 25, 2022

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 June 6, 2022 for Council's review and approval.

ATTACHMENT:

- A. Special Event Permit Application packet received June 1, 2022

criminal in nature, shall be subject to the maximum penalty authorized by G.S. 14-4, as amended.

**CITY OF SHELBY
SPECIAL EVENT PERMIT APPLICATION**

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

1. EVENT NAME:

175th Anniversary Celebration - First Baptist Church
Shelby, NC

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT:

Festive opportunity for people to be together
food, blow ups, games and music live or DJ

3. LOCATION OF EVENT (ATTACH MAP):

Close 1 block section of Washington St. between
Campbell St. and Sumpter St.

4. PLEASE INDICATE:

Approximately how many people will attend the event? 300

Approximately how many vehicles will be present? 125

Approximately how many animals will be present? 0

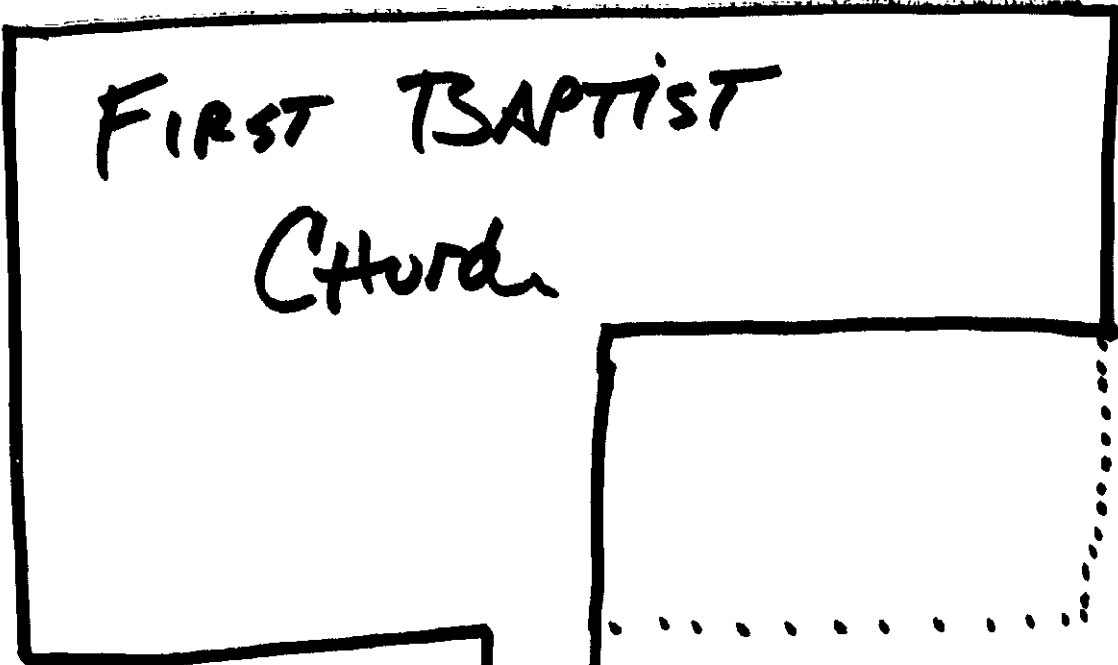
If the event is a parade, please indicate the amount of street that will be needed:

Single lane N/A

All lanes in travel direction _____

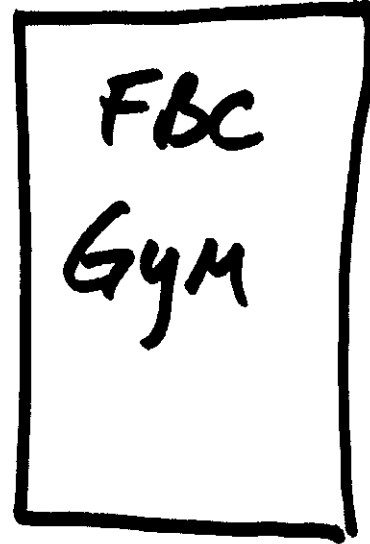
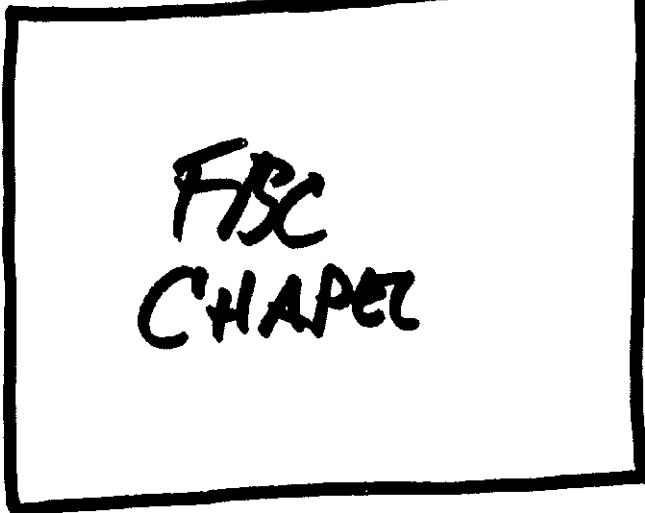
S ← LAFAYETTE STREET → N

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T.

S ← WASHINGTON STREET → N



Whole street ✓

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

Name: First Baptist Church - Jenē Baxter / Doug Hankins

Address: 120 N. Lafayette St., Shelby, NC 28150

Phones: 704-482-3467 (Daytime) 704-748-3532 J / 254-366-6050 D (Evening)

E-mail address operations@fbcshelby.org / doug@fbcshelby.org

Name: _____

Address: _____

Phones: _____ (Daytime) _____ (Evening)

E-mail address _____

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) Saturday, June 25

Alternate day(s) and date(s) N/A

Requested hours of operation, from 3 ~~AM~~/PM to 8 ~~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. As if on our property. Our dumpster nearby for all garbage.

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.

*Some music via live band or D.J. 5-7pmish
4:30-7:30*

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? yes inside church and 1 Pelican mobil truck

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: Our Church safety & security team will be on hand
Address: to contact emergency teams if needed.
Phones: _____

Indicate medical services that will be provided for the event.

AMBULANCE: _____
DOCTOR (S): _____
PARAMEDICS: _____

11. CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:

Street closure - Baracades only

Event Power Request Form and Pricing

To utilize the event panels for power in Uptown Shelby, this form must be submitted with event application and payment made at time of application.

Please use the map below for event panel locations, circle the event panels that you need for your event. If you have questions about the electrical requirements for your event, please contact the Electric Superintendent at 704-669-6649.

Name of Special Event: _____ N/A _____
Authorize Event/Vendor Coordinator: _____
Phone No.: _____ Mobile No.: _____
Email: _____

Event panel (EP) cost is \$15.00 per day per event panel.

Stage panel (STG PAN) cost is \$110.00 per day per stage panel.

Full Day Rentals only

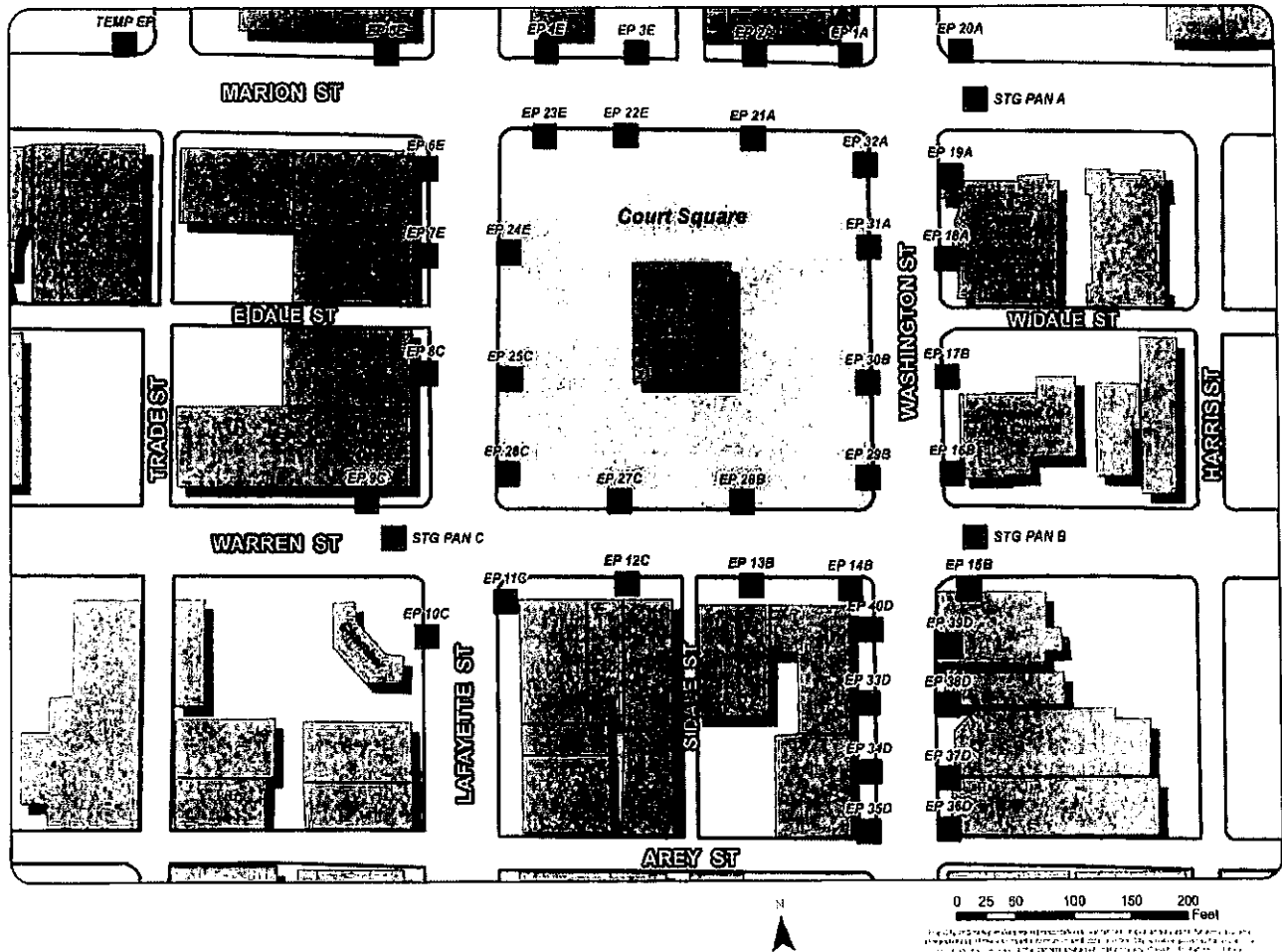
Total Number of Event Panels:
_____ x \$15.00 x Number of Days _____ = \$ _____ N/A

Total Number of Stage Panels:
_____ x \$110.00 x Number of Days _____ = \$ _____

All fees must be paid at the time of event application.

Any event panel not requested and paid for in advance and requested the day of the event will be subject to an after-hours charge.

City of Shelby Uptown Event Panels



Legend

■ Event Panel

■ Stage Panel

12. ANY ADDITIONAL COMMENTS:

Thank you for considering our request. Y'all are invited along with your families to join us in celebrating 175 years.

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.

Jené A. Baxter

SIGNATURE

Jené Baxter for First Baptist Church Shelby

APPLICANT

PHONE 704-482-3467

120 N. Lafayette St.

PHYSICAL ADDRESS

operations@fbcsbelby.org

E-MAIL ADDRESS

6/1/2022

DATE

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-8

- 8) Approval of a resolution accepting American Rescue Plan funding:
Resolution No. 43-2022

Consent Agenda Item: (Beth Beam, Director of Finance)

Summary of Available Information:

- Memorandum dated May 26, 2022 from Beth B. Beam, Director of Finance to Rick Howell, City Manager
- Funding documents
- Resolution No. 43-2022

City Manager's Recommendation / Comments

Resolution No. 43-2022 is presented for City Council consideration via the Consent Agenda. If approved this resolution would formally accept \$5,700,000 of ARP Funding from the State of NC for construction of the 24" drinking water transmission line to the South Tank and Forest Hill Drive. The resolution also provides assurances the City will use the funds for the proposed use and within the conditions provided in the agreement. It further authorizes the City Manager to furnish information and execute applicable documents on behalf of the City.

It is recommended that Resolution No. 43-2022 be adopted and approved via the Consent Agenda.



To: Rick Howell, City Manager
From: Beth B. Beam, Director of Finance
Date: May 26, 2022
Subject: Acceptance of DWI State Budget Grant

Background:

The City of Shelby was approved for an American Rescue Plan funded grant from the State Fiscal Recovery Fund in the amount of \$5,700,000 by S.L. 2021-180. The offer of the grant is made by the Division of Water Infrastructure and is subject to the assurances and conditions set forth in the offer-and-acceptance document.

Review and Comments:

The City of Shelby must submit the following items to the Division of Water Infrastructure: a Resolution adopted by the governing body which accepts the offer and makes the applicable assurances therein contained, a signed copy of the offer and acceptance document, a federal identification number memo and a sales tax certification.

Recommendation:

The recommendation from staff is to approve the attached resolution to accept the American Rescue Plan grant offer.

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

Funding Offer and Acceptance

Legal Name and Address of Award Recipient

City of Shelby
P.O. Box 207
Shelby, NC 28151-0207

Project Number:

SRP-D-ARP-0030

CFDA Number:

Funding Program

Drinking Water	<input checked="" type="checkbox"/>	Additional Amount for Funding Increases	Previous Total	Total Offered
Wastewater	<input type="checkbox"/>			
State Revolving Fund (SRF)	<input type="checkbox"/>			
State Reserve Loan (SRP)	<input type="checkbox"/>			
State Reserve Grant (SRP)	<input type="checkbox"/>			
State Grant Appropriation (SAP)	<input type="checkbox"/>			
American Rescue Plan Act (ARPA)	<input checked="" type="checkbox"/>			\$5,700,000

Project Description:

24" Transmission Line to South Tank & Forest Hill Dr.

Total Financial Assistance Offer:

\$5,700,000

Total Project Cost:

\$5,700,000

Estimated Closing Fee*:

na

For Loans

Principal Forgiveness:

\$0

Interest Rate:

0.0% Per Annum

Maximum Loan Term:

0 Years

**Estimated closing fee calculated based on grant and loan amount.*

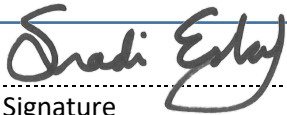
Pursuant to North Carolina General Statute 159G:

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

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

For The State of North Carolina:

**Shadi Eskaf, Director, Division of Water Infrastructure
North Carolina Department of Environmental Quality**



Signature

5/25/2022

Date

On Behalf of:

Name of Representative in Resolution:

Title (Type or Print):

City Manager

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

Signature

Date

STANDARD CONDITIONS

1. Acceptance of this Funding Offer does not exempt the Recipient from complying with requirements stated in the U.S. Treasury's [Final Rule](#) for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and the [SLFRF Compliance and Reporting Guidance](#) not explicitly referred to in this document and any future requirements implemented by the U.S Treasury.
2. Acquisition of Real Property must comply with all applicable provisions of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (PL 92-646), as amended. The applicant shall certify that it has or will have a fee simple or such other estate or interest in the site of the project, including necessary easements and rights-of-way, to assure undisturbed use and possession for the purpose of construction and operation for the estimated life of the project using a certification form provided by DEQ.
3. Specific MBE/WBE (DBE) forms and instructions are provided that are to be included in the contract specifications. These forms will assist with documenting positive efforts made by recipients, their consultants and contractors to utilize disadvantaged businesses enterprises. Such efforts should allow DBEs the maximum feasible opportunity to compete for subagreements and subcontracts to be performed. Documentation of efforts made to utilize DBE firms must be maintained by all recipients, and construction contractors, and made available upon request.
4. Subrecipients shall fully comply with Subpart C of 2 CFR Part 180 entitled, "Responsibilities of Participants Regarding Transactions Doing Business with Other Persons," as implemented and supplemented by 2 CFR Part 1532. Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. Recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. Subrecipients may access suspension and debarment information at: <http://www.sam.gov>. This system allows subrecipients to perform searches determining whether an entity or individual is excluded from receiving Federal assistance.
5. Projects with a total cost of \$10,000,000 or more must meet U.S. Treasury requirements for prevailing wage rates, project labor agreements, and related requirements. Recipients can either certify meeting the requirements or provide plans and reports as the [SLFRF Compliance and Reporting Guidance](#) specifies.
6. The Uniform Guidance 2 CFR 200.317 through 2 CFR 200.327 gives minimum requirements for procurement, with 2 CFR 200.319(b) addressing engineering services procurement guidelines. ARPA-funded projects must also adhere to North Carolina State law, specifically NC General Statute 143-64.31, Article 3D Procurement of Architectural, Engineering, and Surveying (A/E) Services. NCGS 143-64.32 cannot be used to exempt funding recipients from a qualification-based selection for A/E. The State provides applicable certification forms that must be completed prior to receiving funds for any engineering services covered under this funding offer.
7. Local government units designated as distressed must complete associated requirements of statute §159G-45(b).
8. Funds made available by the ARPA that are not disbursed to the entity accepting the funds in this document by December 31st, 2026, will no longer be available for the project. Unused Federal funds will revert from the State of North Carolina to the U.S. Treasury.

ASSURANCES

1. The Applicant intends to construct the project or cause it to be constructed to final completion in accordance with the Application approved for financial assistance by the Division.
2. The Applicant is responsible for paying for the costs ineligible for ARPA funding.
3. The construction of the project, including the letting of contracts in connection therewith, conforms to the applicable requirements of State and local laws and ordinances.
4. The Applicant will provide and maintain adequate engineering supervision and inspection.
5. The recipient agrees to establish and maintain a financial management system that adequately accounts for revenues and expenditures. Adequate accounting and fiscal records will be maintained during the construction of the project and these records will be retained and made available for a period of at least three years following completion of the project.
6. All ARPA funds shall be expended solely for carrying out the approved project, and an audit shall be performed in accordance with G.S. 159-34. Partial disbursements on this loan will be made promptly upon request, subject to adequate documentation of incurred eligible costs, and subject to the recipient's compliance with the Standard Conditions of this Award. The Applicant agrees to make prompt payment to its contractor, and to retain only such amount as allowed by North Carolina General Statute.
7. The applicant will expend all of the requisitioned funds for the purpose of paying the costs of the project within three (3) banking days following the receipt of the funds from the State. Please note that the State is not a party to the construction contract(s) and the Applicant is expected to uphold its contract obligations regarding timely payment.
8. Funds must be fully spent (i.e., fully reimbursed to the recipient) by December 31, 2026.

Acknowledgement of Standard Conditions and Assurances

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

.....
Signature

.....
Date

FEDERAL ID & Unique Entity ID # REQUEST MEMO

TO: All Loan and Grant Recipients

SUBJECT: Federal Identification Number

Please be advised that all local government units receiving grant or loan funds from the State of North Carolina must supply their Federal Identification Number to this office upon acceptance of your loan/grant offer. Therefore, please provide the information below and return to:

Division of Water Infrastructure
1633 Mail Service Center
Raleigh, North Carolina 27699-1633

RECIPIENT:

City of Shelby, NC

PROJECT NUMBER:

SRP-D-ARP-0030

FEDERAL IDENTIFICATION NUMBER:

56-6001333

UNIQUE ENTITY ID:

L2J6LFPHD752

SALES-TAX REIMBURSEMENT CERTIFICATION FORM

(FOR FUNDING PROGRAMS IN THE DIVISION OF WATER INFRASTRUCTURE)

Applicant: City of Shelby, NC

Project Number: SRP-D-ARP-0030

Check If Applicant is not a unit of government under North Carolina law

If Applicant noted above is a Unit of Government in North Carolina, check the applicable box below.

Sales Tax **IS** deducted in this scenario. Please show this on the disbursement requests.

The construction contract was bid with sales taxes and the unit of government will request reimbursement from the DOR.

Sales Tax **IS NOT** deducted in either of these scenarios.

The construction contract was bid with sales taxes and the unit of government will not request reimbursement from the DOR.

The construction contract was bid without sales taxes

Beth B. Beam, Director of Finance

(Printed Name and Title of Authorized Representative)

Beth B. Beam

(Signature of Authorized Representative)

5/26/2022

(Date)

Submit to: NC Dept. of Environment & Natural Resources
Division of Water Infrastructure
Pam Whitley, Project Management Branch
1633 Mail Service Center
Raleigh, NC 27699-1633

RESOLUTION NO. 43-2022
Resolution Accepting American Rescue Plan Funding

WHEREAS, the City of Shelby has received an earmark for the American Rescue Plan (ARP) funded from the State Fiscal Recovery Fund established in S.L. 2021-180 to assist eligible units of government with meeting their water/wastewater infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$5,700,000 to perform work detailed in the submitted application, and

WHEREAS, the City of Shelby intends to perform said project in accordance with the agreed scope of work,

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

That City of Shelby does hereby accept the American Rescue Plan Grant offer of \$5,700,000.

That the City of Shelby does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.

That Rick Howell, City Manager, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with this project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted this the 6th day of June, 2022 at Shelby, North Carolina.

O. Stanhope Anthony, III
Mayor

Carol Williams
City Clerk

Approved as to form:

Andrea Leslie-Fite
City Attorney

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-9

- 9) Approval of a resolution providing for the sale and issuance of a \$6,000,000 City of Shelby, North Carolina General Obligation Street and Sidewalk Improvement Bond, series 2022: Resolution No. 44-2022

Consent Agenda Item: (Beth Beam, Director of Finance)

Summary of Available Information:

- Memorandum dated May 25, 2022 from Beth Beam, Director of Finance to Rick Howell, City Manager
- Bond Purchase Agreement among City of Shelby and JP Morgan Chase Bank, N.A.
- Resolution No. 44-2022

City Manager's Recommendation / Comments

Resolution No. 44-2022 is presented for City Council consideration via the Consent Agenda. If approved this resolution will authorize the sale and issuance of a \$6,000,000 General Obligation Street and Sidewalk Improvement Bond. The order approving said bonds was previously adopted by City Council on August 2, 2021 and subsequently approved by qualified voters through a referendum held on November 2, 2021. The total amount approved by voters was \$10,000,000. This will be the first issuance of bonds since that approval.

The \$6,000,000 bond, which will be sold to JP Morgan Chase, through a private sale by the Local Government Commission, will carry an interest rate of 2.70% over a term of 15 years.

The remaining approved bonds, in the amount of \$4,000,000, will come before Council at a later date, as work is completed as outlined in the Transportation Asset Management Plan.

It is recommended that Resolution No. 44-2022 be adopted and approved via the Consent Agenda.



MEMORANDUM

To: Rick Howell, City Manager

From: Beth Beam, Director of Finance

RE: Street and Sidewalk Improvement General Obligation Bond Sale & Issuance

Date: May 25, 2022

Background

As you are aware, the City, through Resolution 41-2021, approved the filing of an application with the NC Local Government Commission (LGC) for the proposed issuance of Street and Sidewalk Improvement General Obligation Bonds. The application was filed with the LGC, Council has taken the first action on the Bond Order, has offered a Public Hearing on the Bond Order, has read the Bond Order a second time for adoption and adopted the Resolution calling for a Bond Referendum. The Bond Referendum occurred on November 2, 2021 and the results were declared through Resolution 71-2021. On April 13, 2022, requests for proposals were sent to banks for the financing of the issuance of the first portion of the GO bonds in the amount of \$6,000,000. Bids were summarized on May 5, 2022 with JPMorgan Chase Bank, NA offering the most competitive bid.

The resolution provided authorizes the sale and issuance of the bond. Also included is the bond purchase agreement between the City of Shelby, the Local Government Commission and JPMorgan Chase Bank, NA.

Staff Recommendation:

Staff recommends that City Council read and adopt a Resolution providing for the Sale and Issuance of a \$6,000,000 City of Shelby, NC General Obligation Street and Sidewalk Improvement Bond, Series 2022.

BOND PURCHASE AGREEMENT

among

City of Shelby, North Carolina,
Local Government Commission

and

JPMorgan Chase Bank, N.A.

concerning

\$6,000,000
City of Shelby, North Carolina
General Obligation Street and Sidewalk Improvement Bond
Series 2022

BOND PURCHASE AGREEMENT

concerning

\$6,000,000

City of Shelby, North Carolina
General Obligation Street and Sidewalk Improvement Bond
Series 2022

June 16, 2022

City of Shelby, North Carolina
Shelby, North Carolina

Local Government Commission
Raleigh, North Carolina

Ladies and Gentlemen:

JPMorgan Chase Bank, N.A. (the “Purchaser”) hereby offers to enter into this Bond Purchase Agreement with the Local Government Commission, a division of the Department of State Treasurer of the State of North Carolina (the “LGC”), and the City of Shelby, North Carolina (the “City”), which, upon acceptance of this offer by the LGC and approval of this offer and of the LGC’s acceptance thereof by the City, will be binding upon the LGC, the City and the Purchaser.

1. Purchase and Sale of the Bond. Upon the terms and conditions hereof and upon the basis of the representations set forth herein, the Purchaser hereby agrees to purchase, and the LGC and the City hereby agree to sell to the Purchaser, the City of Shelby, North Carolina General Obligation Street and Sidewalk Improvement Bond, Series 2022, dated the date hereof, in the aggregate principal amount of \$6,000,000 (the “Bond”). The purchase price for the Bond shall be \$6,000,000, representing the aggregate par amount of the Bond. The delivery and payment for the Bond and other actions contemplated hereby shall take place at the time thereof being herein sometimes called the “Closing.”

The Bond shall consist of one fully-registered bond certificate in the aggregate principal amount of \$6,000,000, shall be dated as of June 16, 2022, and shall bear interest from its date at a rate of 2.70% per annum (subject to adjustment as provided in the Bond) and shall mature, subject to prior redemption, in annual principal installments, all as more particularly described in Exhibit A attached hereto, with a final maturity on June 1, 2037. The Bond shall be issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina (the “Act”), an order adopted by the City Council of the City on August 2, 2021 (the “Bond Order”), which Bond Order was approved by the vote of a majority of the qualified voters of the City who voted thereon at a referendum duly called and held on November 2, 2021, and a resolution adopted by said City Council on June 6, 2022 authorizing the sale and issuance of the Bond (the “Resolution”).

The proceeds of the Bond are to be used to provide funds, together with other available funds, to (a) construct, extend, widen, resurface and improve streets, sidewalks, greenways and multi-use paths for the City, including, without limitation, any related land, easements, rights of way and streetscape, traffic signal and utility improvements (the “Project”) and (b) pay the fees and expenses incurred in connection with the sale and issuance of the Bond.

2. Representations of the Purchaser; Purchase for Own Account. (a) The Purchaser hereby acknowledges and represents, in respect of the Bond, that:

(i) the Purchaser is familiar with the City;

(ii) the Purchaser has been furnished with all financial and other information about the City, the Project and the Bond as requested by the Purchaser; and

(iii) the City has made available to the Purchaser the opportunity to obtain additional information about the City and the Bond.

(b) The Purchaser further acknowledges and represents in respect of the Bond that a part of the Purchaser’s business consists of making loans as evidenced by the purchase, holding and sale of obligations of the same general character as the Bond, and the Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks inherent in making the loan evidenced by the purchase of the Bond. The Purchaser has made such investigation of the Bond and of the financial condition and operations of the City as it deems necessary to evaluate the merits and risks inherent in making the loan evidenced by the purchase of the Bond. The Purchaser is aware that there may be no secondary market for the Bond and that it may be required to hold the Bond for an indefinite period. The Purchaser represents that it is purchasing the Bond for its own account with no present intention to resell or distribute the Bond or any interest therein; provided, however, that the Purchaser reserves the right at all times to control the disposition of its assets, including the Bond, and reserves the right to sell, assign and transfer the Bond or fractional interests in the Bond to other banks, insurance companies or similar financial institutions or any other entity approved by the LGC, including participating arrangements among such entities.

3. Representations and Warranties of the City. The City, by its acceptance hereof, represents and warrants to the Purchaser as follows:

(a) The City is a municipal corporation duly organized and validly existing under the laws of the State of North Carolina, and is authorized and empowered to provide financing for the Project by causing the Bond to be issued.

(b) The City has the full legal right, power and authority to adopt the Bond Order and the Resolution, to issue the Bond and to execute and deliver this Bond Purchase Agreement and to perform its respective obligations hereunder and thereunder.

(c) The Bond has been duly authorized pursuant to the Constitution and the laws of the State of North Carolina, including the Act.

(d) The Bond Order and the Resolution have been duly adopted by the City Council, are in full force and effect and have not been modified or amended in any manner.

(e) The City has duly authorized (i) the execution and delivery of this Bond Purchase Agreement, (ii) the issuance, sale and delivery of the Bond to the Purchaser and (iii) such action as may be required on the part of the City to consummate the transactions contemplated by such documents.

(f) This Bond Purchase Agreement constitutes a legal, valid and binding obligation of the City enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.

(g) The City is not in violation of any applicable constitutional provision, law or administrative rule or regulation of the State of North Carolina or of the United States of America or in default under any agreement, resolution, indenture or instrument to which the City is a party or by which the City or its property is bound, the effect of which violation or default would materially affect the ability of the City to perform its obligations under this Bond Purchase Agreement, the Bond Order, the Resolution or the Bond, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a violation or default hereunder or thereunder.

(h) The execution and delivery of this Bond Purchase Agreement, the adoption of the Bond Order and the Resolution and performance of the obligations of the City hereunder or thereunder do not and will not conflict with, result in the creation or imposition of any lien, charge or encumbrance upon any of the assets of the City (other than as specified in the Bond and the Bond Order) pursuant to the terms of, or constitute a default under, any agreement, indenture or instrument to which the City is a party or by which the City or its property is bound, or result in a violation of any applicable constitutional provision, law or administrative regulation or any order, rule or regulation of any court or governmental agency having jurisdiction over the City or its property, except as provided and permitted by such documents.

(i) Except for any action that may be required by applicable federal or state securities laws, no consent, authorization or order of, or filing or registration with, any court or governmental agency not already obtained or made is required for the execution, delivery and performance of this Bond Purchase Agreement or the consummation of the transactions contemplated hereunder and thereunder, and any such consent, authorization or order so obtained is in full force and effect.

(j) Any certificate signed by an authorized officer of the City and delivered to the Purchaser shall be deemed a representation and warranty of the City to the Purchaser as to the statements made therein.

(k) To the best knowledge of the City, there is no litigation or any other proceeding before or by any court, public board, agency or body, pending or threatened against or affecting the City or any of the members of the City Council in their respective capacities as such (nor is there any basis therefor), wherein an unfavorable decision, ruling or finding would in any way materially adversely affect (i) the transactions contemplated by this Bond Purchase Agreement,

(ii) the organization, existence or powers of the City or the title to the office of any of the members of said City Council, (iii) the properties or assets or the condition, financial or otherwise, of the City, (iv) the validity or enforceability of this Bond Purchase Agreement, the Bond Order, the Resolution or the Bond (or any other agreement or instrument of which the City is a party or used or contemplated for use in the consummation of the transactions contemplated hereby) or (v) the federal or State of North Carolina tax treatment of interest on the Bond.

4. Representations and Warranties of the LGC. The LGC, by its acceptance hereof, represents and warrants to the Purchaser that:

(a) The LGC is duly organized and validly existing as a division of the Department of the State Treasurer of the State of North Carolina, vested with the rights and powers conferred upon it pursuant to Chapter 159 of the General Statutes of North Carolina, as amended.

(b) The LGC has full power and authority to approve the issuance and provide for the sale of the Bond as provided in this Bond Purchase Agreement, and the LGC has taken or will take all action required by the Act or other applicable laws in connection therewith.

(c) The LGC has duly authorized the execution and delivery of this Bond Purchase Agreement and has taken or will take all action necessary or appropriate to carry out the sale and delivery of the Bond to the Purchaser.

(d) The execution and delivery of this Bond Purchase Agreement and the performance by the LGC of its obligations hereunder are within the powers of the LGC and, to the best of the LGC's knowledge, will not conflict with or constitute a breach or result in a violation of (i) any federal or North Carolina constitutional or statutory provision, (ii) any agreement or other instrument to which the LGC is a party or by which it is bound, or (iii) any order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the LGC.

(e) Except for any action required by applicable federal or state securities laws, no consent, approval, authorization or order of any governmental or regulatory authority, other than the approvals of the City as herein required, is required to be obtained by the LGC as a condition precedent to the issuance or sale of the Bond or the execution and delivery of this Bond Purchase Agreement or the performance by the LGC of its obligations hereunder.

(f) There is no litigation or any other proceeding before any court or governmental body or agency pending or, to the knowledge of the LGC, threatened against or involving the LGC to restrain or enjoin the issuance or delivery of the Bond or the execution or delivery by the LGC of this Bond Purchase Agreement and the performance of its obligations hereunder.

5. Payment and Delivery. At 10:00 a.m., North Carolina time, on June 16, 2022, or at such other time or on such earlier or later date as mutually agreed upon, the City and the LGC will deliver or cause to be delivered the Bond to the Purchaser. Simultaneously with such delivery of the Bond, the Purchaser shall pay the purchase price for the Bond as specified in Section 1 hereof to the City in immediately available funds to the account with the Purchaser specified by the City. The Closing on the Bond will be held at the offices of Womble Bond

Dickinson (US) LLP in Raleigh, North Carolina, or at such other place as the City and the Purchaser may mutually agree upon.

6. Conditions of Closing. The Purchaser has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the City and the LGC contained herein and to be contained in the documents and instruments to be delivered at Closing and upon the performance by the City and the LGC of their respective obligations hereunder, as of the date hereof. Accordingly, the Purchaser's obligation under this Bond Purchase Agreement to purchase and pay for the Bond shall be subject to the performance by the City and the LGC of their respective obligations to be performed hereunder and under such documents and instruments at or prior to Closing, and shall also be subject to the following conditions:

(a) At the time of Closing (i) the representations and warranties of the City and the LGC, respectively, contained herein shall be true, complete and correct, (ii) the Bond Order, the Resolution and this Bond Purchase Agreement shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to by the Purchaser and (iii) the City and the LGC shall have duly adopted and there shall be in full force and effect such other orders and resolutions as in the opinion of Womble Bond Dickinson (US) LLP, Raleigh, North Carolina ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby, and such orders and resolutions shall not have been amended, modified or supplemented, except as may have been agreed to by the Purchaser.

(b) On or prior to the date of Closing, the Purchaser shall have received the following documents in form and substance reasonably satisfactory to the Purchaser:

(1) an opinion of Bond Counsel, dated as of the date of Closing, addressed to the Purchaser or together with a reliance letter to the Purchaser, in form and substance satisfactory to the Purchaser;

(2) an executed copy of this Bond Purchase Agreement;

(3) certified copies of all proceedings of the City relating to approvals or authorizations for the Bond and the execution and delivery of this Bond Purchase Agreement, including the adoption of the Bond Order and the Resolution;

(4) certified copy of the approving resolutions of the LGC authorizing the sale and issuance of the Bond;

(5) executed copies of the Tax Certificate of the City and Internal Revenue Service Form 8038-G; and

(6) such additional certificates (including appropriate incumbency and no-litigation certificates), instruments, opinions or other documents as the Purchaser may reasonably request.

All representations and warranties of the City and the LGC set forth in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of (i) any

investigation made by or on behalf of the Purchaser or any person controlling the Purchaser and (ii) acceptance of and payment for the Bond.

7. Financial Reporting. The City hereby agrees to provide to the Purchaser (or any permitted assignee of the Bond) within 270 days of the end of each fiscal year of the City, the audited financial statements of the City for the fiscal year then ended. This requirement may be satisfied by posting such audited financial statements of the City to the Electronic Municipal Market Access website operated by the Municipal Securities Rulemaking Board or any successor thereto. The City also hereby agrees to provide to the Purchaser (or any permitted assignee of the Bond) upon request any other reasonable financial information relating to the City, including its annual budget within 30 days of adoption, or the Bond (excluding any privileged or confidential information required or permitted by law to be withheld). The provisions in this Section shall survive the sale and delivery of the Bond and the termination of this Bond Purchase Agreement.

8. Limitation of Liability of the LGC. The members, officers and employees of the LGC shall not be personally liable under this Bond Purchase Agreement.

9. Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

10. Notices. Any notice or other communication to be given under this Bond Purchase Agreement may be given by delivering the same in writing by first-class mail, postage prepaid, to the following addresses:

To the City:

City of Shelby, North Carolina
300 South Washington Street
Shelby, North Carolina 28150
Attention: Finance Director

To the LGC:

Local Government Commission
Longleaf Building
3200 Atlantic Avenue
Raleigh, North Carolina 27604
Attention: Secretary

To the Purchaser:

JPMorgan Chase Bank, N.A.
4350 Congress Street, 2nd Floor
Charlotte, North Carolina 28209
Attention: Jeremy Fisher, Vice President

11. Governing Law. This Bond Purchase Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina.

12. Severability. In the event any provision of this Bond Purchase Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

13. Role of Purchaser. The City acknowledges and agrees that (a) the Purchaser's purchase of the Bond is in an arm's length commercial transaction with the City in which the Purchaser is acting solely as a principal and not as a municipal advisor, financial advisor or fiduciary to the City or any other person or entity regardless of whether the Purchaser or an affiliate has or is currently acting as such on a separate transaction; (b) the Purchaser has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser or its affiliates have provided other services or are currently providing other services to the City on other matters); (c) the only obligations the Purchaser has to the City with respect to the transaction contemplated hereby expressly are set forth herein and in the related financing documents; and (d) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

14. Privately Negotiated Loan. The City acknowledges and agrees that the Purchaser is purchasing the Bond in evidence of a privately negotiated financing and in that connection the Bond shall not be (a) assigned a separate rating by any municipal securities rating agency, (b) registered with The Depository Trust Company or any other securities depository, (c) issued pursuant to any type of offering document or official statement or (d) assigned a CUSIP number by Standard & Poor's CUSIP Service.

[Remainder of page left blank intentionally]

This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by a duly authorized member of the LGC and the City and shall be valid and enforceable as of the time of such acceptance.

JPMORGAN CHASE BANK, N.A.

By: _____
Vice President

[Counterpart signature page to Bond Purchase Agreement, dated June 16, 2022, among the City of Shelby, North Carolina, the Local Government Commission and JPMorgan Chase Bank, N.A. relating to the \$6,000,000 City of Shelby, North Carolina General Obligation Street and Sidewalk Improvement Bond, Series 2022]

Accepted:

LOCAL GOVERNMENT COMMISSION

By: _____
Secretary

[Counterpart signature page to Bond Purchase Agreement, dated June 16, 2022, among the City of Shelby, North Carolina, the Local Government Commission and JPMorgan Chase Bank, N.A. relating to the \$6,000,000 City of Shelby, North Carolina General Obligation Street and Sidewalk Improvement Bond, Series 2022]

Approved:

CITY OF SHELBY, NORTH CAROLINA

By: _____
Finance Director

\$6,000,000
City of Shelby, North Carolina
General Obligation Street and Sidewalk Improvement Bond
Series 2022

DEBT SERVICE SCHEDULE

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
December 1, 2022		\$74,250.00	\$ 74,240.00
June 1, 2023	\$400,000.00	81,000.00	481,000.00
December 1, 2023		75,600.00	75,600.00
June 1, 2024	400,000.00	75,600.00	475,600.00
December 1, 2024		70,200.00	70,200.00
June 1, 2025	400,000.00	70,200.00	470,200.00
December 1, 2025		64,800.00	64,800.00
June 1, 2026	400,000.00	64,800.00	464,800.00
December 1, 2026		59,400.00	59,400.00
June 1, 2027	400,000.00	59,400.00	459,400.00
December 1, 2027		54,000.00	54,000.00
June 1, 2028	400,000.00	54,000.00	454,000.00
December 1, 2028		48,600.00	48,600.00
June 1, 2029	400,000.00	48,600.00	448,600.00
December 1, 2029		43,200.00	43,200.00
June 1, 2030	400,000.00	43,200.00	443,200.00
December 1, 2030		37,800.00	37,800.00
June 1, 2031	400,000.00	37,800.00	437,800.00
December 1, 2031		32,400.00	32,400.00
June 1, 2032	400,000.00	32,400.00	432,400.00
December 1, 2032		27,000.00	27,000.00
June 1, 2033	400,000.00	27,000.00	427,000.00
December 1, 2033		21,600.00	21,600.00
June 1, 2034	400,000.00	21,600.00	421,600.00
December 1, 2034		16,200.00	16,200.00
June 1, 2035	400,000.00	16,200.00	416,200.00
December 1, 2035		10,800.00	10,800.00
June 1, 2036	400,000.00	10,800.00	410,800.00
December 1, 2036		5,400.00	5,400.00
June 1, 2037	400,000.00	5,400.00	405,400.00

Resolution No. 44-2022

**A RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF A
\$6,000,000 CITY OF SHELBY, NORTH CAROLINA GENERAL
OBLIGATION STREET AND SIDEWALK IMPROVEMENT BOND,
SERIES 2022**

The City Council of the City of Shelby, North Carolina met in a regular meeting in the Council Chambers of the City Hall located at 300 S. Washington Street in Shelby, North Carolina, the regular place of meeting, at 6:00 p.m. on June 6, 2022.

Present: Mayor O. Stanhope Anthony III, presiding, and Council Members

Absent: Council Members

Also Present: _____

* * * * *

Mayor Anthony introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Council Member:

**RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF A
\$6,000,000 CITY OF SHELBY, NORTH CAROLINA GENERAL
OBLIGATION STREET AND SIDEWALK IMPROVEMENT BOND,
SERIES 2022**

BE IT RESOLVED by the City Council (the “City Council”) of the City of Shelby, North Carolina (the “City”):

Section 1. The City Council has determined and does hereby find and declare as follows:

(a) An order authorizing \$10,000,000 Street and Sidewalk Improvement Bonds (the “Street and Sidewalk Improvement Bonds”) was adopted by the City Council on August 2, 2021, which order was approved by the vote of a majority of the qualified voters of the City who voted thereon at a referendum duly called and held on November 2, 2021. None of the Street and Sidewalk Improvement Bonds have heretofore been issued.

(b) No notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and it is necessary to issue \$6,000,000 of the Street and Sidewalk Improvement Bonds at this time.

(c) The maximum period of usefulness of the street and sidewalk improvements to be provided with the proceeds of said bonds is estimated as a period of twenty (20) years from June 16, 2022, the date of the bonds authorized hereby, and that such period expires on June 16, 2042.

Section 2. Pursuant to said order there shall be issued a bond in the aggregate principal amount of \$6,000,000 designated “City of Shelby, North Carolina General Obligation Street and Sidewalk Improvement Bond, Series 2022” (the “Bond”) and dated the date of delivery thereof. The Bond shall (a) mature in annual principal installments on June 1 in the following years and amounts: \$400,000 2023 to 2037, inclusive, and (b) bear interest on the outstanding principal amount (computed on the basis of a 360-day year consisting of twelve 30-day months) at a rate of 2.70% per annum (subject to adjustment as provided below), which interest shall be payable on each June 1 and December 1, beginning December 1, 2022, until payment of such principal sum.

In the event of a Determination of Taxability (hereinafter defined), the interest rate payable on the Bond, from and after the Inclusion Date (hereinafter defined), shall be adjusted to preserve the owner’s after-tax economic yield with respect to the interest paid on the Bond. In addition, upon request of the owner of the Bond, the City shall pay to the owner of the Bond (a) an amount necessary to reimburse the owner for any interest, penalties or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of the owner’s failure to include the interest on the Bond in its gross income for income tax purposes and (b) additional interest as a result of the increase in the interest rate on all previous payments made by the City after the Inclusion Date. In the event of a Determination of Taxability, the owner of the Bond shall provide the City with a new debt service schedule which reflects the new interest rate which will replace the debt service schedule set forth in Exhibit A to the Bond.

“Determination of Taxability” means and shall be deemed to have occurred on the date when (a) the City shall receive notice from the owner of the Bond that the Internal Revenue Service has assessed as includable in gross income the interest on the Bond due to the occurrence of an Event of Taxability or (b) the City or the owner of the Bond shall receive notice from the Commissioner or any District Director of the Internal Revenue Service that the interest on the Bond is includable in the gross income of such owner for federal income tax purposes due to the occurrence of an Event of Taxability.

“Event of Taxability” means the occurrence or existence of any fact, event or circumstance caused by the failure of the City to comply with any covenants in the Bond or any document or certificate executed by the City in connection with the transactions contemplated by the Bond which has the effect of causing the interest on the Bond to be includable in the gross income of the owner of the Bond for federal income tax purposes.

“Inclusion Date” means the effective date that the interest on the Bond is includable in the gross income of the owner of the Bond as a result of a Determination of Taxability.

The City has also made certain representations and covenants with respect to the Bond in Section 9 hereof that result in the Bond being treated as a “qualified tax-exempt obligation” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In the event the City breaches such representation, the interest rate payable on the Bond shall be adjusted to preserve the owner’s after-tax economic yield with respect to the interest paid on the Bond, taking into account any interest expense deductions lost by the owner as a direct or indirect result of the City’s actions. In addition, the City shall pay to the owner (a) an amount necessary to reimburse the owner for any interest, penalties, or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of such loss of bank qualification, and (b) upon request of the owner, additional interest as a result of the increase in the interest rate on all previous payments made by the City since the effective date of the loss of such interest expense deductions. In such event, the owner of the Bond shall provide the City with a new debt service schedule which reflects the new debt service schedule which will replace the debt service schedule set forth in Exhibit A to the Bond.

The City shall give prompt written notice to the owner of the Bond upon the City’s determination or receipt of any notice or information from any source whatsoever to the effect that an Event of Taxability, a Determination of Taxability or any event affecting the owner’s deductibility of its interest expense as described above shall have occurred.

The Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless it is (a) authenticated upon an interest payment date, in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, the Bond shall bear interest from the date to which interest has been paid.

The principal of and interest on the Bond shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

The definitive Bond shall be initially issued as one fully-registered bond, without coupons, numbered R-1 and shall be initially registered in the name of “JPMorgan Chase Bank, N.A.,” as the initial owner of the Bond (the “Purchaser”).

Section 3. The Bond shall bear the manual or facsimile signatures of the Mayor or Mayor Pro Tem and the City Clerk or any deputy or assistant City Clerk of the City and the official seal or a facsimile of the official seal of the City shall be impressed or imprinted, as the case may be, on the Bond.

The certificate of the Local Government Commission of North Carolina to be endorsed on the Bond shall bear the manual or facsimile signature of the Secretary of said Commission and the certificate of authentication of the Bond Registrar (hereinafter defined) to be endorsed on the Bond shall be executed as provided hereinafter.

In case any officer of the City or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on the Bond shall cease to be such officer

before the delivery of the Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and the Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of the Bond shall be the proper officers to sign the Bond although at the date of the Bond such persons may not have been or be such officers.

The Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bond and the endorsements thereon shall be in substantially the following form:

No. R-1 \$6,000,000

United States of America
State of North Carolina

CITY OF SHELBY, NORTH CAROLINA
GENERAL OBLIGATION STREET AND SIDEWALK IMPROVEMENT BOND
SERIES 2022

<u>Final Maturity Date</u>	<u>Interest Rate</u>
June 1, 2037	2.70%

The City of Shelby, a municipal corporation in the State of North Carolina (the “City”), is justly indebted and for value received hereby promises to pay to

JPMORGAN CHASE BANK, N.A.

or registered assigns or legal representative, the principal sum of SIX MILLION DOLLARS (\$6,000,000) in annual principal installments on each June 1 as set forth in Exhibit A attached hereto and made a part hereof (each, a “Principal Payment Date”), with a Final Maturity Date as specified above, and to pay interest from the date hereof on the unpaid portion of said principal sum until payment thereof (computed on the basis of a 360-day year consisting of twelve 30-day months) at the Interest Rate specified above (subject to adjustment as provided below), such interest being payable on each June 1 and December 1, beginning December 1, 2022, as set forth in Exhibit A attached hereto (each, an “Interest Payment Date”).

This Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated, unless it is (a) authenticated upon an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date or (b) authenticated prior to the first Interest Payment Date, in which event it shall bear interest from the date hereof; provided, however, that if at the time of authentication interest is in default, this Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest on this Bond shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on

the respective dates of payment thereof. Upon payment in full of the principal of and interest on this Bond, the owner of this Bond shall promptly cancel and surrender this Bond at the office of the Finance Director of the City in Shelby, North Carolina (the “Bond Registrar”). For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the City are hereby irrevocably pledged.

In the event of a Determination of Taxability (hereinafter defined), the interest rate payable on this Bond, from and after the Inclusion Date (hereinafter defined), shall be adjusted to preserve the owner’s after-tax economic yield with respect to the interest paid on this Bond. In addition, upon request of the owner of this Bond, the City shall pay to the owner of this Bond (a) an amount necessary to reimburse the owner for any interest, penalties or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of the owner’s failure to include the interest on this Bond in its gross income for income tax purposes and (b) additional interest as a result of the increase in the interest rate on all previous payments made by the City after the Inclusion Date. In the event of a Determination of Taxability, the owner of this Bond shall provide the City with a new debt service schedule which reflects the new interest rate which will replace the debt service schedule set forth in Exhibit A hereto.

“Determination of Taxability” means and shall be deemed to have occurred on the date when (a) the City shall receive notice from the owner of this Bond that the Internal Revenue Service has assessed as includable in gross income the interest on this Bond due to the occurrence of an Event of Taxability or (b) the City or the owner of this Bond shall receive notice from the Commissioner or any District Director of the Internal Revenue Service that the interest on this Bond is includable in the gross income of such owner for federal income tax purposes due to the occurrence of an Event of Taxability.

“Event of Taxability” means the occurrence or existence of any fact, event or circumstance caused by the failure of the City to comply with any covenants in this Bond or any document or certificate executed by the City in connection with the transactions contemplated by this Bond which has the effect of causing the interest on this Bond to be includable in the gross income of the owner of this Bond for federal income tax purposes.

“Inclusion Date” means the effective date that the interest on this Bond is includable in the gross income of the owner of this Bond as a result of a Determination of Taxability.

The City has also made certain representations and covenants with respect to this Bond that result in the Bond being treated as a “qualified tax-exempt obligation” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In the event the City breaches such representation, the interest rate payable on this Bond shall be adjusted to preserve the owner’s after-tax economic yield with respect to the interest paid on this Bond, taking into account any interest expense deductions lost by the owner as a direct or indirect result of the City’s actions. In addition, the City shall pay to the owner (a) an amount necessary to reimburse the owner for any interest, penalties, or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of such loss of bank qualification, and (b) upon request of the owner, additional interest as a result of the increase in the interest rate on all previous payments made by the City since the effective date of the loss of such interest expense deductions. In such event, the owner of this Bond shall provide the City with a new debt service

schedule which reflects the new debt service schedule which will replace the debt service schedule set forth in Exhibit A hereto.

The City shall give prompt written notice to the owner of this Bond upon the City's determination or receipt of any notice or information from any source whatsoever to the effect that an Event of Taxability, a Determination of Taxability or any event affecting the owner's deductibility of its interest expense as described above shall have occurred.

This Bond is being issued by the City for the purpose of providing funds, together with any other available funds, to pay the costs of street and sidewalk improvements for the City and the fees and expenses incurred in connection with the sale and issuance of this Bond. This Bond is being issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by the City Council of said City, which order was approved by the vote of a majority of qualified voters who voted thereon at a referendum duly called and held, and a resolution duly adopted by said City Council (the "Resolution").

The principal installments of this Bond maturing on or prior to June 1, 2032 are not subject to redemption prior to maturity. The principal installments of this Bond maturing on or after June 1, 2033 are subject to redemption prior to their stated Principal Payment Dates at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after June 1, 2032 at a redemption price equal to 100% of the principal amount of this Bond to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The principal installments of this Bond shall be redeemed only in whole multiples of \$5,000. If less than all of the principal installments of this Bond are called for redemption, the principal installments of this Bond to be redeemed shall be in inverse order of the scheduled maturities unless otherwise consented to by the owner of this Bond.

At least forty-five (45) days prior to the redemption date of any principal installments of this Bond to be redeemed (unless otherwise waived by the owner of this Bond), the Bond Registrar shall cause a notice of any such redemption to be mailed first class, postage prepaid, to the owner of this Bond.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the redemption price of and interest on this Bond or portion thereof to be redeemed and that if such moneys are not so received, such notice shall be of no force or effect and this Bond or portion thereof to be redeemed shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price of and interest on this Bond or portion thereof to be redeemed are not so received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made, and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

On the date designated for redemption, notice having been given as aforesaid, the portion of the principal installments of this Bond so called for redemption shall become due and payable at the redemption price provided for redemption of such principal installments on such date, plus accrued interest to such date.

The Bond Registrar shall keep at his or her office the books of the City for the registration of transfer of this Bond. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar, together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this Bond a new Bond registered in the name of the transferee in an aggregate principal amount equal to the outstanding principal amount of this Bond, containing the same principal installments and bearing interest at the same rate. This Bond may not be exchanged for any denomination other than the outstanding principal amount thereof. Notwithstanding the foregoing, the Bond Registrar shall not register the transfer of this Bond to any person or entity other than a bank, insurance company or similar financial institution or any other person or entity approved by the Local Government Commission of North Carolina.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax, without limitation as to rate or amount, upon all taxable property within the City sufficient to pay the principal of and the interest on this Bond as the same shall become due; and that the total indebtedness of the City, including this Bond, does not exceed any constitutional or statutory limitation thereon.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this Bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the City of Shelby, North Carolina, by resolution duly adopted by its City Council, has caused this Bond to be signed by its Mayor and City Clerk and its official seal to be impressed hereon, all as of the ___ day of June, 2022.

[Do not sign] _____
Mayor

[SEAL]

[Do not sign] _____
City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Do not sign] _____
Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

This Bond is the Bond of the series designated herein and issued under the provisions of the within-mentioned Resolution.

[Do not sign] _____
Finance Director, as Bond Registrar

Date of authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto _____

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____,

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

In the presence of:

NOTICE: The signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration of enlargement or any change whatever.

EXHIBIT A

\$6,000,000

City of Shelby, North Carolina
 General Obligation Street and Sidewalk Improvement Bond
 Series 2022

DEBT SERVICE SCHEDULE

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
December 1, 2022		\$74,250.00	\$ 74,240.00
June 1, 2023	\$400,000.00	81,000.00	481,000.00
December 1, 2023		75,600.00	75,600.00
June 1, 2024	400,000.00	75,600.00	475,600.00
December 1, 2024		70,200.00	70,200.00
June 1, 2025	400,000.00	70,200.00	470,200.00
December 1, 2025		64,800.00	64,800.00
June 1, 2026	400,000.00	64,800.00	464,800.00
December 1, 2026		59,400.00	59,400.00
June 1, 2027	400,000.00	59,400.00	459,400.00
December 1, 2027		54,000.00	54,000.00
June 1, 2028	400,000.00	54,000.00	454,000.00
December 1, 2028		48,600.00	48,600.00
June 1, 2029	400,000.00	48,600.00	448,600.00
December 1, 2029		43,200.00	43,200.00
June 1, 2030	400,000.00	43,200.00	443,200.00
December 1, 2030		37,800.00	37,800.00
June 1, 2031	400,000.00	37,800.00	437,800.00
December 1, 2031		32,400.00	32,400.00
June 1, 2032	400,000.00	32,400.00	432,400.00
December 1, 2032		27,000.00	27,000.00
June 1, 2033	400,000.00	27,000.00	427,000.00
December 1, 2033		21,600.00	21,600.00
June 1, 2034	400,000.00	21,600.00	421,600.00
December 1, 2034		16,200.00	16,200.00
June 1, 2035	400,000.00	16,200.00	416,200.00
December 1, 2035		10,800.00	10,800.00
June 1, 2036	400,000.00	10,800.00	410,800.00
December 1, 2036		5,400.00	5,400.00
June 1, 2037	400,000.00	5,400.00	405,400.00

Section 4. The principal installments of the Bond maturing on or prior to June 1, 2032 are not subject to redemption prior to maturity. The principal installments of the Bond maturing on or after June 1, 2033 are subject to redemption prior to their stated Principal Payment Dates at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after June 1, 2032 at a redemption price equal to 100% of the principal amount of the Bond to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The principal installments of the Bond shall be redeemed only in whole multiples of \$5,000. If less than all of the principal installments of the Bond are called for redemption, the principal installments of the Bond to be redeemed shall be in inverse order of the scheduled maturities unless otherwise consented to by the owner of the Bond.

At least forty-five (45) days prior to the redemption date of any principal installments of the Bond to be redeemed (unless otherwise waived by the owner of the Bond), the Bond Registrar shall cause a notice of any such redemption to be mailed first class, postage prepaid, to the owner of the Bond.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the redemption price of and interest on the Bond or portion thereof to be redeemed and that if such moneys are not so received, such notice shall be of no force or effect and the Bond or portion thereof to be redeemed shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price of and interest on the Bond or portion thereof to be redeemed are not so received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made, and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

On the date designated for redemption, notice having been given as aforesaid, the portion of the principal installments of the Bond so called for redemption shall become due and payable at the redemption price provided for redemption of such principal installments on such date, plus accrued interest to such date.

Section 5. The Bond Registrar shall keep at his or her office the books of the City for the registration of transfer of the Bond. The transfer of the Bond may be registered only upon such books and as otherwise provided in this resolution upon the surrender hereof to the Bond Registrar, together with an assignment duly executed by the registered owner thereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for the Bond a new Bond registered in the name of the transferee in an aggregate principal amount equal to the outstanding principal amount of the Bond, containing the same principal installments and bearing interest at the same rate. The Bond may not be exchanged for any denomination other than the outstanding principal amount thereof. Notwithstanding the foregoing, the Bond Registrar shall not register the transfer of the Bond to any person or entity other than a bank, insurance company or similar financial institution or any other person or entity approved by the Local Government Commission of North Carolina.

In all cases in which the transfer of the Bond shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time a new Bond in accordance with the provisions of this resolution. Any Bond surrendered in any such registration of transfer shall forthwith be canceled by the Bond Registrar. The City or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such registration of transfer of the Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with

respect to such registration of transfer, but no other charge shall be made by the City or the Bond Registrar for registering the transfer of the Bond under this resolution.

The person or entity in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or interest on the Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bond and interest thereon, to the extent of the sum or sums so paid.

The City shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration and registration of transfer of the Bond within a reasonable time according to then current commercial standards and for the timely payment of principal and interest with respect to the Bond. The Finance Director of the City, or any person at any time acting in such capacity, is hereby appointed the registrar, transfer agent and paying agent for the Bond (collectively the "Bond Registrar"), subject to the right of the City Council of the City to appoint another Bond Registrar, and as such shall keep at his or her office in the City, the books of the City for the registration, registration of transfer and payment of the Bond as provided in this resolution.

Section 6. The City covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended or as may be amended from time to time (the "Code"), and any Treasury regulations now or hereafter promulgated thereunder, to the extent necessary so that interest on the Bond will not be included in gross income of the owner thereof for purposes of federal income taxation.

Section 7. The proposal set forth in the Bond Purchase Agreement, to be dated as of the date of delivery thereof (the "Bond Purchase Agreement"), among the Local Government Commission of North Carolina, the City and the Purchaser, the form of which is presented at this meeting, providing for the purchase of the Bond by the Purchaser at a purchase price equal to 100% of the principal amount of the Bond, subject to the approval thereof by the Local Government Commission, is hereby approved. The Local Government Commission is hereby requested to sell and award the Bond to the Purchaser on behalf of the City, subject to the approval of the City, in accordance with the terms of the Bond Purchase Agreement. The Mayor, the City Manager and the Finance Director of the City are each hereby individually designated to approve on behalf of the City the sale of the Bond to the Purchaser for such purchase price and upon such terms and conditions as the officer approving the sale shall determine, subject to the provisions of this resolution. The Mayor, the City Manager and the Finance Director of the City are each hereby individually authorized and directed in the name and on behalf of the City to execute and deliver the Bond Purchase Agreement in substantially the form presented, together with such modifications as the officer executing and delivering the Bond Purchase Agreement, with the advice of counsel, may deem necessary or appropriate, such execution and delivery to be conclusive evidence of the approval and authorization in all respects of the form and content thereof.

Section 8. In the event that it is necessary to modify the terms and provisions of this resolution as it relates to the particular terms and provisions of the Bond, the Mayor, the City Manager and the Finance Director of the City shall each be authorized, individually or collectively, to approve any such modifications, which modifications shall be evidenced by a certificate executed and delivered by the Mayor, the City Manager or the Finance Director on the date of issuance of the Bond; provided, however, that any such modifications shall be consistent with the general tenor of this resolution; and provided further that such modifications shall not increase the authorized principal amount of the Bond, extend the final maturity date of the Bond or materially increase the interest rate to be borne by the Bond.

The Mayor, the City Manager, the Finance Director and the City Clerk and any deputy or assistant City Clerk of the City are hereby authorized and directed to execute and deliver such closing and other documents necessary for the purpose of facilitating the sale and issuance of the Bond in a manner consistent with the terms of this resolution. All actions heretofore taken by the Mayor, the City Manager, the Finance Director or the City Clerk or any deputy or assistant City Clerk of the City for the purpose of facilitating the sale and issuance of the Bond in a manner consistent with the terms of this resolution are hereby authorized, ratified and approved.

The officers of the City and the agents and employees of the City are hereby authorized and directed to do all acts and things required of them by the provisions of this resolution, the Bond and the Bond Purchase Agreement for the full, punctual and complete performance of the terms, covenants, provisions and agreements of the same.

Section 9. The City hereby represents that it reasonably expects that it, all subordinate entities thereof and all entities issuing obligations on behalf of the City will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds (as defined by the Code) and not counting certain current refunding obligations as provided in Section 265(b)(3)(C)(ii)(III) of the Code) during calendar year 2022. In addition, the City hereby designates the Bond to be a “qualified tax-exempt obligation” for the purposes of the Code.

Section 10. This resolution shall take effect upon its adoption.

Upon motion of Council Member _____, the foregoing resolution entitled “RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF A \$6,000,000 CITY OF SHELBY, NORTH CAROLINA GENERAL OBLIGATION STREET AND SIDEWALK IMPROVEMENT BOND, SERIES 2022” was adopted by the following vote:

Ayes: _____

Noes: _____

* * * * *

I, Carol Williams, City Clerk of the City of Shelby, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of

said City at a regular meeting held on June 6, 2022, as relates in any way to the adoption of the foregoing resolution authorizing the sale and issuance of a general obligation bond of said City and that said proceedings are to be recorded in the minutes of said City Council.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said City this 6th day of June, 2022.

City Clerk

[SEAL]

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-10

10) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's TAMP Resurfacing Project: Ordinance No. 36-2022

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

Summary of Available Information:

- Ordinance No. 36-2022

City Manager's Recommendation / Comments

Ordinance No. 36-2022 is presented for City Council consideration via the Consent Agenda. If adopted this ordinance would establish a capital project budget ordinance for the Transportation Asset Management Plan (TAMP) Resurfacing project, which will be funded by the issuance of \$6,000,000 general obligation bonds. Phase 1 of the Transportation Asset Management Plan Resurfacing project, in the amount of \$2,924,500, was awarded to Asphalt Paving of Shelby in March of 2022.

Phase 2 of TAMP resurfacing is expected to be placed for bid in early 2023 and will utilize the remaining balance of the \$6,000,000 project budget ordinance, which is anticipated to be approximately \$3,075,500.

It is recommended that Ordinance No. 36-2022 be adopted and approved via the Consent Agenda.

ORDINANCE NO. 36-2022
AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR
THE CITY OF SHELBY'S TAMP RESURFACING 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 TAMP Resurfacing Project; and

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

WHEREAS, G.S. 159-13.2 provides that a City may undertake the construction of a capital asset such as streets and sidewalks, by way of a capital project ordinance providing the necessary balanced budget and funding for the life of the project;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA: The City of Shelby has identified a need to make improvements to certain streets and sidewalks. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

Section 1. The following revenues are available and amounts are hereby appropriated:

Revenues:		
Proceeds from Financing	11101000-38801-TAMPR	\$6,000,000
Appropriation:		
Construction	111451-53000-TAMPR	\$6,000,000

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

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

Adopted and Approved this the 6th day of June, 2022.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-11

11) Adoption of an ordinance authorizing demolition of a structure (608 Suttle Street):
Ordinance No. 37-2022

Consent Agenda Item: (Walt Scharer, Planning Director)

Summary of Available Information:

- Memorandum dated May 17, 2022 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Photo of property
- Location Map
- Property card for 2022
- Ordinance No. 37-2022

City Manager's Recommendation / Comments

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

Excerpt from Strategic Growth Plan

4. Community Appearance & Image

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

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

It is recommended that Ordinance No. 37-2022 be adopted and approved via the Consent Agenda.



Memorandum

To: Rick Howell - City Manager
From: Walter Scharer – Planning & Development Director
Date: May 17, 2022
Subject: Demolition of Structure at 608 Suttle Street

Executive Summary of issue – Background

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

Review and Comments

Due to dilapidation this dwelling is unfit for human habitation and has the potential of increasing the hazards of fire, accident, and other calamities; it is dangerous and detrimental to the health, safety, and welfare of the citizens of the City of Shelby. The estimated cost of demolition and removal is approximately \$5,000.00. Budgeted minimum housing demolition funds will be used for this demotion.

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

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

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

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

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

Recommendation

Please place this item on the consent agenda for the next City Council meeting on June 6, 2022. Staff recommends this minimum housing action.

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



203



Location Map

608 Suttle Street

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



Scale 1:3,000 1 inch = 250 feet



Date: 5/17/2022

SER MATTCAPPS

FOR YEAR 2022

ALLEN DAVID WAYNE
 .00 .00
 PO BOX 1588
 OF SHELBY

PARCEL ID.. 22508
 LOCATION... 608 SUTTLE ST
 DEED YEAR/BOOK/PAGE.. 2004 1408 1013

PLAT BOOK/PAGE..
 LEGAL DESC:#7PB1-68LOVE PROP

PIN... S15 1 17
 SHELBY
 ASSESSMENT NONE .00
 OWNER ID.. 187002
 DISTRICT.. 6 CITY

TOWNSHIP... 6 SHELBY
 SHELBY NC 28151-1588 NBRHOOD... 272 S
 MAPS #6
 DESCRIPTION RESIDENTIAL

MAINTAINED.. 2/23/2022 BY BKEENER VALUED.. 2/23/2022 BY BKEENER
 VISITED..... 2/17/2021 BY TB TYPE OF REVIEW ROUTING#..
 PARCEL STATUS... ACTIVE CATEGORY.. GROUP 100

----- SALES HISTORY -----

DEED BK/PAGE NAME	SALE DATE	SALES INSTRUMENT	DISQUALIFIED	SALE AMOUNT	STAMP AMOUNT	DEED
1408 1013 DAVID WAYNE	3/25/2004	DEED	ADDITION PARCEL			ALLEN
1195 1626 WILLIAM HENRY	3/25/1997	DEED	QUALIFIED	25,000	50.00	CURRY
1189 0071 JOSEPH B	11/13/1996	DEED	ADDITION PARCEL			EDMUNDS
16D 137	1/01/1977	SALE	QUALIFIED		21.00	

----- LAND SEGMENTS -----

LND TOT # ADJ	STRAT CURRENT FMV	LAND CODE	TYPE/CODE	LAND QTY	LAND RATE	DPT%	SHF%	LOC%	SIZ%	OTH%	TOP%
1 .00	90.00	02 2,790	FF F	50.000	62.00	90.00	.00	100.00	.00	.00	.00
.00			DPTH..	118			OTHER ADJ...	.00	.00	.00	.00
	TOTAL ACRES..			.000							TOTAL
	LAND FMV..	2,790									

----- IMPROVEMENT # 1 MAJOR IMPR-M -----

MAIN FIN AREA.. 1,484.00 ACT/EFF YR/AGE.. 1929 1970 51 VISITED.. 2/17/2022
 BY TB
 STRAT..... 02 DESCRIPT.... SINGLE FAMILY DWELLING-WF MAINTAINED..
 2/17/2022 BY MAGALYR
 MAIN PERIM..... 166.00 MAIN GROUND SF.... 1,484.000
 LOCATION #..... 12496 608 SUTTLE ST #BED: #BTH:
 #HBTH:

COMPONENT COST	TYPE/CODE/DESC %C MPL	PCT	UNITS	RATE	STR#	STR%	SIZ%	HGT%	PER%	CDS%
AC 08 4,680	ENCLOSED FRAME PORCH	100	168.00	25.56			109.00			
MA 37W 100	SINGLE FAMILY DWELLI 113,125	100	1484.00	77.00	1.00		99.00			
EW 08 0	ALUMINUM/VINYL	100	166.00	.00						
- FD 04 0	PERIMETER FOOTING	100	1484.00	.00						

- HC 02 FLOOR/WALL FURNACE 100 1484.00 1.28-
 1,899-
 - PL RB RES BASE PLUMBING FI100 5.00 .00
 0

 115,905 RCN... PCT COMPLETE 100 x
 98,519 QUAL.. QG D3 D+- 85.00 x
 98,519 T DEPR.. D6 51 YEARS OLD 89.00 - 87,682
 ADDL.. APO ADDITONAL PHY OBS 100.00 - 10,837
 --FMV... MA 272 272 MARKET ADJ 76.00 x

0
 DATE 4/26/22 CLEVELAND COUNTY
 PAGE 2
 TIME 9:46:27 PROPERTY CARD
 PROG# AS2006
 USER MATTCAPPS FOR YEAR 2022

ALLEN DAVID WAYNE PARCEL ID.. 22508 PIN... S15 1 17

----- IMPROVEMENT # 1 MAJOR IMPR-M -----

```

+-+-----30-----+
6 :           A :
+-:-----28-----+
:           :
3           :
0           :
:           4
:           0
:           :
+-6+       :
:           :
1           :
7           +4+
:           :
:           7
+B-----32-----+
  
```

----- AC 08 ENCLOSED FRAME PORCH ----- TRAVERSE -----

 M U 40.00 M R 30.00 D U 6.00 D L 28.00 D D 6.00
 D R 28.00

----- MA 37W SINGLE FAMILY DWELLI FLOOR: 1.00 ----- TRAVERSE -----

 D R 32.00 D U 7.00 D R 4.00 D U 40.00 D L 30.00
 D D 30.00
 D L 6.00 D D 17.00

TOTAL PARCEL VALUES----	LAND /	OVR	IMPROVEMENTS /	OVR	TOTAL LAND/IMPROVE
2021 VALUE	FMV.....	2,790	0		2,790
11,026	APV.....	2,790	0		2,790
11,026					

----- COMMENTS - -----

ORDINANCE NO. 37-2022

**AN ORDINANCE AUTHORIZING DEMOLITION OF A DWELLING AT
608 SUTTLE STREET**

WHEREAS, pursuant to the provisions of Chapter 160A, Article 19, Part 6, of the North Carolina General Statutes, the single-family dwelling located at 608 Suttle Street, Shelby, North Carolina, has been inspected and found to be unfit for human habitation and to otherwise constitute a danger to persons and a threat to the health and welfare of the citizens within the City; and,

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

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

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

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

Section 1. The dwellings on the property known as 608 Suttle Street., Shelby, and described in the Cleveland County records as Tax Parcel No. 22508 be demolished forthwith, the remnants thereof disposed, and a lien for the costs of such demolition and removal, less any credits due the owner(s), be filed against the property and collected pursuant to the provisions of North Carolina General Statutes § 160A-443, et seq.; and,

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

Adopted and approved this 6TH day of June, 2022.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-12

12) Management Reports:

- a. Monthly Financial Summary – April 2022

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

Summary of Available Information:

- Monthly Financial Report – April 2022

City Manager's Recommendation / Comments

The above listed report is for City Council information and are placed on the agenda to ensure documentation that they were formally presented by management during a regular meeting.

Shelby
NORTH CAROLINA

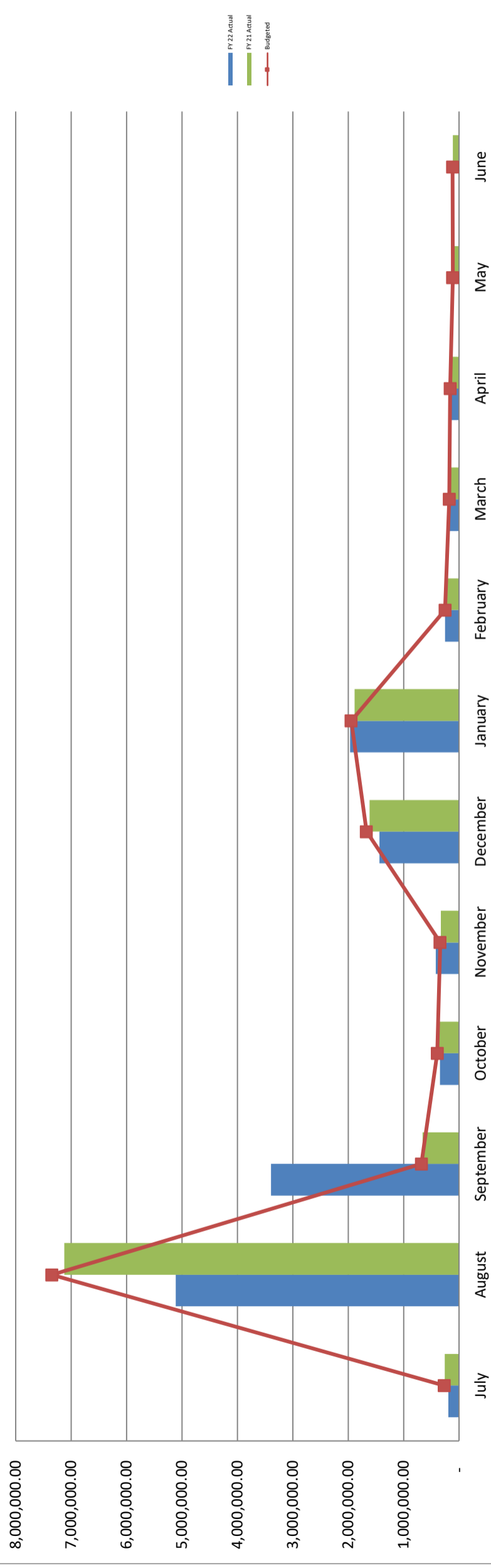


**Monthly Financial Summary
April 2022**

City of Shelby
Current Property Tax Collections
FY 2022

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	266,872.03	7,347,866.86	678,339.62	391,751.34	338,537.34	1,668,045.24	1,946,211.21	251,158.11	175,779.68	159,120.20	111,682.24	115,136.13	13,450,500.00
FY 2021	258,629.06	7,120,910.64	657,387.50	379,651.17	328,080.81	1,616,523.72	1,886,097.88	243,400.50	170,350.31	154,205.40	108,232.67	111,579.88	13,035,049.54
FY 2022	192,874.52	5,110,461.99	3,390,680.59	343,629.74	418,559.07	1,437,847.57	1,963,993.41	252,253.81	181,169.54	145,280.41	-	-	13,436,750.65
% of Budget	1.43%	37.99%	25.21%	2.55%	3.11%	10.69%	14.60%	1.88%	1.35%	1.08%	0.00%	0.00%	99.90%
Variance	(73,997.51)	(2,237,404.87)	2,712,340.97	(48,121.60)	80,021.73	(230,197.67)	17,782.20	1,095.70	5,389.86	(13,839.79)	(111,682.24)	(115,136.13)	(13,749.35)

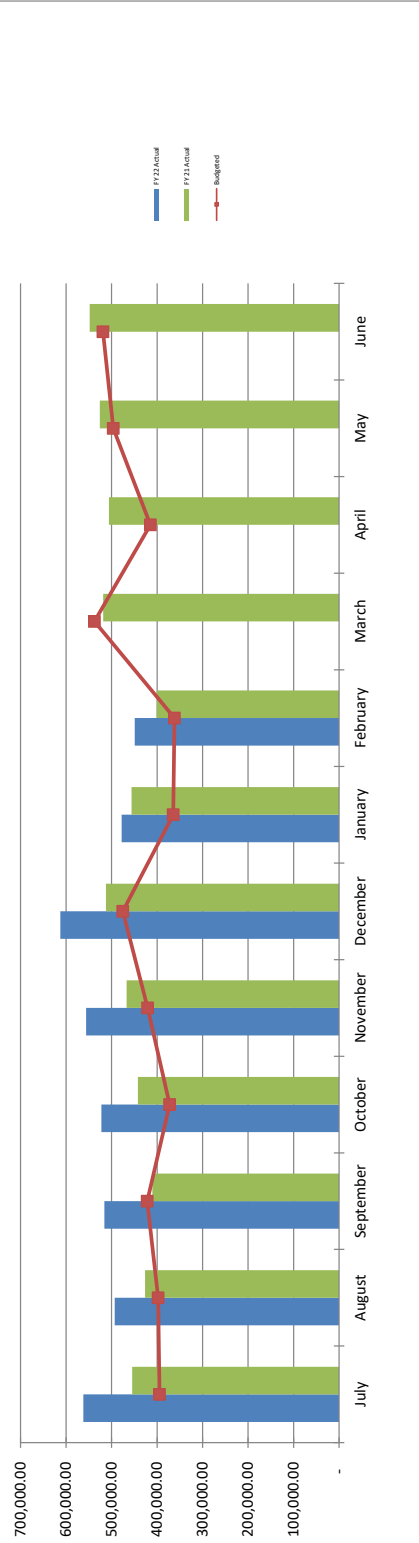
Current Property Tax Collections Budgeted and Collected



City of Shelby
Sales Tax Collections
FY 2022

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	394,351.82	397,446.29	421,604.76	372,123.31	420,646.68	475,132.30	364,692.02	361,742.33	537,573.72	414,801.75	496,080.53	518,804.51	5,175,000.00
FY 2021	454,615.42	426,384.38	410,452.25	442,297.17	467,100.43	512,492.21	455,885.01	400,803.20	518,480.64	505,892.93	525,880.46	548,176.57	5,668,460.67
FY 2022	561,875.17	493,247.25	515,682.23	522,268.85	555,802.56	612,729.17	477,791.05	448,935.70	-	-	-	-	4,188,331.98
% of Budget	10.86%	9.53%	9.96%	10.09%	10.74%	11.84%	9.23%	8.68%	0.00%	0.00%	0.00%	0.00%	80.93%
Variance	167,523.35	95,800.96	94,077.47	150,145.54	135,155.88	137,596.87	113,099.03	87,193.37	(537,573.72)	(414,801.75)	(496,080.53)	(518,804.51)	(986,668.02)

Sales Tax Collections Budgeted and Collected

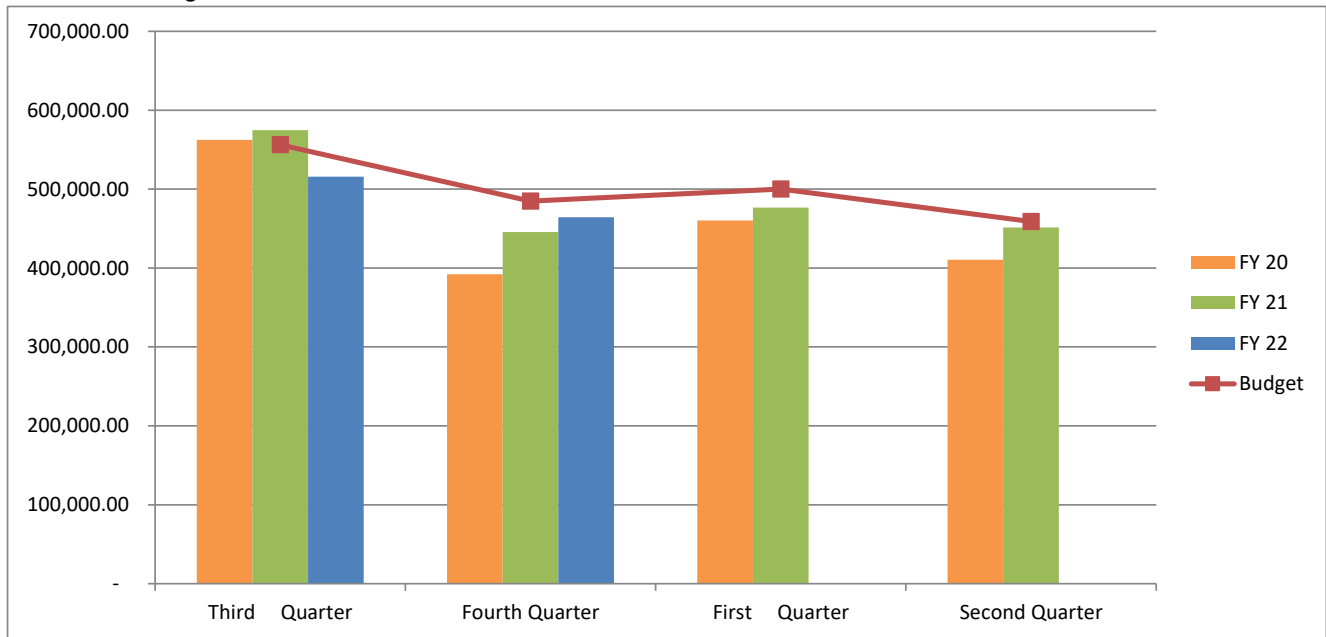


Notes:
Sales Tax Expansion to include Service Contracts: NCGS §105-164.4(a)(11), effective January 2014, has expanded the NC Sales and Use Tax to include "the sales price of a service contract".
A link to the NCDOR directive on this change is embedded here: <http://www.dor.state.nc.us/practitioner/sales/directives/SD-13-5.pdf>

Sales Tax Distribution Method: A link to a description of the individual articles of Sales Tax is embedded here: http://www.dor.state.nc.us/publications/sales/distribution_articles.pdf

City of Shelby
 Utility Sales Tax Distribution (Formerly Utility Franchise Tax)
 Last Three Years

	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Totals
Collection Period:	(July-Sept.)	(Oct.-Dec.)	(Jan.-Mar.)	(Apr.-June)	
Received in:	December	March	June	September	
FY 20	562,390.96	392,246.27	460,205.55	410,481.08	1,825,323.86
FY 21	574,782.27	445,666.24	476,587.12	451,433.94	1,948,469.57
FY 22	515,722.31	464,401.65	-	-	980,123.96
Budget	556,178.37	484,704.73	500,184.30	458,932.60	2,000,000.00
% of Budget	25.79%	23.22%	0.00%	0.00%	49.01%



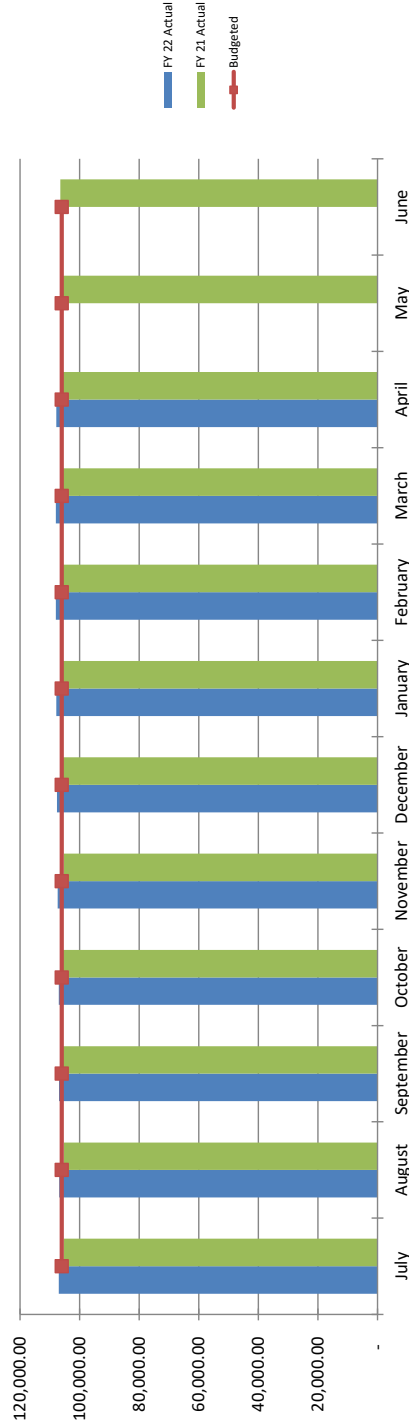
Notes:

Effective July 2014, utility franchise tax was eliminated on sales of electricity and piped natural gas. A "hold harmless" provision will keep local distribution levels at the amounts received during the 2013-14 Fiscal Year.

City of Shelby
Solid Waste Fees
FY 2022

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	106,000.00	1,272,000.00
FY 2021	105,380.54	105,237.32	105,800.50	105,677.68	105,243.58	105,899.38	105,833.19	105,909.14	106,446.69	106,036.48	106,495.44	106,448.69	1,270,408.63
FY 2022	107,028.51	106,863.30	106,940.27	107,008.94	107,373.25	107,574.77	107,831.27	107,977.54	108,003.36	107,814.95	-	-	1,074,416.16
% of Budget	8.41%	8.40%	8.41%	8.41%	8.44%	8.46%	8.48%	8.49%	8.49%	8.48%	0.00%	0.00%	84.47%
Variance	1,028.51	863.30	940.27	1,008.94	1,373.25	1,574.77	1,831.27	1,977.54	2,003.36	1,814.95	(106,000.00)	(106,000.00)	(197,583.84)
Res. Accts:	7,738	7,718	7,730	7,731	7,760	7,776	7,790	7,793	7,797	7,782	-	-	-
Comm. Accts:	674	674	671	677	677	674	677	681	681	681	-	-	-

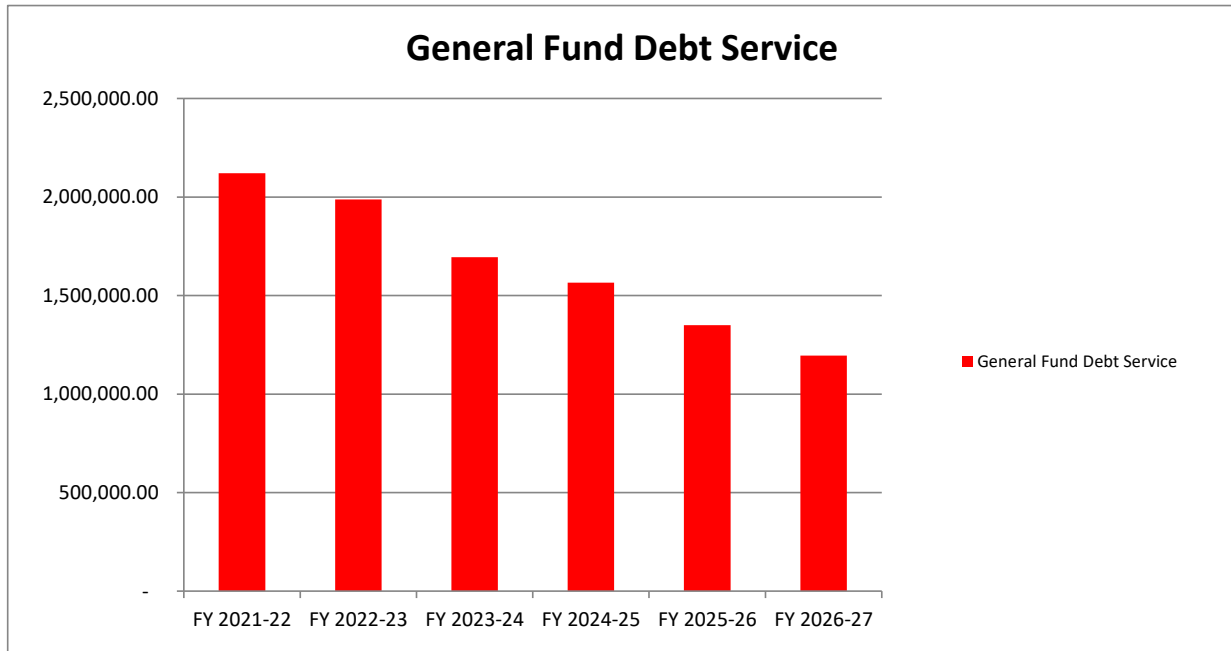
Solid Waste Fees Budgeted and Collected



DEBT SERVICE - GENERAL FUND

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<u>Installment Purchase Contracts</u>						
Hanna Park Recreation Complex Debt Retired In 2032	673,134.00	658,606.66	644,079.33	629,552.00	615,024.66	600,497.33
NS Rail Corridor Purchase Debt Retired In 2029	650,375.00	639,222.22	628,069.44	617,100.00	605,763.89	594,611.11
FY 17 Installment Purchase Debt Retired In 2022	108,238.48	-	-	-	-	-
FY 18 Installment Purchase Debt Retired In 2023	266,389.91	266,389.91	-	-	-	-
FY 19 Installment Purchase Debt Retired In 2024	104,354.77	104,354.77	104,354.77	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	189,692.00	189,692.00	189,692.00	189,692.00	-	-
FY 21 Installment Purchase Debt Retired In 2026	128,617.50	128,617.50	128,617.50	128,617.50	128,617.50	-
Total Debt Service - General Fund	2,120,801.66	1,986,883.06	1,694,813.04	1,564,961.50	1,349,406.05	1,195,108.44

Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



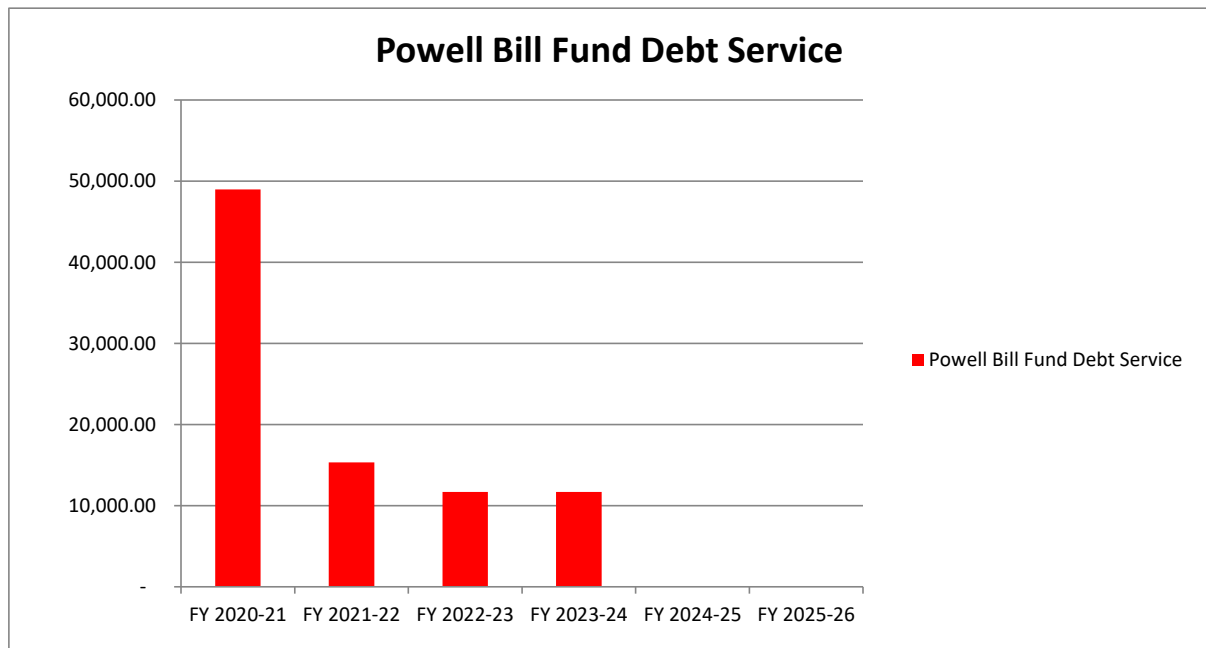
City of Shelby
 For 2022 10 (83.34% of the Fiscal Year)
 General Fund Expenditures by Division

DEPARTMENT	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL GOVERNING BOARD	85,921.00	85,921.00	67,174.61	0.00	18,746.39	78.20 %
TOTAL ADMINISTRATION	719,261.00	719,261.00	561,751.71	2,983.91	154,525.38	78.50 %
TOTAL FINANCE	656,717.00	656,717.00	544,177.43	0.00	112,539.57	82.90 %
TOTAL PURCHASING	77,710.00	77,764.00	56,078.35	53.59	21,631.65	72.20 %
TOTAL HUMAN RESOURCES	273,393.00	273,393.00	152,917.84	3,441.91	117,033.25	57.20 %
TOTAL CUSTOMER SERVICE	292,079.00	296,377.00	187,059.90	43,877.50	65,439.57	77.90 %
TOTAL INFORMATION SERVICES	329,919.00	331,621.00	243,362.95	2,337.51	85,920.54	74.10 %
TOTAL METER SERVICE	96,082.00	96,082.00	34,713.74	0.00	61,368.26	36.10 %
TOTAL GARAGE	534,715.00	534,715.00	435,915.98	0.00	98,799.02	81.50 %
TOTAL CITY HALL	452,800.00	452,800.00	88,006.35	0.00	364,793.65	19.40 %
TOTAL POLICE	7,671,563.00	7,701,967.00	6,179,917.10	64,415.86	1,457,633.78	81.10 %
TOTAL COMMUNICATION	794,100.00	794,100.00	564,430.66	0.00	229,669.34	71.10 %
TOTAL FIRE	5,626,296.00	5,714,728.00	3,979,547.75	814,392.90	920,787.19	83.90 %
TOTAL BUILDING INSPECTIONS	416,775.00	416,775.00	201,798.20	1,077.99	213,898.81	48.70 %
TOTAL STREETS	1,276,305.00	1,334,526.00	1,028,297.20	1,077.99	305,150.41	77.10 %
TOTAL AIRPORT	438,275.00	447,870.00	457,387.59	8,735.21	-18,252.80	104.10 %
TOTAL SOLID WASTE	2,144,010.00	2,144,010.00	1,474,235.26	371,009.02	298,765.72	86.10 %
TOTAL GIS	54,989.00	87,788.00	68,215.43	3,093.55	16,479.02	81.20 %
TOTAL PLANNING SERVICES	590,950.00	591,376.00	373,657.12	32,141.33	185,577.05	68.60 %
TOTAL SPECIAL APPROPRIATIONS	2,948,525.00	8,760,252.00	7,212,513.09	0.00	1,547,738.91	82.30 %
TOTAL PARKS & RECREATION	1,717,290.00	1,726,886.00	1,118,271.90	85,284.95	523,328.91	69.70 %
TOTAL MAINTENANCE & CEMETERY	1,596,325.00	1,596,325.00	1,084,961.41	69,072.04	442,291.55	72.30 %
GRAND TOTAL	28,794,000.00	34,841,254.00	26,114,391.57	1,502,995.26	7,223,865.17	79.26 %

DEBT SERVICE - POWELL BILL FUND

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
<u>Installment Purchase Contracts</u>						
FY 17 Installment Purchase Debt Retired in 2022	33,612.66	-	-	-	-	-
FY 18 Installment Purchase Debt Retired in 2023	3,644.52	3,644.52	-	-	-	-
FY 20 Installment Purchase Debt Retired in 2025	11,703.00	11,703.00	11,703.00	11,703.00	-	-
Total Debt Service - Powell Bill Fund	48,960.18	15,347.52	11,703.00	11,703.00	-	-

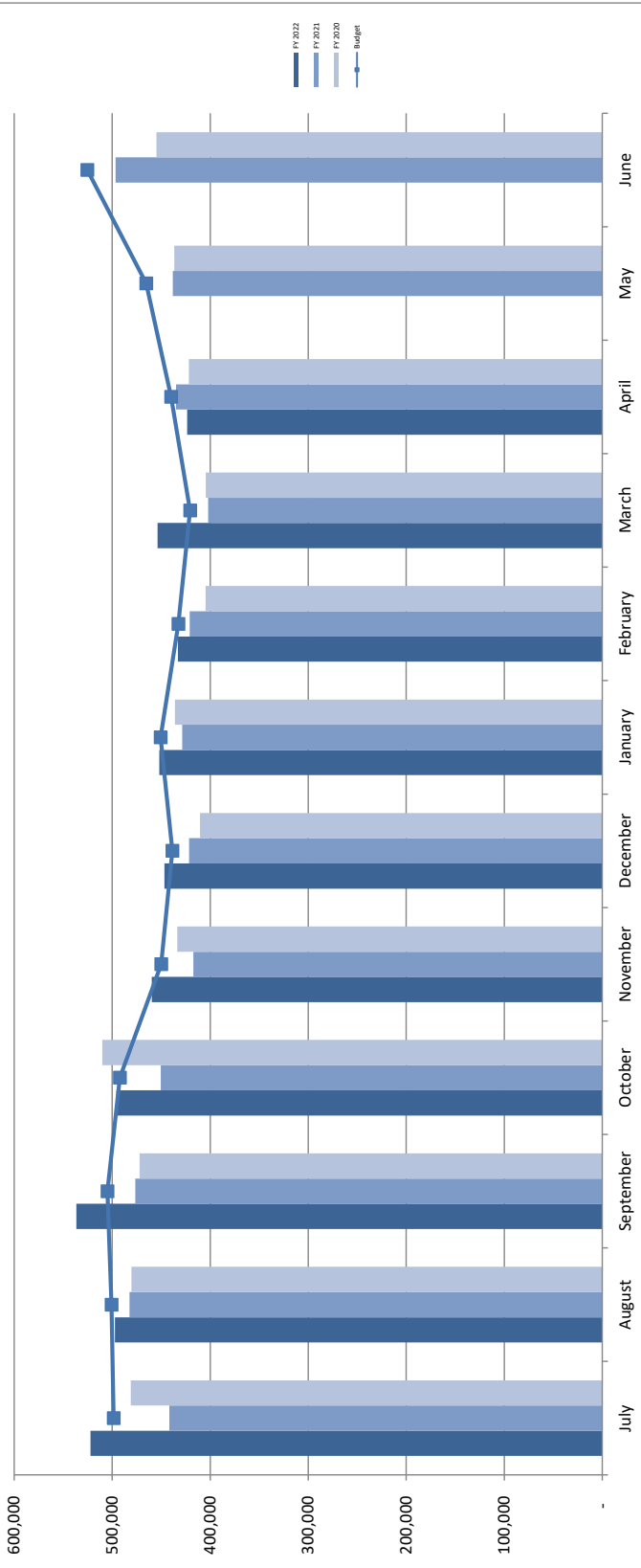
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



City of Shelby
Water Revenue Budget to Actual
FY 2022

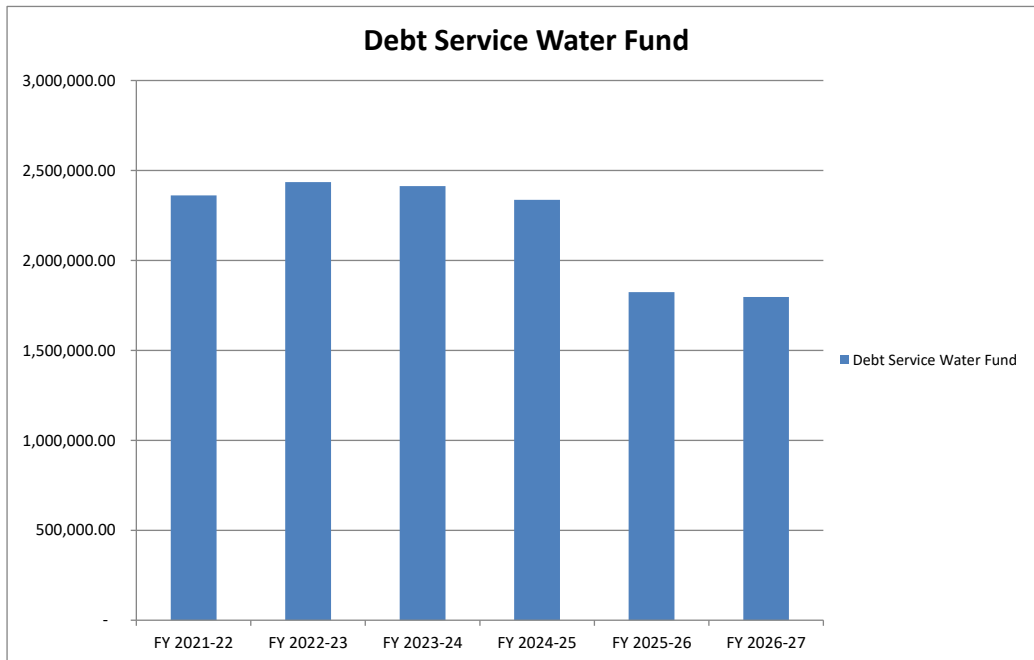
	July	August	September	October	November	December	January	February	March	April	May	June	Total
FY 2022 Budget													
Inside Water													
Useage	132,961	135,912	137,516	130,967	116,874	114,782	120,220	110,024	106,297	114,535	123,558	147,145	1,490,790
Dollars	440,558.64	448,193.27	444,341.63	435,884.36	400,113.12	392,334.71	402,926.15	382,715.01	375,154.16	392,427.58	415,062.20	467,791.58	4,997,502.43
Outside Water													
Useage	15,372	13,571	16,377	14,910	12,691	11,485	11,930	12,803	11,352	11,842	12,840	15,353	160,526
Dollars	57,978.14	52,587.35	60,609.17	56,390.38	49,951.05	46,256.35	47,833.99	49,797.86	45,444.00	47,489.15	50,185.45	57,614.67	622,137.57
Totals	148,333	149,484	153,893	145,878	129,565	126,267	132,150	122,827	117,649	126,376	136,398	162,497	1,651,316
Dollars	498,536.78	500,780.62	504,950.80	492,274.74	450,064.17	438,591.06	450,760.15	432,512.88	420,598.16	439,916.74	465,247.65	525,406.25	5,619,640.00
FY 2022 Actual													
Inside Water													
Useage	147,300	132,769	156,014	136,379	123,193	117,007	124,318	111,539	125,626	108,478	-	-	1,282,623
Dollars	465,884	437,870	478,412	441,580	410,286	395,299	406,740	382,611	409,335	376,413	-	-	4,204,428.73
Outside Water													
Useage	15,182	16,501	16,094	14,496	12,923	13,678	11,272	13,314	11,063	12,111	-	-	136,634
Dollars	56,397	59,395	58,290	54,158	49,260	51,542	45,241	50,453	44,404	47,116	-	-	516,256
Totals	162,482	149,270	172,108	150,875	136,116	130,685	135,590	124,853	136,689	120,589	-	-	1,419,257
Dollars	522,281	497,265	536,702	495,738	459,546	446,841	451,981	433,064	453,740	423,529	-	-	4,720,685.04
Variance													
Useage	14,339	(3,143)	18,498	5,412	6,319	2,225	4,098	1,515	19,329	(6,057)	(123,558)	(147,145)	(208,167)
Dollars	25,325.14	(10,323.43)	34,069.94	5,695.37	10,173.30	2,964.00	3,813.57	(104.18)	34,181.15	(16,014.76)	(415,062.20)	(467,791.58)	(793,073.70)
Outside Water													
Useage	(190)	2,930	(283)	(414)	232	2,193	(658)	511	(289)	269	(12,840)	(15,353)	(23,892)
Dollars	(1,580.66)	6,807.52	(2,319.17)	(2,232.00)	(691.36)	5,285.63	(2,593.12)	654.91	(1,039.70)	(373.18)	(50,185.45)	(57,614.67)	(105,881)
Totals	14,149	(214)	18,215	4,997	6,551	4,418	3,440	2,026	19,040	(5,787)	(136,398)	(162,497)	(232,059)
Useage	23,744.48	(3,515.91)	31,750.77	3,463.37	9,481.94	8,249.63	1,220.44	550.72	33,141.45	(16,387.95)	(465,247.65)	(525,406.25)	(698,954.96)

Water Sales In Dollars - Budget to Actual FY 2021 - 2022



DEBT SERVICE - WATER FUND	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<u>Revenue Bonds</u>						
Series 2013A Revenue Bonds Debt Retired In 2029	324,157.13	325,250.01	324,029.73	324,717.52	325,173.82	325,173.82
Series 2010 Revenue Bonds Debt Retired In 2025	526,469.18	517,224.37	507,603.26	497,590.50	-	-
Series 2015 Revenue Bonds Debt Retired In 2030	201,100.00	201,100.00	201,100.00	201,100.00	201,100.00	201,100.00
Series 2016 Revenue Bonds Debt Retired In 2031	233,400.00	233,400.00	233,400.00	233,400.00	233,400.00	233,400.00
NCDEQ-DWI SRF Loan Debt Retired In 2040	959,805.01	1,060,171.30	1,047,604.00	1,035,036.68	1,022,469.38	1,009,902.08
<u>Installment Purchase</u>						
Uptown Infrastructure - Electric Fund Loan Debt Retired In 2038	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00
FY 17 Installment Purchase Debt Retired In 2022	17,188.29	-	-	-	-	-
FY 19 Installment Purchase Debt Retired In 2024	54,380.79	54,380.79	54,380.79	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	2,561.50	2,561.50	2,561.50	2,561.50	-	-
FY 21 Installment Purchase Debt Retired In 2026	14,465.00	14,465.00	14,465.00	14,465.00	14,465.00	-
Total Debt Service - Water Fund	2,360,776.90	2,435,802.97	2,412,394.28	2,336,121.20	1,823,858.20	1,796,825.90

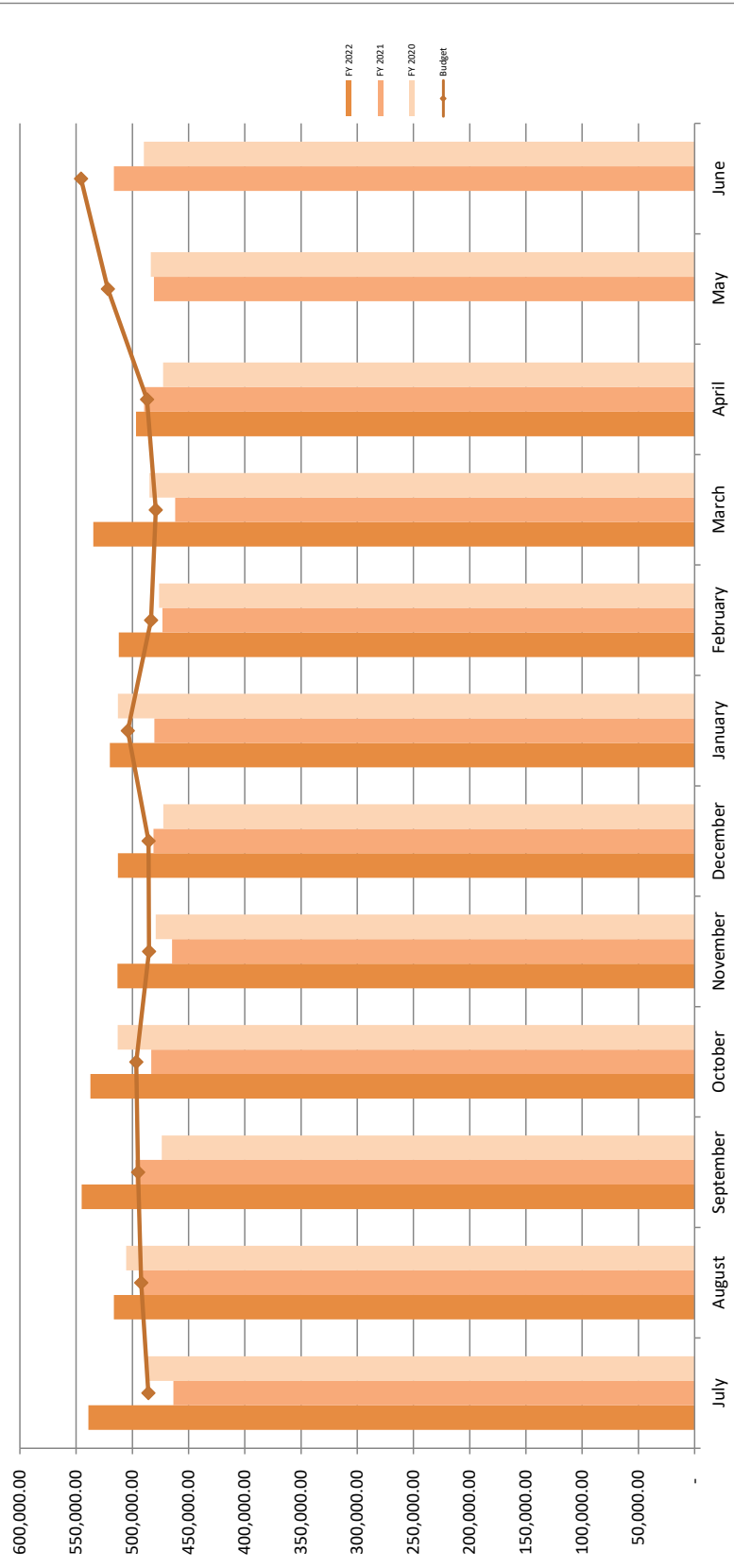
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



City of Shelby
Sewer Revenue Budget to Actual
FY 2022

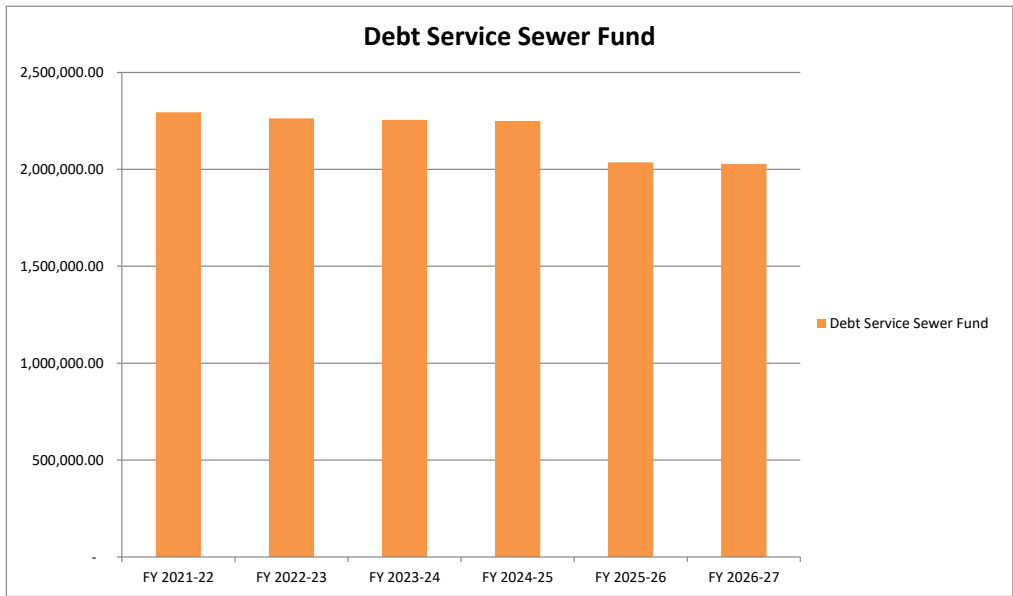
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
FY 2022 Budget													
Inside Sewer													
Useage	68,512	70,250	53,846	69,057	66,689	67,452	71,487	66,675	64,185	66,827	76,924	82,341	824,244
Dollars	456,884.41	465,493.45	462,106.95	462,388.82	448,975.74	450,155.61	464,781.57	449,302.18	439,595.61	451,018.69	485,603.30	509,783.35	5,546,089.69
Outside Sewer													
Useage	2,886	2,520	3,410	3,557	3,855	3,771	4,329	3,581	4,344	3,369	3,361	3,320	42,303
Dollars	28,960.22	26,678.11	32,909.79	34,083.37	36,133.08	35,355.54	39,258.40	34,125.67	39,547.42	35,886.02	36,098.03	35,946.66	414,982.31
Totals													
Useage	71,398	72,770	57,256	72,614	70,544	71,223	75,816	70,256	68,529	70,196	80,285	85,661	866,547
Dollars	485,844.63	492,171.56	495,016.74	496,472.19	485,108.82	485,511.15	504,039.97	483,427.85	479,143.04	486,904.71	521,701.33	545,730.01	5,961,072.00
FY 2022 Actual													
Inside Sewer													
Useage	77,633	73,340	81,561	76,522	69,582	69,308	73,493	69,081	76,145	64,439	-	-	731,104
Dollars	501,861.04	479,112.06	505,097.81	493,553.81	468,967.36	467,397.01	476,820.51	465,389.56	487,518.06	448,973.36	-	-	4,794,690.58
Outside Sewer													
Useage	2,432	2,397	2,756	3,298	3,389	3,590	3,230	3,689	3,775	3,858	-	-	32,414
Dollars	37,319.18	37,327.88	39,989.26	43,817.13	44,221.07	45,502.36	43,117.93	46,590.33	47,290.96	47,708.85	-	-	432,884.95
Totals													
Useage	80,065	75,737	84,317	79,820	72,971	72,898	76,723	72,770	79,920	68,297	-	-	763,518
Dollars	539,180.22	516,439.94	545,087.07	537,370.94	513,188.43	512,899.37	519,938.44	511,979.89	534,809.02	496,682.21	-	-	5,227,575.53
Variance													
Inside Sewer													
Useage	9,121	3,090	27,715	7,465	2,893	1,856	2,006	2,406	11,960	(2,388)	(76,924)	(82,341)	(93,139.67)
Dollars	44,976.63	13,618.61	42,990.86	31,164.99	19,991.62	17,241.40	12,038.94	16,087.38	47,922.45	(2,045.33)	(485,603.30)	(509,783.35)	(751,399.11)
Outside Sewer													
Useage	(454)	(123)	(654)	(259)	(466)	(181)	(1,099)	108	(569)	489	(3,361)	(3,320)	(9,889.00)
Dollars	8,358.96	10,649.77	7,079.47	9,733.76	8,087.99	10,146.82	3,859.53	12,464.66	7,743.54	11,822.83	(36,098.03)	(35,946.66)	17,902.64
Totals													
Useage	8,667	2,967	27,061	7,206	2,427	1,675	907	2,514	11,391	(1,899)	(80,285)	(85,661)	(103,028.67)
Dollars	53,335.59	24,268.38	50,070.33	40,898.75	28,079.61	27,388.22	15,898.47	28,552.04	55,665.98	9,777.50	(521,701.33)	(545,730.01)	(733,496.47)

Sewer Sales in Dollars - Budget to Actual FY 2021 - 2022



DEBT SERVICE - SEWER FUND	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<u>Revenue Bonds</u>						
Series 2013A Revenue Bonds Debt Retired In 2029	102,558.09	102,903.86	102,517.78	102,735.39	102,879.76	102,292.28
Series 2013C Revenue Bonds Debt Retired In 2028	199,458.88	198,822.47	198,081.73	197,236.66	200,137.25	198,979.17
Series 2010 Revenue Bonds Debt Retired In 2025	215,198.61	211,419.72	207,487.01	203,394.22	-	-
NC DENR-DWI SRF Loan Debt Retired in 2034	36,300.10	36,300.10	36,300.10	36,300.10	36,300.10	36,300.10
NC DENR-DWI SRF Loan Debt Retired in 2035	156,521.90	156,521.90	156,521.90	156,521.90	156,521.90	156,521.90
NC DENR-DWI SRF Loan Debt Retired in 2035	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90
NC DENR-DWI SRF Loan Debt Retired in 2041	991,870.00	991,870.00	991,870.00	991,870.00	991,870.00	991,870.00
<u>Installment Purchase</u>						
Uptown Infrastructure - Loan from Electric Fund Debt Retired in 2038	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00
FY 17 Installment Purchase Debt Retired In 2022	26,880.58	-	-	-	-	-
FY 18 Installment Purchase Debt Retired In 2023	2,903.26	2,903.26	-	-	-	-
FY 19 Installment Purchase Debt Retired In 2024	1,408.74	1,408.74	1,408.74	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	12,525.50	12,525.50	12,525.50	12,525.50	-	-
FY 21 Installment Purchase Debt Retired In 2026	6,215.00	6,215.00	6,215.00	6,215.00	6,215.00	-
Total Debt Service - Sewer Fund	2,294,423.55	2,263,473.45	2,255,510.66	2,249,381.66	2,036,506.90	2,028,546.34

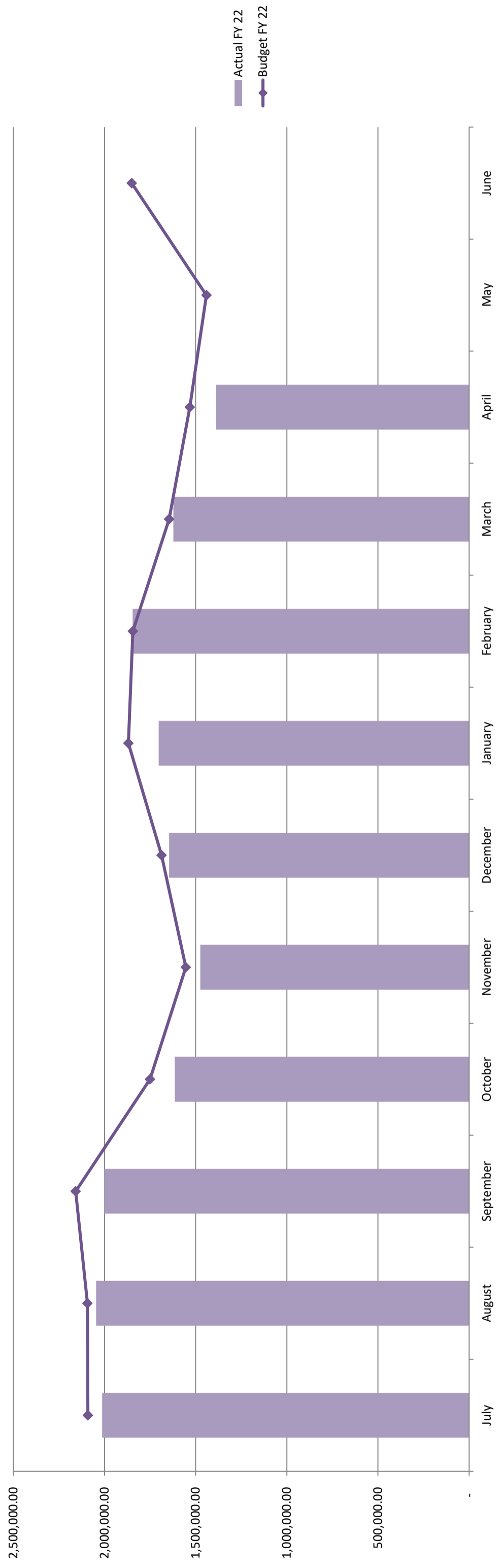
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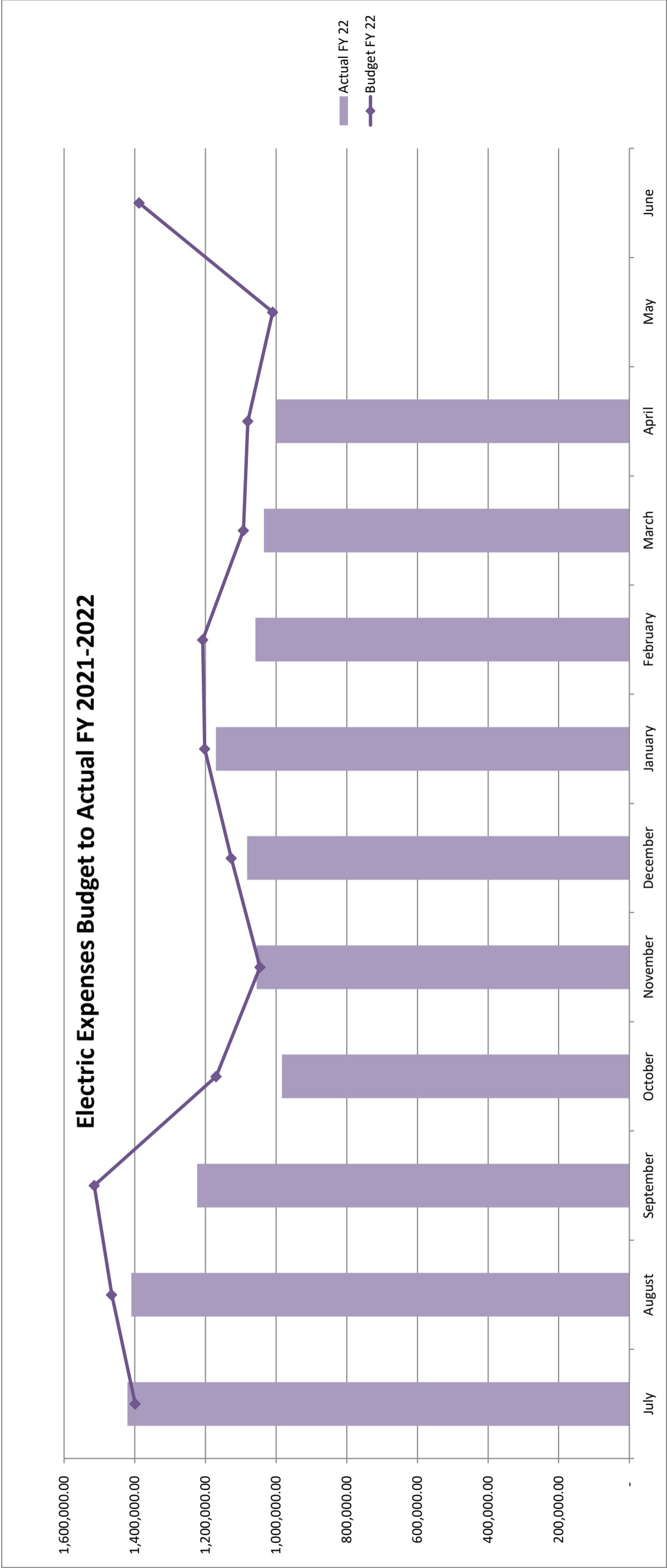
City of Shelby
Electric Revenues Budget to Actual
FY 2022

Revenues Budget FY 22	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	888,192.80	905,070.83	889,403.93	683,984.80	623,498.84	798,656.66	926,510.59	912,010.95	762,405.29	648,463.38	574,814.98	770,567.06	9,383,580.12
Commercial	1,183,523.77	1,166,811.02	1,245,221.55	1,049,869.82	916,006.21	873,253.35	927,811.46	917,660.30	868,382.85	866,482.11	850,742.92	1,055,875.44	11,921,640.80
Industrial	19,505.92	22,388.91	23,737.08	16,789.71	14,997.50	15,378.27	14,823.35	15,520.93	14,739.64	16,908.65	15,683.89	24,305.22	214,779.08
Totals	2,091,222.49	2,094,270.76	2,158,362.56	1,750,644.33	1,554,502.55	1,687,288.28	1,869,145.41	1,845,192.18	1,645,527.78	1,531,854.14	1,441,241.79	1,850,747.72	21,520,000.00
Actual FY 22	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	880,501.52	879,896.06	842,330.03	619,318.24	609,393.40	777,604.00	834,348.82	945,256.32	734,285.84	579,665.63	-	-	7,702,599.85
Commercial	1,091,518.23	1,126,015.11	1,119,148.12	965,598.51	840,040.54	844,327.85	844,645.98	877,880.75	861,911.21	785,788.73	-	-	9,356,875.04
Industrial	41,076.50	40,385.09	41,368.65	30,744.31	24,976.71	23,605.54	24,693.97	22,940.15	26,811.44	23,691.95	-	-	-
Totals	2,013,096.25	2,046,296.26	2,002,846.80	1,615,661.06	1,474,410.65	1,645,537.39	1,703,688.77	1,846,077.22	1,623,008.49	1,389,146.31	-	-	17,359,769.20
Revenue Variance	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	(7,691.27)	(25,174.77)	(47,073.91)	(64,666.57)	(14,105.44)	(21,052.66)	(92,161.77)	33,245.37	(28,119.45)	(68,797.75)	(574,814.98)	(770,567.06)	(1,680,980.26)
Commercial	(92,005.55)	(40,795.92)	(126,073.42)	(84,271.30)	(75,965.67)	(28,925.50)	(83,165.49)	(39,779.55)	(6,471.64)	(80,693.37)	(850,742.92)	(1,055,875.44)	(2,564,765.77)
Industrial	21,570.58	17,996.18	17,631.57	13,954.60	9,979.21	8,227.27	9,870.62	7,419.22	12,071.80	6,783.30	(15,683.89)	(24,305.22)	85,515.23
Totals	(78,126.24)	(47,974.50)	(155,515.76)	(134,983.27)	(80,091.90)	(41,750.89)	(165,456.64)	885.04	(22,519.29)	(142,707.83)	(1,441,241.79)	(1,850,747.72)	(4,160,230.80)

Electric Revenues Budget to Actual FY 2021-2022

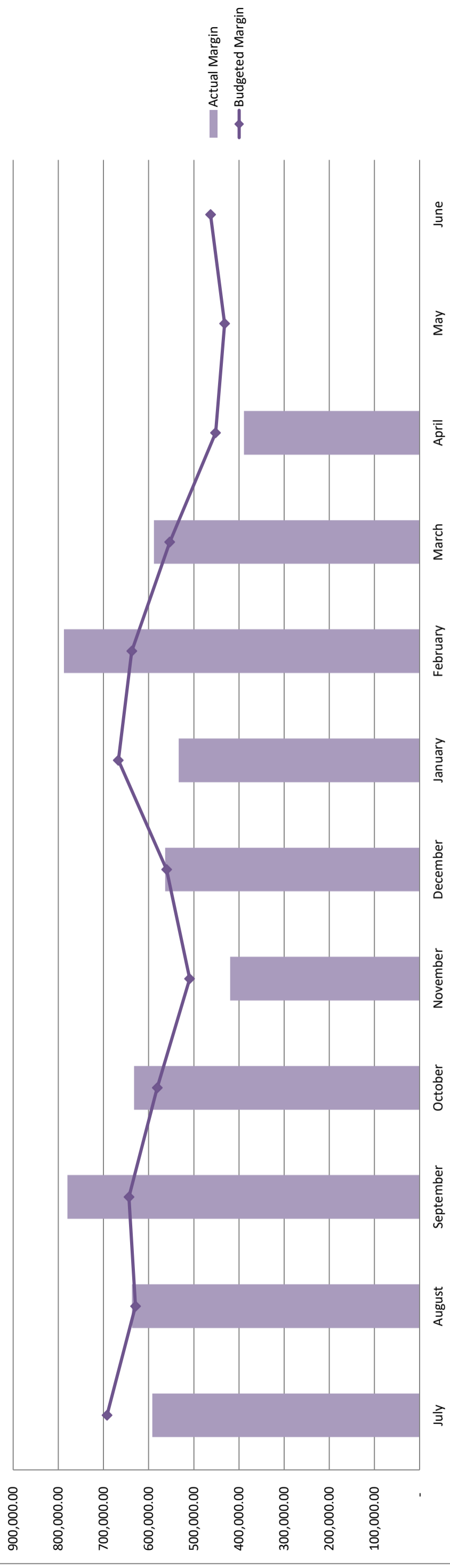


Expenses	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget FY 22													
NCMPA1	1,348,754.95	1,414,214.89	1,467,192.58	1,132,669.12	1,009,425.68	1,089,253.24	1,163,230.60	1,167,262.35	1,054,934.95	1,044,498.58	974,058.23	1,344,504.84	14,210,000.00
SEPA	50,123.30	50,951.57	47,498.77	36,873.99	35,749.70	37,820.86	38,817.94	40,530.13	37,260.83	35,634.69	35,409.97	43,328.26	490,000.00
Totals	1,398,878.25	1,465,166.46	1,514,691.35	1,169,543.11	1,045,175.38	1,127,074.10	1,202,048.53	1,207,792.48	1,092,195.78	1,080,133.27	1,009,468.19	1,387,833.10	14,700,000.00
Actual FY 22													
NCMPA1	1,387,577.43	1,374,262.77	1,189,126.57	947,970.65	1,021,092.08	1,046,316.06	1,135,882.98	1,024,848.52	1,000,846.61	967,795.90	-	-	11,095,719.57
SEPA	33,362.07	35,097.20	34,006.80	35,274.36	33,772.52	35,901.74	34,214.73	33,608.38	33,748.04	32,259.96	-	-	341,245.80
Totals	1,420,939.50	1,409,359.97	1,223,133.37	983,245.01	1,054,864.60	1,082,217.80	1,170,097.71	1,058,456.90	1,034,594.65	1,000,055.86	-	-	11,436,965.37
Expense Variance													
NCMPA1	(38,822.48)	39,952.12	278,066.01	184,698.47	(11,666.40)	42,937.18	27,347.62	142,413.83	54,088.34	76,702.68	974,058.23	1,344,504.84	3,114,280.43
SEPA	16,761.23	15,854.37	13,491.97	1,599.63	1,977.18	1,919.12	4,603.21	6,921.75	3,512.79	3,374.73	35,409.97	43,328.26	148,754.20
Totals	(22,061.25)	55,806.49	291,557.98	186,298.10	(9,689.22)	44,856.30	31,950.82	149,335.58	57,601.13	80,077.41	1,009,468.19	1,387,833.10	3,263,034.63



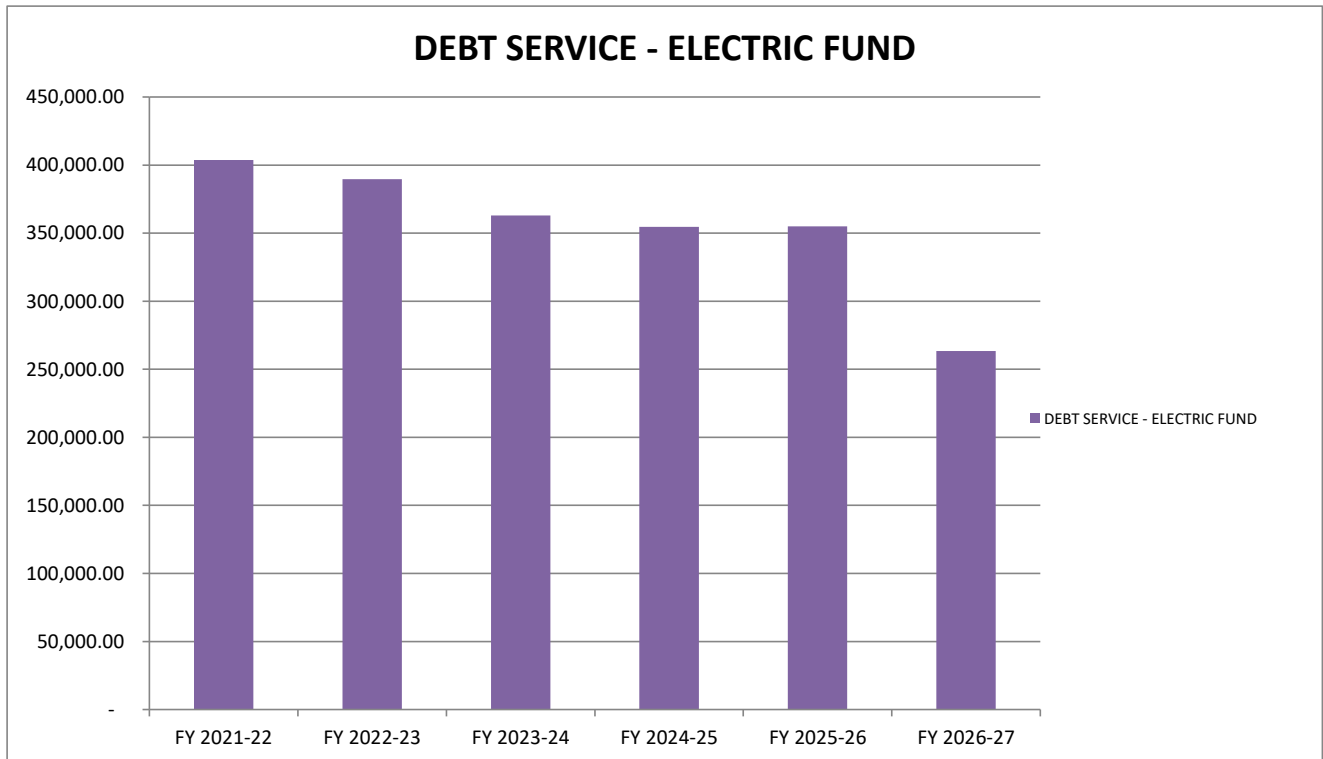
Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	2,091,222.49	2,094,270.76	2,158,362.56	1,750,644.33	1,554,502.55	1,687,288.28	1,869,145.41	1,845,192.18	1,645,527.78	1,531,854.14	1,441,241.79	1,850,747.72	21,520,000.00
Budgeted Expenses	(1,398,878.25)	(1,465,166.46)	(1,514,691.35)	(1,169,543.11)	(1,045,175.38)	(1,127,074.10)	(1,202,048.53)	(1,207,792.48)	(1,092,195.78)	(1,080,133.27)	(1,009,468.19)	(1,387,833.10)	(14,700,000.00)
Budgeted Margin	692,344.24	629,104.31	643,671.22	581,101.22	509,327.17	560,214.18	667,096.88	637,399.70	553,332.00	451,720.87	431,773.60	462,914.62	6,820,000.00
Actual Revenues	2,013,096.25	2,046,296.26	2,002,846.80	1,615,661.06	1,474,410.65	1,645,537.39	1,703,688.77	1,846,077.22	1,623,008.49	1,389,146.31	-	-	17,359,769.20
Actual Expenses	(1,420,939.50)	(1,409,359.97)	(1,223,133.37)	(983,245.01)	(1,054,864.60)	(1,082,217.80)	(1,170,097.71)	(1,058,456.90)	(1,034,594.65)	(1,000,055.86)	-	-	(11,436,965.37)
Actual Margin	592,156.75	636,936.29	779,713.43	632,416.05	419,546.05	563,319.59	533,591.06	787,620.32	588,413.84	389,090.45	-	-	5,922,803.83
Margin Variance	(100,187.49)	7,831.98	136,042.21	51,314.83	(89,781.12)	3,105.41	(133,505.82)	150,220.62	35,081.84	(62,630.42)	(431,773.60)	(462,914.62)	(897,196.17)

Electric Margin Budget to Actual FY 2021-2022



DEBT SERVICE - ELECTRIC FUND		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<u>Revenue Bonds</u>							
Series 2013A Revenue Bonds							
Total	Debt Retired In 2029	264,102.54	264,992.95	263,998.74	264,559.11	264,930.87	263,418.02
<u>Installment Purchase Contracts</u>							
FY 17 Installment Purchase							
	Debt Retired In 2022	15,039.75	-	-	-	-	-
FY 18 Installment Purchase							
	Debt Retired In 2023	25,727.86	25,727.86	-	-	-	-
FY 19 Installment Purchase							
	Debt Retired In 2024	8,921.99	8,921.99	8,921.99	-	-	-
FY 21 Installment Purchase							
	Debt Retired In 2026	89,952.50	89,952.50	89,952.50	89,952.50	89,952.50	-
Total		<u>403,744.64</u>	<u>389,595.30</u>	<u>362,873.23</u>	<u>354,511.61</u>	<u>354,883.37</u>	<u>263,418.02</u>

Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



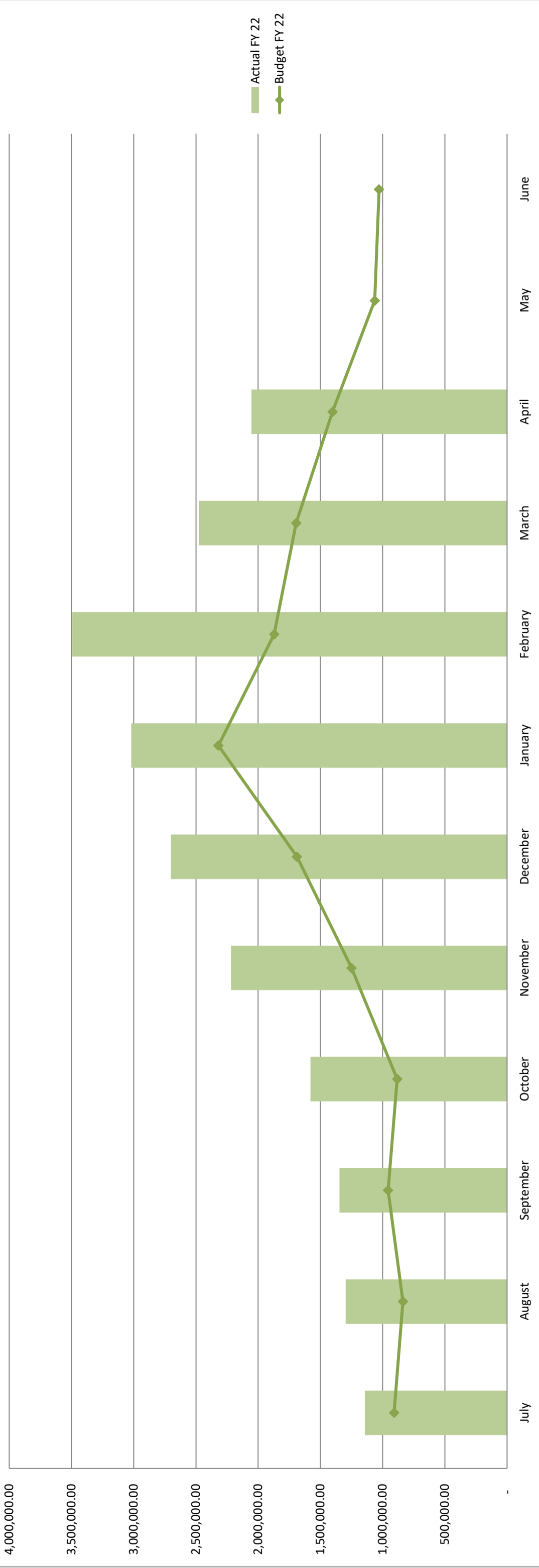
City of Shelby
Gas Revenues Budget to Actual
FY 2022

Revenues Budget FY 22	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	122,595.58	119,268.48	121,306.17	129,799.55	246,011.66	586,018.72	791,708.03	637,787.28	504,139.51	367,667.88	184,345.28	140,512.60	3,951,160.73
Commercial	127,145.91	138,085.78	150,892.43	157,303.22	224,156.33	451,584.06	652,439.46	522,669.45	421,087.18	337,776.30	160,527.02	142,379.72	3,486,046.85
High Load Factor	21,204.40	17,255.87	13,195.68	10,537.51	44,416.21	49,695.69	51,938.49	56,935.06	50,251.61	53,598.68	50,480.09	50,460.41	469,969.71
Interruptibles	53,938.27	54,429.36	51,846.13	50,373.91	65,220.45	56,126.20	53,678.30	76,814.28	52,852.17	54,901.55	51,318.41	54,642.71	676,141.74
Special Ind Class	582,378.63	507,899.21	619,077.33	535,030.86	669,816.02	544,232.23	769,537.34	577,077.07	665,601.80	588,925.46	616,872.18	640,232.84	7,316,680.97
Totals	907,262.79	836,938.70	956,317.74	883,045.05	1,249,620.66	1,687,656.91	2,319,301.61	1,871,283.13	1,693,932.27	1,402,869.87	1,063,542.98	1,028,228.29	15,900,000.00

Actual FY 22	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	126,424.43	121,787.88	125,541.02	149,464.40	394,056.64	728,265.43	755,393.66	1,074,649.06	651,802.64	391,363.49	-	-	4,518,748.65
Commercial	216,803.16	218,558.89	258,602.85	281,892.54	505,654.31	717,196.74	815,064.96	937,285.51	640,729.19	388,706.82	-	-	4,980,494.97
High Load Factor	45,862.44	53,682.87	67,506.54	65,253.37	83,735.97	88,483.26	109,697.66	29,491.30	32,288.55	26,288.67	-	-	602,290.63
Interruptibles	61,086.99	63,329.37	69,418.16	79,776.44	95,750.57	124,422.21	80,488.41	118,444.61	99,683.12	91,846.09	-	-	884,245.97
Special Ind Class	692,577.77	838,939.79	824,567.30	1,003,415.62	1,139,754.71	1,042,863.69	1,258,275.61	1,333,548.14	1,049,148.38	1,155,671.78	-	-	10,338,762.79
Totals	1,142,754.79	1,296,298.80	1,345,635.87	1,579,802.37	2,218,952.20	2,701,231.33	3,018,920.30	3,493,418.62	2,473,651.88	2,053,876.85	-	-	21,324,543.01

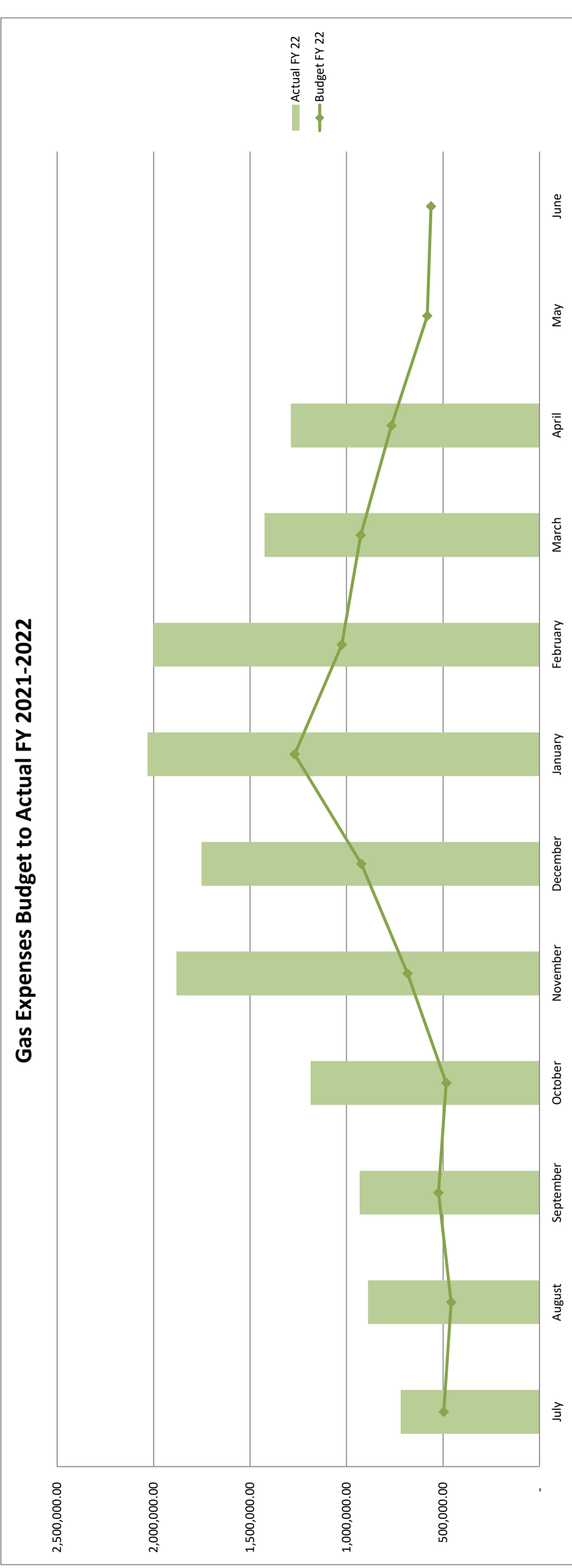
Revenue Variance	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	3,828.85	2,519.40	4,234.85	19,664.85	148,044.98	142,246.71	(36,314.37)	436,861.78	147,663.13	23,695.61	(184,345.28)	(140,512.60)	567,587.92
Commercial	89,657.25	80,473.11	107,710.42	124,589.32	281,497.98	265,612.68	162,625.50	414,616.06	219,642.01	50,930.52	(160,527.02)	(142,379.72)	1,494,448.12
High Load Factor	24,658.04	36,427.00	54,310.86	54,715.86	39,319.76	38,787.57	57,759.17	(27,443.76)	(17,963.06)	(27,310.01)	(50,480.09)	(50,460.41)	132,320.92
Interruptibles	7,148.72	8,900.01	17,572.03	29,402.53	30,530.12	68,296.01	26,810.11	41,630.33	46,830.95	36,944.54	(51,318.41)	(54,642.71)	208,104.23
Special Ind Class	110,199.14	331,040.58	205,489.97	468,384.76	469,938.69	498,631.46	488,738.27	756,471.07	383,546.58	566,746.32	(616,872.18)	(640,232.84)	3,022,081.82
Totals	235,492.00	459,360.10	389,318.13	696,757.32	969,331.54	1,013,574.42	699,618.69	1,622,135.49	779,719.61	651,006.98	(1,063,542.98)	(1,028,228.29)	5,424,543.01

Gas Revenues Budget to Actual FY 2021-2022



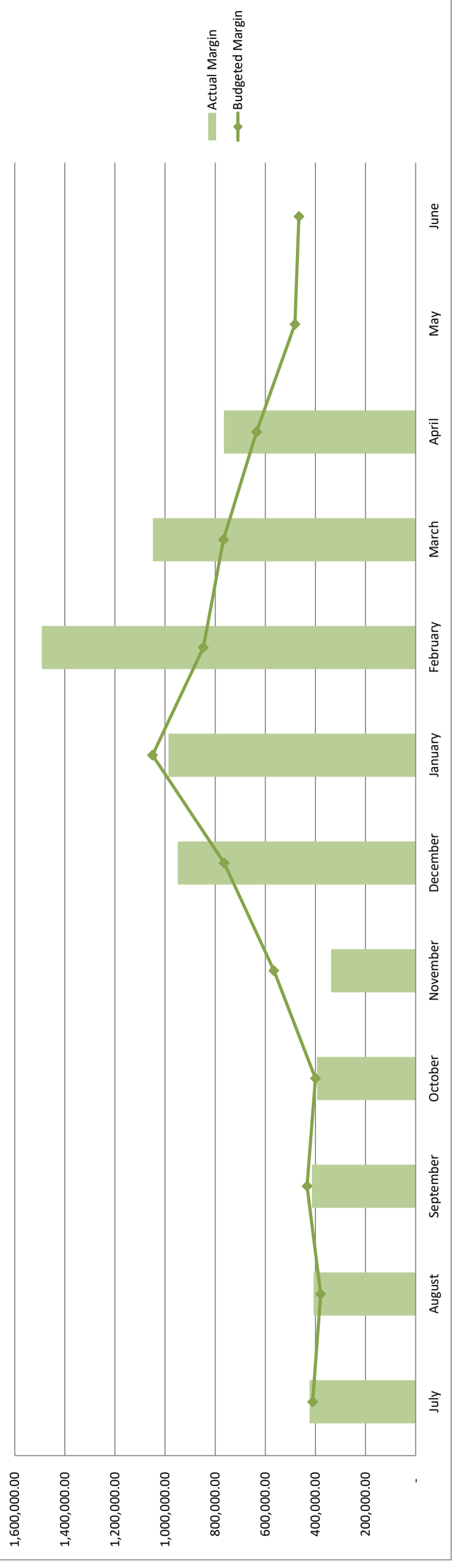
Expenses	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget FY 22	496,426.81	457,947.59	523,268.20	483,175.60	683,754.70	923,434.91	1,269,051.83	1,023,909.64	926,868.60	767,608.04	581,938.61	562,615.48	8,700,000.00
Actual FY 22	719,330.94	888,896.75	931,759.06	1,186,326.46	1,881,425.12	1,751,637.31	2,032,272.17	2,001,054.86	1,424,634.40	1,288,249.30	-	-	14,105,586.37

Expense Variance	(222,904.13)	(430,949.16)	(408,490.86)	(703,150.86)	(1,197,670.42)	(828,202.40)	(763,220.34)	(977,145.22)	(497,765.80)	(520,641.26)	581,938.61	562,615.48	(5,405,586.37)
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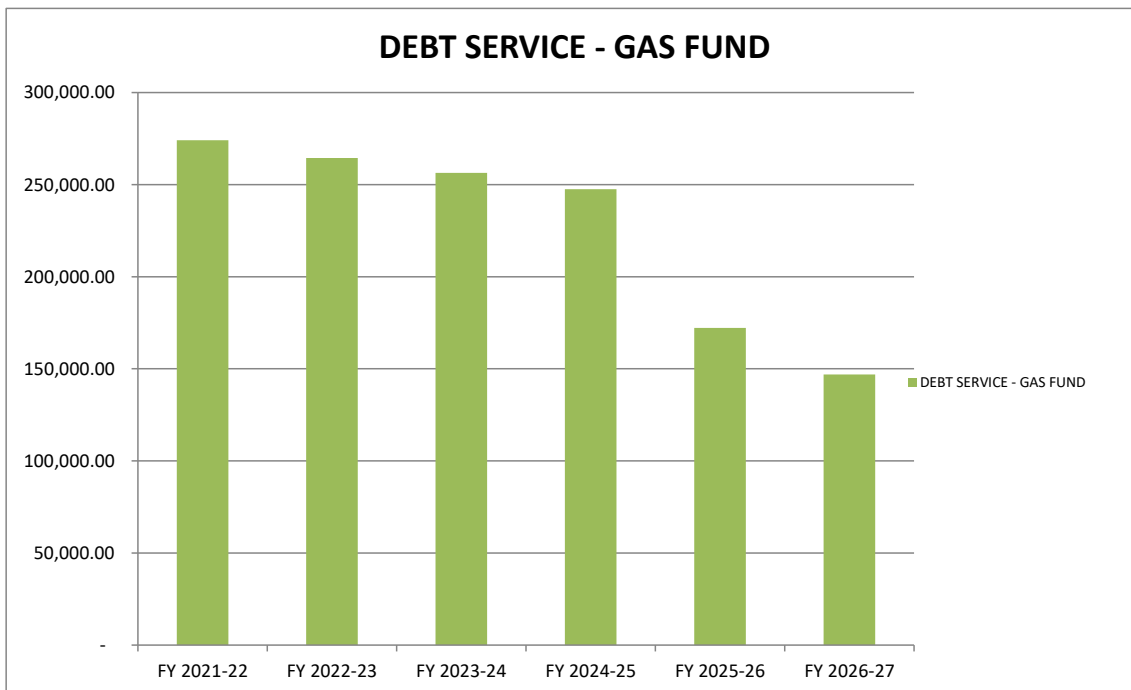
Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	907,262.79	836,938.70	956,317.74	883,045.05	1,249,620.66	1,687,656.91	2,319,301.61	1,871,283.13	1,693,932.27	1,402,869.87	1,063,542.98	1,028,228.29	15,900,000.00
Budgeted Expenses	496,426.81	457,947.59	523,268.20	483,175.60	683,754.70	923,434.91	1,269,051.83	1,023,909.64	926,868.60	767,608.04	581,938.61	562,615.48	8,700,000.00
Budgeted Margin	410,835.98	378,991.11	433,049.54	399,869.46	565,865.96	764,222.00	1,050,249.79	847,373.49	767,063.67	635,261.83	481,604.37	465,612.81	7,200,000.00
Actual Revenues	1,142,754.79	1,296,298.80	1,345,635.87	1,579,802.37	2,218,952.20	2,701,231.33	3,018,920.30	3,493,418.62	2,473,651.88	2,053,876.85	-	-	21,324,543.01
Actual Expenses	719,330.94	888,896.75	931,759.06	1,186,326.46	1,881,425.12	1,751,637.31	2,032,272.17	2,001,054.86	1,424,634.40	1,288,249.30	-	-	14,105,586.37
Actual Margin	423,423.85	407,402.05	413,876.81	393,475.91	337,527.08	949,594.02	986,648.13	1,492,363.76	1,049,017.48	765,627.55	-	-	7,218,956.64
Margin Variance	12,587.87	28,410.94	(19,172.73)	(6,393.55)	(228,338.88)	185,372.02	(63,601.66)	644,990.27	281,953.81	130,365.72	(481,604.37)	(465,612.81)	18,956.64

Gas Margin Budget to Actual FY 2021-2022



DEBT SERVICE - GAS FUND	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<u>Revenue Bonds</u>						
Series 2013A Revenue Bonds Debt Retired In 2029	87,777.24	88,073.18	87,742.75	87,928.99	88,052.55	87,549.74
Series 2013C Revenue Bonds Debt Retired In 2028	59,578.63	59,388.53	59,167.27	58,914.85	59,781.26	59,435.34
Series 2010 Revenue Bonds Debt Retired In 2025	61,073.28	59,999.82	58,883.96	57,722.44	-	-
<u>Installment Purchase Contracts</u>						
FY 17 Installment Purchase Debt Retired In 2022	8,761.25	-	-	-	-	-
FY 18 Installment Purchase Debt Retired In 2023	6,424.24	6,424.24	-	-	-	-
FY 19 Installment Purchase Debt Retired In 2024	7,621.62	7,621.62	7,621.62	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	18,518.00	18,518.00	18,518.00	18,518.00	-	-
FY 21 Installment Purchase Debt Retired In 2026	24,392.50	24,392.50	24,392.50	24,392.50	24,392.50	-
Total Debt Service - Gas Fund	274,146.76	264,417.89	256,326.09	247,476.77	172,226.30	146,985.07

Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



City of Shelby
 For 2022 10 (83.34% of the Fiscal Year)
 Utility Funds Expenditures by Department

	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL WATER ADMINISTRATION	3,242,898.00	403,015.00	3,645,913.00	2,614,646.88	4,500.07	1,026,765.90	71.8 %
TOTAL WATER LINES OPERATIONS	843,190.00	32,669.00	875,859.00	596,934.35	4,787.16	274,137.29	68.7 %
TOTAL WATER PLANT OPERATIONS	1,953,083.00	248,252.00	2,201,335.00	1,371,604.33	239,457.46	590,273.52	73.2 %
TOTAL WATER	6,039,171.00	683,936.00	6,723,107.00	4,583,185.56	248,744.69	1,891,176.71	71.9 %
TOTAL SEWER ADMINISTRATION	3,024,004.00	764,021.00	3,788,025.00	2,765,056.84	4,500.06	1,018,467.95	73.1 %
TOTAL SEWER LINES OPERATIONS	1,008,340.00	184,182.00	1,192,522.00	878,566.80	26,334.81	287,619.92	75.9 %
TOTAL SEWER PLANT OPERATIONS	2,366,300.00	55,049.00	2,421,349.00	1,619,478.19	264,830.48	537,039.84	77.8 %
TOTAL SEWER	6,398,644.00	1,003,252.00	7,401,896.00	5,263,101.83	295,665.35	1,843,127.71	75.1 %
TOTAL ELECTRIC ADMINISTRATION	2,560,638.00	5,663,420.00	8,224,058.00	1,898,190.65	11,833.37	6,314,034.33	23.2 %
TOTAL ELECTRIC PURCHASE	16,220,000.00	0.00	16,220,000.00	11,554,850.79	0.00	4,665,149.21	71.2 %
TOTAL ELECTRIC LINES	3,258,817.00	371,627.00	3,630,444.00	2,052,849.12	647,855.55	929,739.35	74.4 %
TOTAL ELECTRIC	22,039,455.00	6,035,047.00	28,074,502.00	15,505,890.56	659,688.92	11,908,922.89	57.6 %
TOTAL NATURAL GAS ADMINISTRATION	4,541,910.00	586,835.00	5,128,745.00	3,874,156.16	5,466.95	1,249,121.74	75.6 %
TOTAL NATURAL GAS PURCHASE	9,370,000.00	0.00	9,370,000.00	13,488,873.30	0.00	-4,118,873.30	144.0 %
TOTAL NATURAL GAS LINES	2,213,690.00	368,265.00	2,581,955.00	1,445,755.74	281,314.66	854,884.85	66.9 %
TOTAL NATURAL GAS	16,125,600.00	955,100.00	17,080,700.00	18,808,785.20	286,781.61	-2,014,866.71	111.8 %

City of Shelby
Weather Variances
Fiscal Year to Date at April 30, 2022

Month	Average Rain*	Actual Rain	Variance	Average CDD**	Actual CDD	Variance	Average HDD**	Actual HDD	Variance
July	4.30	8.30	4.00	388	460	72	0	0	0
August	4.40	3.60	(0.80)	563	474	-89	0	0	0
September	3.80	1.50	(2.30)	256	203	-53	5	8	3
October	3.80	2.80	(1.00)	109	105	-4	129	100	-29
November	3.40	0.90	(2.50)	0	5	5	460	491	31
December	4.00	2.80	(1.20)	1	0	-1	564	394	-170
January	3.90	4.70	0.80	0	0	0	810	798	-12
February	3.90	4.20	0.30	0	0	0	586	512	-74
March	4.70	7.60	2.90	24	9	-15	464	314	-150
April	3.30	3.40	0.10	23	37	14	223	179	-44
May	4.40	0.00	(4.40)	116	0	-116	51	0	-51
June	4.30	0.00	(4.30)	337	0	-337	0	0	0
Totals	48.20	39.80	(8.40)	1,817	1,293	(524)	3,292	2,796	(496)

Heating Degree Days: This is a value which gives an indication of the need to heat a building in a given climate. The number of heating degrees in a day is defined as the difference between a reference value of 65°F and the average outside temperature for that day.

Cooling Degree Days: This is a value which gives an indication of the need to cool a building in a given climate. The number of cooling degrees in a day is defined as the difference between a reference value of 65°F and the average outside temperature for that day.

* Source www.weather.com

** Source www.climate.fizber.com

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: C-13

13) Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council –
July 4, 2022

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum dated June 1, 2022 from Carol Williams, City Clerk to Rick Howell, City Manager
- Notice of Cancellation

City Manager's Recommendation / Comments

After reviewing with staff the upcoming agenda schedule and any upcoming items requiring action by City Council it is my recommendation that the regular meeting slated for Monday, July 4, 2022 be cancelled via the Consent Agenda. As a matter of practice agenda items are scheduled and planned weeks in advance for most items to allow the appropriate review process to occur. I would note that in the event an issue arises that would require immediate action by City Council a special meeting could be called in accordance with the NC General Statutes. If approved by City Council your next regularly scheduled meeting would be held on Monday, July 18, 2022.

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

This notice is to inform the general public and the media and is conducted in accordance with the mandates of North Carolina General Statutes 160A-71 and 143-318.12 (a), that the regularly scheduled July 4, 2022, meeting of the Shelby City Council has been cancelled in observance of the Independence Day holiday. The regular meeting schedule, as adopted by the Council, remains in place for all other regular meetings of the Council and will resume:

**Monday, July 18, 2022, at 6:00 p.m.
City Hall Council Chamber
300 South Washington Street
Shelby, North Carolina**

Dated: June 1, 2022

**O. Stanhope Anthony III
Mayor**

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

D Unfinished Business

None

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

E. New Business

Agenda Item E-1

- 1) Consideration of appointments to City advisory boards and commissions:
 - a) Housing and Redevelopment Authority Commission

New Business Item: (Carol Williams, City Clerk)

- Memorandum dated May 31, 2022 from Carol Williams, City Clerk to Rick Howell, City Manager
- Housing and Redevelopment Authority Commission Roster 2022
- Application – Matthew Albinger (Ward 4)

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 2022. 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.

**OFFICE OF THE
CITY CLERK**



Memo

To: Rick Howell, City Manager
From: Carol Williams, City Clerk
Date: June 1, 2022
Re: Appointments to City Advisory Boards

BOARD REVIEW:

HOUSING AND REDEVELOPMENT ADVISORY BOARD –

The terms of three incumbents, Talmadge Strickland, Derrick Haynes, and Kevin Prime, concluded March, 2022. Mr. Strickland and Mr. Haynes wish to continue their service. Dr. Prime has indicated he no longer wishes to serve on this board.

There is one application on file in the Clerk's Office – Matthew Albinger.

POSSIBLE ACTION:

HOUSING AND REDEVELOPMENT ADVISORY BOARD –

Council can begin the nominating process or take appointive action for three new terms concluding March 2025.

Attachment:

- A. Housing and Redevelopment Advisory Board Roster 2022

SHELBY HOUSING AND REDEVELOPMENT ADVISORY BOARD 2022

MEMBERS	ADDRESS	TERM	PHONE
Keith Hawkins Chair khawkins15@carolina.rr.com	1307 Wesson Road Shelby, NC 28152	March 2023	H: 704 406-9279 C: 704 472-8048
Sharon Leigh sleigh@peoplesbanknc.com	1031 Hunter Valley Road Shelby, NC 28150	March 2023	H: 704 484-8663 W: 704 484-6200
Tanzy Wallace tanzybw@gmail.com	1104 South Lafayette Street Shelby, NC 28150	March 2023	C: 704 300-5439
Darrell Gerald gerald78@carolina.rr.com	124 Brookhill Road Shelby, NC 28150	March 2024	H: 704 406-9650 W: 704 477-0482
Brenda Marable bmarable@bellsouth.net	1804 Troy Road Shelby, NC 28150	March 2024	H: 704 487-7057 C: 704 473-6722
Michael Shawn Collins shawn.collins@ncdps.gov	113 Hillside Drive Shelby, NC 28150	March 2024	H: 704 472-2694 W: 704 480-5698 Ext. 201
Talmadge C. Strickland IV tcstrickland4@carolina.rr.com	1803 Arbor Way Drive Shelby, NC 28150	March 2022	H: 704 473-9170 W: 704 482-3031
Dr. Kevin Prime kevinprime@yahoo.com	812 McGowan Road Shelby, NC 28150	March 2022	C: 704 473-4653
Derrick L. Haynes Dhay1257@yahoo.com	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: Andrew Hopper – Ward 6
505 Monroe Street
Shelby, NC 28150
704 418-2121
andrew.hopper@cityofshelby.com

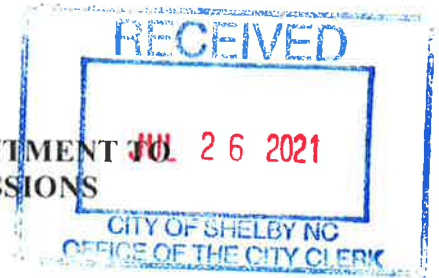
Staffed by:

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

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



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 an interest in being considered for appointment, please complete the form below and mail it to the City Clerk, City of Shelby, P O Box 207, Shelby, NC 28151-0207 or email it to bernie.parduski@cityofshelby.com. If you have questions or need assistance, please call 704 669-6588. Thank you!

- Keep Shelby Beautiful Commission
- Shelby-Cleveland County Regional Airport Advisory Commission
- Shelby Alcoholic Beverage Control Board
- Shelby Zoning Board of Adjustment
- Shelby Firefighters Relief Fund Board of Trustees
- Shelby Housing & Redevelopment Advisory Board
- Shelby Parks & Recreation Advisory Commission
- Shelby Planning & Zoning Advisory Board

DATE 26 July 2021

NAME Matthew Albinger

ADDRESS (No P O Boxes please) 801 W. Warren St.

CITY / STATE / ZIP Shelby, NC 28150

DO YOU RESIDE WITHIN THE CITY OF SHELBY'S CORPORATE LIMITS?
yes

DO YOU RESIDE WITHIN THE CITY OF SHELBY'S EXTRATERRITORIAL JURISDICTION (ETJ)?
No

WARD 7

PHONE NUMBERS: Home 704 718-8998 Work 980 345-1374

EMAIL ADDRESS albymatt69@gmail.com

OCCUPATION Electrical Project Engineer

EDUCATIONAL BACKGROUND BSEE

BOARD OR COMMISSION INTERESTED IN:

1. Planning & Zoning Advisory Board
2. Housing & Redevelopment Advisory Board
3. Cleveland County Regional Airport Advisory Commission

OTHER COMMENTS:

SIGNATURE Matthew Albinger DATE 26 July 2021

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item E-2

2) Consideration of appointments to City advisory boards and commissions:

b) Alcoholic Beverage Control Board

New Business Item: (Carol Williams, City Clerk)

- Memorandum dated May 31, 2022 from Carol Williams, City Clerk to Rick Howell, City Manager
- Alcoholic Beverage Control Board Roster 2022
- Applications – Jeffrey Yates (Ward 4)
Kevin Karner (County resident)
Willie McIntosh (County resident)

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 2022. I would challenge each of you to recruit viable candidates that possess the knowledge and willingness to serve during the coming months.

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**OFFICE OF THE
CITY CLERK**



Memo

To: Rick Howell, City Manager
From: Carol Williams, City Clerk
Date: June 1, 2022
Re: Appointments to City Advisory Boards

BOARD REVIEW:

ALCOHOLIC BEVERAGE CONTROL BOARD –

The terms of two incumbents, Phil Reid and Page Morgan, concluded April, 2022. The two incumbents wish to continue their service.

There are three applications on file in the Clerk's Office – Jeffrey Yates (Ward 4), Kevin Karner (Cleveland County), and Willie McIntosh (Cleveland County).

POSSIBLE ACTION:

ALCOHOLIC BEVERAGE CONTROL BOARD –

Council can begin the nominating process or take appointive action for two new terms concluding April 2025.

Attachment:

- A. Alcoholic Beverage Control Board Roster 2022

ALCOHOLIC BEVERAGE CONTROL BOARD 2022

MEMBERS	ADDRESS	TERM	PHONE
David M. Schweppe david@lawshelby.com	104 Lynhurst Lane Shelby, NC 28150	April 2024	H: 704 472-9826 W: 704 487-7204
Gerald L. Weathers weathersgerald@yahoo.com	326 Woodside Drive Shelby, NC 28150	April 2023	704 487-8008
Sallie M. Craig, Chair smcraig@gmail.com	910 Meadowbrook Lane Shelby, NC 28150	April 2023	H: 704 484-2014
James Phillip (Phil) Reid philreid@bellsouth.net	1010 Kelly Circle Shelby, NC 28150	April 2022	C: 704 692-4994 H: 704 481-1213 W: 704 487-4677
Page D. Morgan page@pagedolleymorgan.com	1225 Brookwood Drive Shelby, NC 28150	April 2022	H: 704 482-1027 W: 704 864-3482

Meetings are held on the fourth Monday of the month at 9:00 a.m., ABC Store, 824 West Warren Street, Shelby, NC

Three-year (3) appointments; Board Chair appointed by City Council on May 3, 2021

City Council Liaison: Charles Webber – Ward 5
1018 Mark Drive
Shelby, NC 28152
C: 704 466-4708
E-mail: charles.webber@cityofshelby.com

This Board was appointed by action taken by the City Council at a Special Meeting held on March 29, 1975. General Assembly of NC House Bill 1841 increased members on the Shelby ABC Board from three to five members beginning July 1, 2006.

Staffed by: Roland Webber, General Manager; Kelly Carpenter, Financial Officer, ABC Store, 824 West Warren Street, Shelby, NC 28150; 704 482-7921; dshelbyabcboar@carolina.rr.com

ABC Officer Detective Scott Hamrick, Shelby Police Department, 130 West Warren Street, Shelby, NC 28150, Office: 704 484-7166 or scott.hamrick@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 1/8/2021

NAME Kevin Karner

ADDRESS (No PO Boxes, please) 181 Appian Way

CITY / STATE / ZIP Shelby, NC 28150 - *Jurisdictional limits -*

TELEPHONE (Home) 704 472 9036 (Work) _____

EMAIL ADDRESS KjKarner@gmail.com

OCCUPATION Mortgage Loan officer @ Movement Mortgage

EDUCATIONAL BACKGROUND Agricultural Business Management

Bachelors Degree NC State University

1/8/2021

BOARD OR COMMISSION INTERESTED IN:

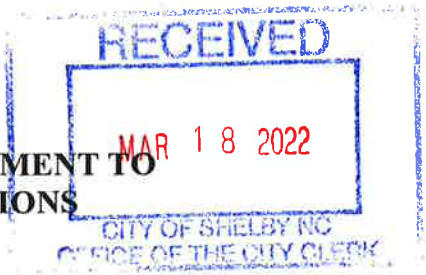
1. ABC Board
2. _____
3. _____

OTHER COMMENTS:

SIGNATURE Kei J. Keener DATE 1/8/2021



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 an interest in being considered for appointment, please complete the form below and mail it to the City Clerk, City of Shelby, P O Box 207, Shelby, NC 28151-0207 or email it to bernie.parduski@cityofshelby.com. If you have questions or need assistance, please call 704 669-6588. Thank you!

- Keep Shelby Beautiful Commission
- Shelby-Cleveland County Regional Airport Advisory Commission
- Shelby Alcoholic Beverage Control Board
- Shelby Zoning Board of Adjustment
- Shelby Firefighters Relief Fund Board of Trustees
- Shelby Housing & Redevelopment Advisory Board
- Shelby Parks & Recreation Advisory Commission
- Shelby Planning & Zoning Advisory Board

DATE March 18, 2022

NAME Willie B. McIntosh

ADDRESS (No P O Boxes please) 219 New Bethel Church Rd

CITY / STATE / ZIP Laurdale N.C. 28090

DO YOU RESIDE WITHIN THE CITY OF SHELBY'S CORPORATE LIMITS?
NO

DO YOU RESIDE WITHIN THE CITY OF SHELBY'S EXTRATERRITORIAL JURISDICTION (ETJ)?
?

WARD _____

PHONE NUMBERS: Home 704-538-3768 Work _____

EMAIL ADDRESS wbmcintosh@yahoo.com

OCCUPATION Retired Police

EDUCATIONAL BACKGROUND _____

BOARD OR COMMISSION INTERESTED IN:

- Alcohol Board
- _____
- _____

OTHER COMMENTS:

SIGNATURE Willie B. McIntosh DATE March 18, 2022



APPLICATION FOR APPOINTMENT TO ABC BOARD

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 member of the City's Alcohol Beverage Control (ABC) Board.

Size: 5 members.

Terms: 3 years.

Meetings: 9am on the 4th Monday of every month

Responsibilities: Control and oversee the responsible sale and distribution of alcoholic beverages; adopt rules and regulations governing the operation of stores; direct the duties and services of ABC store employees; and other authorities granted by state statute.

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.

DATE: Feb 21, 2022

NAME: Jeffrey Yates

ADDRESS: 405 Edgewood Rd

CITY/STATE/ZIP: Shelby, NC 28150

DO YOU LIVE WITHIN SHELBY'S CITY LIMITS?
 YES, FOR HOW LONG? 6 yrs, 6 months
 NO, BUT I LIVE IN THE ETJ; FOR HOW LONG? _____
 NO

Ward 4

DATE OF BIRTH: 03/03/58

TELEPHONE (HOME): 704-418-5432 (WORK): N/A

EMAIL ADDRESS: irhgtw@gmail.com

OCCUPATION: Retired police officer

PREVIOUS BOARD SERVICE (IF APPLICABLE): None. Updating previously submitted application for ABC Board

WHY ARE YOU INTERESTED IN SERVING ON ABC BOARD?

My wife and I chose Shelby in 2015 to retire to and found very quickly that we made the right choice. We moved to a wonderful community and like to "give back" whenever we can. She volunteers at Atrium Cleveland County and we both volunteer at our Police Department. We want to be active and productive where we live.

I feel the ABC Board is a good place for me to contribute a potentially unique perspective based on my past career.

INTERESTS, SKILLS, EXPERTISE, OR EXPERIENCES THAT MAY BE OF ASSISTANCE TO THE BOARD'S SUCCESS?

I retired after 35 years as a police officer in Bettendorf, Iowa.

Although Iowa has a different system than North Carolina to govern and operate liquor sales, many issues would be similar in nature. I feel I would be able to offer opinion not normally heard or considered as it relates to my law enforcement experiences.

SIGNATURE: _____



DATE

2/21/22

City of Shelby
Agenda Item Summary
June 6, 2022
City Hall Council Chamber

Agenda Item: F

City Manager's Report

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

Agenda Item: G

Council Announcements and Remarks

H. Closed Session:

To consult with an attorney employed or retained by the public body in order to preserve the attorney client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded, pursuant to N.C.G.S.143-318.11(3)

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