

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 Comment:

1

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

C. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of June 20, 2022 2 - 15
- 2) Approval of a resolution honoring Ronnie Edwin Jones on the occasion of his retirement from employment with the City of Shelby: Resolution No. 54-2022 16 -18
- 3) Approval of a reimbursement resolution with regard to installment financings for FY 2022-2023: Resolution No. 55-2022 19 - 23
- 4) Adoption of Fiscal Year 2021-2022 Budget Ordinance Amendment No. 11: Ordinance No. 43-2022 24 - 28

5) Management Reports:	29 - 56
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1) Shelby Aquatics Center Renovation Project:	57 - 70
a) Adoption of a budget ordinance amendment for the City of Shelby’s City Park Pool Renovation Project: Ordinance No. 44-2022	
b) Approval of a resolution authorizing selection of Sossamon Construction Company, Inc. based on qualifications for the Shelby Aquatics Center Renovation Project: Resolution No. 56-2022	
2) Water and Sewer Projects – American Rescue Plan Funds:	71 - 80
a) Adoption of ordinance establishing a capital project ordinance and budgets for the City of Shelby’s American Rescue Plan Water and Sewer Projects: Ordinance No. 45-2022	
b) Approval of a resolution authorizing selection of McGill Associates, PA based on qualifications for the Water Plant filter upgrades: Resolution No. 57-2022	
E. New Business:	
1) FIRST READING: An Ordinance amending Chapters 1, 10, 16, 20, 30, 32, 34 of the City of Shelby Code of Ordinances: Ordinance No. 46-2022	81 - 88
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H. Adjournment: 93

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
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B. Public Comment:

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

A reminder that it has been past practice of City Council to only listen to public comment without reply except to refer citizens with requests and concerns to the Office of the City Manager so that they may be addressed in a timely fashion or included on a future agenda for consideration by Council. If this is warranted and directed by City Council.

City of Shelby
Agenda Item Summary
July 18, 2022
City Hall Council Chamber

C. Consent Agenda:

Agenda Item: C-1

- 1) Approval of the Minutes of the Regular Meeting of June 20, 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 June 20, 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

June 20, 2022
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members David Causby, David White, Charles Webber, 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 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, Fire Chief William Hunt, EFO, Director of Planning and Development Services Walter (Walt) Scharer, AICP, Assistant Public Works Director Scott Black, Stormwater/Engineer Coordinator Tyler Brooks, Civil Engineer Justin Wright, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

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

Mr. Causby 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. Special Presentation:

- 1) City of Shelby 2022 Phase II Stormwater Annual Report Update – Tyler Brooks, Stormwater/Engineering Coordinator

Mr. Brooks began with a history of the Stormwater Program:

- 2010 – City was designated as a Phase II Stormwater Entity
- 2012 – City Received its first Phase II Stormwater Permit
- 2014 – Stormwater Utility Fee established
- 2015 – Stormwater Division established with the City Engineering Department
- 2018 – City renewed its Phase II Stormwater Permit

Mr. Brooks defined Stormwater as rainwater that hits an impervious surface such as parking lots, roofs, and streets that create stormwater runoff. This

runoff may pick up pollutants that directly enter creeks and streams without being treated.

Mr. Brooks stated there are six measures of the Stormwater permit:

- Public Education and Outreach
- Public Participation and Involvement
- Illicit Discharge Detection and Elimination
- Construction Site Runoff Control
- Post-Construction Runoff Control
- Pollution Prevention and Good Housekeeping for Municipal Operations

Mr. Brooks further commented that Public Education is conducted by:

- sending bill inserts out in the utility bills every March and October
- distribute brochures through city facilities, hardware stores, pet stores and paint stores
- maintain stormwater website
- set up stormwater education booths at community festivals (Merry Go Round Festival, Carl Spangler Trail Dedication)
- In FY 2021 - 2,124 brochures and handout distributed

Mr. Brooks further commented on Public Participation and Involvement is conducted by:

- Participating in creek cleanups
- Earth Day and Rotary Club litter sweeps
- Partnered with Broad Riverkeeper to install a Trash Trout

In the first clean out of the Trash Trout they collected 50 lbs. of trash including 21 bottles and 12 balls.

Mr. Brooks concluded by stating there is an upcoming Creek Cleanup event on Saturday, June 25 from 10:00am – 12:00pm at Palmer Park

C. Public Comment: None

D. Public Hearings:

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (301 N. Post Road): Ordinance No. 38-2022

Mr. Scharer introduced a zoning map amendment for property located at 301 N. Post Road (Elizabeth Baptist Church) from R10 zoning district to R10-CZ zoning district to operate Gaston Christian School at the Family Life Center

building at Elizabeth Baptist Church. Mr. Scharer stated the conditional use amendment is to eliminate the setback requirement for schools. The City's development standards require a 300-foot setback, but the current structure at Elizabeth Baptist Church is 70 feet from the nearest residential structure.

Mr. Scharer stated that the amendment is consistent with the Shelby Comprehensive Land Use.

Mayor Anthony opened the public hearing at 6:12 p.m. and invited comments from the public.

Marc Stout who resides at 1625 Lowell Bethesda Road, Gastonia, North Carolina spoke as the head of Gaston Christian School. Mr. Stout stated that the school is growing so fast that this location in Shelby would be a temporary fix until another permanent structure is purchased. Mr. Stout stated there will be approximately 80 students attending this satellite school this year.

Mayor Anthony closed the public hearing at 6:14 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 instructed Council that when a motion is made, it should include addressing the plan consistency part (Section 1 of the Ordinance) and whether the rezoning is reasonable or unreasonable (Section 2 of the Ordinance).

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Ordinance No. 38-2022 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA (301 N. POST ROAD)" based on the consistency statement in Section 1 and the reasonableness statement in Section 2 of the Ordinance.

- 2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (Philbeck Street): Ordinance No. 39-2022

Mr. Scharer introduced a zoning map amendment for property located on Philbeck Street from R8 zoning district to R6-CZ zoning district. Mr. Scharer stated the applicant wishes to build a multi-family development with 25 units. According to Mr. Scharer, approving the zoning amendment tonight does not approve the 25 units because a Special Use Permit is required for 25 units or more.

Mr. Scharer stated the zoning amendment is consistent with the Comprehensive Land Use Plan. Mr. Scharer stated that the applicant has provided a traffic analysis; however, the traffic analysis is not necessary for the zoning change but would be necessary for the Special Use permit.

Mr. Hopper raised concerns about the narrowness of Philbeck Street and the traffic concerns with Marion West apartments already on Philbeck Street.

Mr. Howell asked Mr. Scharer to clarify the difference between the R6 density and the R8 density that is allowed. Mr. Scharer stated that Marion West apartment's density was allowed before the current UDO guidelines, so the density of those apartments is not as high as what the City would allow currently. R8 allows 1 unit per 8000 square feet for a single-family structure or 2 units per 12000 square feet duplexes. R8 does not allow multi-family structures. Mr. Scharer continued by stating R6-CZ allows multi-family units and would be compatible with the current land use on Philbeck Street.

Mayor Anthony opened the public hearing at 6:25 p.m. and invited comments from the public.

Mayor Anthony stated that Council has been presented and should take into consideration the three emails (Kloeber, Melton and Garey) that were submitted from citizens that could not attend tonight's meeting:

Ken Kloeber who resides at 850 W. Marion Street, Shelby, North Carolina

David Melton who resides at 841 W. Marion Street, Shelby, North Carolina

Michelle Garey who resides at 840 W. Marion Street, Shelby, North Carolina

Ric Francis who resides at 844 W. Marion Street, Shelby, North Carolina spoke of his concerns of the narrowness of Philbeck Street which he travels every day. Mr. Francis believes 25 more units on 1.2 acres is going to hinder the traffic that is already unsafe. Mr. Francis stated he is a big proponent for more housing in Shelby and the right for affordable housing.

Stevie Brooks who resides at 866 W. Marion Street, Shelby, North Carolina stated she has worked with various departments within the City of Shelby trying to improve the traffic and speeding on West Marion Street. Ms. Brooks believes a development on Philbeck Street will certainly increase traffic flow.

Ms. Brooks is in favor of development, but it should be intentional and progressive, not disruptive.

Randy Sweeting who resides at 858 W. Marion Street, Shelby, North Carolina encouraged Council to read and consider the email from Mr. Sweeting's neighbor, Ken Kloeber. Mr. Sweeting's opinion is that the email from Mr. Kloeber includes constructive information that is important in the decision whether to amend the zoning of Philbeck Street.

Caleb Peeler who resides at 9029 Jaldena Drive, Charlotte, North Carolina, is a Civil Engineer with Peeler Engineering and represents the owners of the property on Philbeck Street. Mr. Peeler stated he received this plan and reviewed the Comprehensive Land Use Plan for the City and saw that this area does have multi-family development.

Mayor Anthony closed the public hearing at 6:33 p.m.

Mayor Anthony stated that Mr. Kloeber's email is full of information but most of that information is geared toward the Special Use permit application phase if this zoning is amended.

Ms. Arth asked City Attorney Leslie-Fite whether the property owner should be applying for the zoning change instead of the engineer of the project. Attorney Leslie-Fite stated that in North Carolina engineers are permitted to submit applications on behalf of the property owner.

Mr. Webber asked Mr. Scharer what the petitioner can build on the property as it is currently zoned. Mr. Scharer stated single family homes or duplexes.

Mr. Hopper reiterated his concern of the narrowness of Philbeck Street and the added traffic a 25-unit development would cause. Mr. Hopper strongly believes in keeping the integrity of our neighborhoods.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to deny Ordinance No. 39-2022 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA (PHILBECK STREET)" based on the analysis of it being consistent with the Comprehensive Land Use Plan however it is unreasonable due to the incompatibility of the character of the existing neighborhood.

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina (Seattle Street): Ordinance No. 40-2022

Mr. Scharer introduced a zoning map amendment for property located on Seattle Street from R10 zoning district to R6-CZ. Mr. Scharer stated the

zoning amendment is inconsistent with the Comprehensive Land Use Plan; however, the property does have sewer availability which makes it consistent. Mr. Scharer stated that the Comprehensive Land Use Plan was outdated when this property was previously zoned.

Mayor Anthony opened the public hearing at 6:40 p.m. and invited comments from the public.

Caleb Peeler who resides at 9029 Jaldena Drive, Charlotte, North Carolina, represents the owner and construction team for this project. Mr. Peeler reviewed the project and the Comprehensive Land Use Plan and believes the project is in keeping with the Comprehensive Land Use Plan and also matches the densities in the surrounding area.

Mayor Anthony closed the public hearing at 6:41 p.m.

ACTION TAKEN: Upon a motion made by Mr. Webber, City Council voted unanimously to approve and adopt Ordinance No. 40-2022 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA (SEATTLE STREET)" based on the consistency of the Comprehensive Land Use Plan in Section 1 of the Ordinance and is reasonable for the area based on Section 2 of the Ordinance.

4) Consideration of a proposed ordinance amending the zoning map of the City Of Shelby, North Carolina (Mid Street): Ordinance No. 41-2022

Mr. Scharer introduced a zoning map amendment for property located on Mid Street changing the zoning district from R20 to R10. Mr. Scharer reminded Council that in October of 2021 this proposal was rejected by Council until the property owner, Mr. Blanton, secured the necessary permits from the Cleveland County Health Department certifying there is enough septic repair area on the proposed parcels. Mr. Scharer declared that the appropriate permits were obtained; therefore, the applicant is hoping to move forward with this project.

Mayor Anthony inquired about staff not recommending this proposed amendment. Mr. Scharer stated that as "good planning practice" this proposal is not recommended. Ms. Arth asked for more clarification on Mr. Scharer's meaning of "good planning practice." Mr. Scharer stated that smaller lots are not usually suitable for septic tank permits; however, the applicant was able to secure the septic permits.

Mr. Howell commented that typically in R10 zoning districts sewer is available. Mr. Scharer stated that there is sewer in the vicinity of this area, but sewer is not directly connected to this property.

Mr. Howell continued by stating that the County has issued the septic permits and presumably they are valid, and the septic system can be installed on the smaller lots. Mr. Howell further stated that if the septic systems failed due to an inadequate repair area, then the homeowners would be left with a system that would not work and the property owners may then have to petition the City for sewer service. If this scenario happened Mr. Howell stated that the extension of sewer service to this area would be a shared cost between the City and the property owners.

Ms. Arth inquired whether this decision would create a precedent in any way. Attorney Leslie-Fite stated this is a fact-based situation, so therefore the statutory uniqueness of this property would keep this decision unique. Mrs. Leslie-Fite further reminded Council that this is a conditional rezoning instead of a general rezoning; therefore, making it a unique hearing.

Mr. White said that it seemed the applicant had complied with everything he was required to do. Mr. Scharer stated the applicant complied with the items he volunteered to take care of.

Mayor Anthony opened the public hearing at 6:49 p.m. and invited comments from the public.

Kenny Blanton who resides at 3742 Artee Road, Shelby, North Carolina reminded Council that last time (October, 2021) they passed the motion on the condition that he obtain evidence from the Cleveland County Health Department that he has secured adequate repair areas on each lot. Mr. Blanton stated he has taken care of that condition at considerable expense. Mr. Blanton stated that the septic systems have been operating since the 1960's and have never had any problem, but now there is a repair field in case something does go wrong. Mr. Blanton further stated that it's his understanding that if something happened to the septic system and there is not a repair field there are other ways of handling those situations. Mr. Blanton hopes Council will do what they said they'd do since he has satisfied the condition requested.

Caroline Brown who resides at 1455 S. Aspen Street, Lincolnton, North Carolina inquired about the verbiage that the permits were presumably valid. Ms. Brown stated that Cleveland County issued these permits and if they failed to give proper permits that is not the fault of Mr. Blanton or the single mother who resides at the property. Ms. Brown further stated that it's been her experience as a realtor that if a septic system fails then it's usually removed and another one is installed. Ms. Brown thanked Mr. Blanton for

being such a good person as they've dealt with this situation. Ms. Brown asked Council to consider this unique situation and amend the zoning request.

Mr. Howell addressed the comments from Ms. Brown and stated she is incorrect if she thought there was intent from him to question the County's ability to issue the permit. Mr. Howell stated he has great respect for people that work for the City and the County. Secondly, Mr. Howell stated he has previously held the job of a registered Sanitarian and he understands the permit process. Mr. Howell further stated there is no disrespect for the County permitting agency.

City Attorney Leslie-Fite stated this is a new application for a conditional rezoning; the application from last October was for general rezoning. Mrs. Leslie-Fite continued by stating Council does not have the ability to place conditions on rezoning. Mrs. Leslie-Fite said the applicant has voluntarily taken care of conditions and the applicant submitted his request as a conditional rezoning.

Mayor Anthony closed the public hearing at 6:56 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Ordinance No. 41-2022 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA (MID STREET)" based on the consistency of the Comprehensive Land Use Plan as stated in Section 1 of the Ordinance and although unreasonable as stated in Section 2 of the Ordinance.

5) Public Hearing for the proposed extension of the corporate limits of the City of Shelby, North Carolina (Eaves Rd)

Mr. Scharer introduced the public hearing by reminding Council that last month they approved the rezoning on Eaves Road and the applicant has requested annexing this site. Mr. Scharer further stated that an ordinance is not prepared due to the lack of surveying availability.

Mayor Anthony stated that tonight Council is conducting the Public Hearing but no further action due to the delay in obtaining a survey and ordinance.

Mayor Anthony opened the public hearing at 6:59 p.m. and invited comments from the public.

Caleb Peeler who resides at 9029 Jaldena Drive, Charlotte, North Carolina stated that this property has city sewer; therefore, he plans to design and build a subdivision. Mr. Peeler stated they desire to annex this property into the city to connect to City of Shelby utilities.

Mayor Anthony closed the public hearing at 7:01 p.m.

6) Public Hearing for the proposed extension of the corporate limits of the City of Shelby, North Carolina (Rainbow Dr.)

Mr. Scharer introduced the public hearing by stating these properties are off of Charles Road on Rainbow Drive. The applicant hopes to connect to city sewer; therefore, wish to be annexed into the City of Shelby. Mr. Scharer further stated that an ordinance is not prepared due to the lack of surveying availability.

Mayor Anthony stated that tonight Council is conducting the Public Hearing but no further action due to the delay in obtaining a survey and ordinance.

Mayor Anthony opened the public hearing at 7:02 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:03 p.m.

7) Public Hearing for the proposed extension of the corporate limits of the City of Shelby, North Carolina (Artee Rd.)

Mr. Scharer introduced the public hearing by stating the City of Shelby purchased this property recently for Economic Development and desire to annex this property. Mr. Scharer further stated that an ordinance is not prepared due to the lack of surveying availability.

Mayor Anthony opened the public hearing at 7:03 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 7:04 p.m.

D. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of June 6, 2022**
- 2) Approval of a Resolution honoring Steven Maurice Seate, Jr. on the occasion of his retirement from employment with the City of Shelby: Resolution No. 45-2022**
- 3) Approval of a resolution ratifying cancellation of a Deed of Trust recorded at Deed Book 934 at Pages 733-741: Resolution No. 46-2022**

- 4) Approval of a resolution authorizing selection of TGS Engineers based on Qualifications for Professional Engineering Services for the County Home Road Reconstruction Project in Shelby, North Carolina: Resolution No. 47-2022
- 5) Approval of a resolution authorizing Destination By Design based on Qualifications for Professional Engineering Services for Shelby Depot Park Design, Bidding, And Construction Administration In Shelby, NC: Resolution No. 48-2022
- 6) Approval of a resolution approving and Accepting the revised City Of Shelby Stormwater Quality Management Program: Resolution No. 49-2022
- 7) Approval of a resolution authorizing disbursement of Travel and Tourism funding for Fiscal Year 2022-2023: Resolution No. 51-2022

E. Unfinished Business:

- 1) Shelby Rail Trail Phase IA Project:
 - a. Adoption of a Budget Ordinance amendment for the City of Shelby's Rail Trail Corridor Project: Ordinance No. 42-2022
 - b. Approval of a resolution awarding the construction contract for the Shelby Rail Trail Phase IA Project: Resolution No. 50-2022

Mr. Howell introduced the Shelby Rail Trail Phase IA project that contains two items:

- Ordinance 42-2022 if approved amends project budget Ordinance No. 34-2017 by appropriating additional funding in the amount of \$2,795,850 from the proceeds of the sale of assets held in the General reserve account and a NC State SCIF grant for use in construction a section of Shelby Rail Trail from Sunset Cemetery to West Marion Street.
- Resolution No. 50-2022 if approved would authorize the award of a contract to construct the aforementioned section of the Shelby Rail Trail to Piedmont Utility Group in the amount of \$2,735,939.12. Due to only one bid received initially on May 6, 2022, the City had to readvertise and received only one bid again from Piedmont Utility Group. Mr. Howell continued that the bid from Piedmont Utility Group surpassed what was budgeted; however, staff has negotiated with Piedmont and were able to modify the recommended contract price to \$2,735,939.12.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Ordinance No. 42-2022 entitled, “A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY’S RAIL TRAIL CORRIDOR PROJECT” and Resolution No. 50-2022, entitled, “A RESOLUTION AWARDDING THE CONSTRUCTION CONTRACT FOR THE SHELBY RAIL TRAIL PHASE IA PROJECT.”

F. New Business

- 1) Approval of a resolution authorizing disbursement of Travel and Tourism funding to the Cleveland County Arts Council for Fiscal Year 2022-2023: Resolution No. 52-2022

Ms. Arth inquired if she needed to recuse herself from the vote due to being an employee of Cleveland County Arts Council. City Attorney Leslie-Fite stated she did not need to recuse herself due to the fact that she does not own an interest in the Arts Council nor serve as a Board member.

Mayor Anthony asked Council if there were any questions about the item, if not, a motion would be entertained.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Resolution No.52-2022 entitled, “A RESOLUTION AUTHORIZING DISBURSEMENT OF TRAVEL AND TOURISM FUNDING TO THE CLEVELAND COUNTY ARTS COUNCIL FOR FISCAL YEAR 2022-2023”

- 2) Approval of a resolution authorizing disbursement of Travel and Tourism funding to the American Legion World Series for Fiscal Year 2022-2023: Resolution No. 53-2022

Mr. Hopper inquired if he needed to recuse himself from the vote due to being on the Board of the American Legion World Series. City Attorney Leslie-Fite stated Mr. Hopper did need to recuse himself since he serves as a Board member.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to recuse Mr. Hopper from voting on Resolution No. 53-2022.

ACTION TAKEN: Upon a motion made by Mr. Webber, City Council (Webber, Causby, White, Arth, and Bullock) voted to approve and

adopt Resolution No.53-2022 entitled, "A RESOLUTION AUTHORIZING DISBURSEMENT OF TRAVEL AND TOURISM FUNDING TO AMERICAN LEGION WORLD SERIES FOR FISCAL YEAR 2022-2023"

G. City Manager's Report:

None

H. Council Announcements and Remarks:

Mayor Anthony commented on the \$25 million RAISE grant application the City has submitted and would like to remind everyone to show their support for the Rail Trail by going on the City of Shelby website and clicking on the link provided.

Mayor Anthony also commented that Art of Sound, including Flea Fest, is this Saturday, June 25th.

Mr. White stated that this Saturday, First Baptist Church is celebrating their 175th Anniversary.

Mr. Webber stated that the Wall Street Journal had an article about Shelby recently.

Mr. Hopper had the pleasure of presenting a Lifetime Achievement Award to Bunny Clyde at the Shelby City Park.

I. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to adjourn the meeting at 7:16 p.m.

Respectfully submitted,

Carol Williams
City Clerk

O. Stanhope Anthony III
Mayor

Minutes of June 20, 2022

DRAFT

City of Shelby
Agenda Item Summary
July 18, 2022
City Hall Council Chamber

Agenda Item: C-2

- 2) Approval of a resolution honoring Ronnie Edwin Jones on the occasion of his retirement from employment with the City of Shelby: Resolution No. 54-2022

Consent Agenda Item: (Scott Black, Interim Director of Public Works)

Summary of Available Information:

- Memorandum dated July 13, 2022 from Scott Black, Interim Director of Public Works to Rick Howell, City Manager
- Resolution No. 54-2022

City Manager's Recommendation / Comments

This time is scheduled on your agenda to consider a resolution recognizing Ronnie Edwin Jones on the occasion of his retirement from employment. In keeping with policy Resolution No. 54-2022 will recognize him for having served the City faithfully for the past 35 years as an Equipment Operator with the Shelby Public Works Department. He is to be congratulated! Mr. Jones will be greatly missed both professionally and as a fellow co-worker.

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

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

It is recommended that Resolution No. 54-2022 be adopted and approved via the Consent Agenda.

Retiring or Separating Employee Recognition - Employees leaving City employment in good standing will receive a plaque from the City Manager after they have attained at least their 20th anniversary of service with the City or have attained their 10th anniversary and are at least 60 years of age or over. Employees with 25 or more years of service will receive a key to the City, a framed Council resolution and City lapel pin upon retirement from the City. Separating employees who have attained at least five years of service and are leaving in good standing can be recognized on a Department level with a gift or some other form of recognition.



MEMORANDUM:

To: Rick Howell, City Manager

From: Scott Black, Interim Public Works Director

Date: July 13, 2022

Subject: Ronnie Jones Retirement Resolution

Background:

Ronnie Edwin Jones came to work for the City of Shelby on June 1, 1987 as an Equipment Operator I. He was promoted to Equipment Operator II in November, 2002. Ronnie retired from the City after 35 years of dedicated service on June 1, 2022. Mr. Jones was also awarded the Employee of the Quarter in 2011. It is fitting and appropriate to recognize Mr. Jones for his service by approving a resolution on his behalf.

Recommendation:

It is recommended that City Council, approve a resolution honoring Ronnie Edwin Jones on his retirement from employment with the City of Shelby

RESOLUTION NO. 54-2022

**A RESOLUTION HONORING RONNIE EDWIN JONES
ON THE OCCASION OF HIS RETIREMENT
FROM EMPLOYMENT WITH THE CITY OF SHELBY**

WHEREAS, on the occasion of his retirement from employment on June 1, 2022, it is fitting and proper for the City Council to express its sincere appreciation to Ronnie Edwin Jones for his loyal, dedicated, and committed service to the City of Shelby from June 1, 1987, to June 1, 2022; and,

WHEREAS, Ronnie Jones has been a loyal team member in the continuing development of the Public Works Department, and the improvements of the Street Division on behalf of the City of Shelby and to all of its citizens; and,

WHEREAS, during his tenure of service, Mr. Jones has been a dependable employee for the City of Shelby, beginning as an Equipment Operator I in June of 1987 with a promotion to Equipment Operator II in November of 2002. Mr. Jones was also an Employee of the Quarter recipient in 2011; and,

WHEREAS, Mr. Jones' commitment, leadership, work effort, and devotion to duty has helped create a winning attitude within the Public Works Department of the City of Shelby; and,

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

WHEREAS, the City Council of the City of Shelby wishes to acknowledge and express its appreciation to Ronnie Jones for his 35 years of dedicated and devoted duty in service to its citizens, noting that he will be missed both professionally and as a fellow co-worker.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Shelby to be affixed this the 18th day of July 2022.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
July 18, 2022
City Hall Council Chamber

Agenda Item: C-3

- 3) Approval of a reimbursement resolution with regard to installment financings for FY 2022-2023: Resolution No. 55-2022

Consent Agenda Item: (Rick Howell, City Manager and Beth Beam, Director of Finance)

Summary of Available Information:

- Memorandum dated July 18, 2022 from Beth Beam, Director of Finance, to Rick Howell, City Manager
- Proposed Installment Contract Equipment List for 2023
- Resolution No. 55-2022

City Manager's Recommendation / Comments

Resolution No. 55-2022 is presented for City Council consideration at this time. If approved this resolution allows the City to essentially reimburse itself with borrowed funds after the fact. The City typically will cash flow these capital purchases and then toward the end of the fiscal year close the financing with the bank and then reimburse actual costs. As Council is aware the City annually finances the purchase of all rolling stock equipment and vehicles through the issuance of a 59-month private placement financing agreement. Each year the total approved amount for rolling stock purchase is bid out to qualified financial institutions. This includes rolling stock for all City departments. Later this year the City will solicit and accept financing proposals to fund these purchases. Approval of a financing agreement will then be brought before Council for consideration.

This strategy has worked well for the City for many years. Below is an example of the amount and rate paid by the City in the current fiscal year.

2021-2022	\$2,284,000	1.58%	United Financial - Home Trust Bank
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It is recommended that Resolution No. 55-2022 be adopted and approved via the Consent Agenda.



To: Rick Howell, City Manager
From: Beth B. Beam, Director of Finance
Date: July 8, 2022
Subject: FY23 Reimbursement Resolution

Background:

Each year, the City of Shelby finances its annual rolling stock (departmental service trucks, utility trucks, backhoes, etc...) and equipment by borrowing money for a 59-month term at tax exempt interest rates. This allows the City to maintain its fleet and maintain cash liquidity most efficiently. Requests for Proposals for the financing of capital purchases for FY23 will again be sent out to multiple financial institutions in order to obtain the most competitive rate.

Review:

A reimbursement resolution is needed in order for the City to reimburse itself from the financing proceeds obtained to purchase capital equipment during the FY23 year.

Recommendation:

It is recommended that the City Council adopt the Reimbursement Resolution for FY23.

2023 City of Shelby
Proposed Installment Contract Equipment List

<u>Dept.</u>	<u>Description</u>	<u>Cost Center</u>	<u>Estimated Cost</u>	<u>\$ by Fund</u>	<u>Fund</u>
Information Services	Blade Servers, Wireless AP's	110420-51000	225,923.00		
Police	Motorola Radio Replacements	110431-54000	182,000.00		
	SUV(Replace 2008 Sedan)	110434-54000	50,000.00		
Fire Department	Signal Pre-Emption-Various Intersections	110434-51000	163,000.00		
	Motorola Radio Replacements	110434-51000	103,214.00		
Airport	9' Scrape Blade	110453-51000	7,000.00		
Sanitation	Grapple Truck (Replace Swa-Car)	110471-51000	180,000.00		
	6 Passenger Van(replace unit 174 15 Psgr)	110612-54000	27,000.00		
	7 Passenger Van(replace unit 180 15 Psgr)	110612-54000	27,000.00		
	1/2 Ton Pickup (Replace Unit 178)	110613-54000	25,000.00		1,091,037.00 General Fund
Parks and Recreation	Fairway Mower	110613-51000	65,000.00		
	Rear Discharge Cemetery Mower	110613-51000	13,000.00		
	61" Front Deck Mower	110613-51000	16,500.00		
	Turbine Blower Attachment	110613-51000	6,400.00		
Powell Bill	Truck Mounted Snow Plow	112452-51000	15,700.00		
	Salt/Sand Spreader Hopper for Truck	112452-51000	10,300.00		26,000.00 Powell Bill
Water Fund	1 Ton Pickup(Replace Unit 656)	610713-54000	50,000.00		
	Wachs Saw	610713-51000	15,000.00		
	Underbore Machine	610713-51000	7,000.00		
	Chemical Feed Pump	610714-51000	8,000.00		80,000.00 Water Fund
Sewer Fund	JetVac Truck(Replace Unit 658)	620723-54000	160,000.00		
	1 Ton Service Truck(Replace Unit 511)	620724-54000	82,500.00		
	Trailer for Mini-Excavator	620723-51000	10,000.00		
	Zero Turn Mower	620724-51000	16,500.00		269,000.00 Sewer Fund
Electric Fund	1 Ton Puckup(Replace Unit 749)	630733-54000	65,000.00		
	ROW Track Mower	630733-51000	135,000.00		200,000.00 Elec. Fund
Gas Fund	1/2 Ton Pickup(Replace Unit 782)	640743-54000	40,000.00		
	NG Leak Detector	640743-51000	25,000.00		65,000.00 Gas Fund
	Total:		1,731,037.00		1,731,037.00

Not Funded through Loan Proceeds:

340530-54000	Maintenance Truck-1/2 Ton??	\$30,000.00
110431-54000	Police Vehicles	???

RESOLUTION NO. 55-2022

CITY OF SHELBY
A REIMBURSEMENT RESOLUTION WITH REGARD TO
INSTALLMENT FINANCINGS FOR FY 2022-2023

WHEREAS, the Internal Revenue Service and U.S. Treasury Department have published regulations that govern when a political subdivision such as the City of Shelby, North Carolina (the City), can issue or execute tax-exempt obligations to reimburse itself or any agency or division thereof for expenditures on purchases prior to the issuance of tax-exempt obligations for such projects; and

WHEREAS, the regulations require that the governing body of the political subdivision adopt a resolution reciting certain facts and intentions prior to the incurrence of the expenditures; and

WHEREAS, the City anticipates incurring certain expenditures for fiscal year 2022-2023 in an approximate amount not exceeding \$1,731,037 (the "Expenditures") with respect to purchase of motorized and other equipment prior to the issuance by the City of tax-exempt obligations in the form of an installment purchase contract for such purpose in an amount not to exceed \$1,731,037 expenditures for fiscal year 2022-2023.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Shelby as follows:

Section 1. The City Council hereby declares a reasonable "official intent" pursuant to Regulation 1.103-18 to the Internal Revenue Code of 1986, as amended, to reimburse the City from the proceeds of tax exempt obligations in the form of an installment purchase contract of the City executed under the authority of North Carolina General Statute 160A-20, as amended for such Expenditures. Such Expenditures must be incurred not later than two years from the date hereof in order to be eligible for reimbursement from the proceeds of the installment purchase contract or such other date as may be applicable in the regulations. The City anticipates incurring Expenditures in an approximate amount of not exceeding \$1,731,037 for fiscal year 2022-2023.

Section 2. To be eligible for reimbursement of the Expenditures, the installment purchase contract will be executed on or before the later of the date one year after the Expenditure was paid or the date one year after the equipment was placed in service, or such later date as may be applicable in the regulations as amended.

Section 3. The Expenditures are incurred solely to acquire, construct or rehabilitate property having a reasonably expected economic life of at least one year.

Section 4. The source of funds for the General Fund Expenditures will be general funds derived primarily from ad valorem taxes of the City and other City general funds and for the Enterprise Funds Expenditures will be charges for enterprise services.

Resolution No. 55-2022
July 18, 2022
Page 2

Adopted and Approved this the 18th day of July 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
July 18, 2022
City Hall Council Chamber

Agenda Item: C-4

- 4) Adoption of Fiscal Year 2021-2022 Budget Ordinance Amendment No. 11:
Ordinance No. 43-2022

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

Summary of Available Information:

- Memorandum dated July 11, 2022 from Justin Merritt, Assistant City Manager to Rick Howell, City Manager
- Ordinance No. 43-2022

City Manager's Recommendation / Comments

Ordinance No. 43-2022 is the final budget amendment for fiscal year 2021-22 which closed June 30. These are final budget adjustments of previously authorized Council expenditures to ensure that the audited financial statements reflect a balanced budget as required by statute.

This final budget amendment moves funding between line items within the General Fund, Economic Development Fund, Housing Fund, and Natural Gas Fund.

It is my recommendation Ordinance No. 43-2022 be adopted and approved by City Council at this time via the Consent Agenda



MEMORANDUM

To: Rick Howell, City Manager
From: Justin S. Merritt, Assistant City Manager
RE: Budget Amendment 11 – Final Adjustment
Date: July 11, 2022

As we close the fiscal year, we have begun several procedures to ensure that the City remains within budget as of June 30, 2022. One of these procedures is reviewing departmental budgets to identify potential overages and identify funds that can help offset these overages. Generally, overages can occur due to unexpected repairs/equipment breakdowns, changes in mandated procedures or other unforeseen events that occur throughout the year.

Let me know if you would like additional information.

Recommended Action:

Seek Council approval of the attached amendment

ORDINANCE NO. 43-2022
CITY OF SHELBY
FY 2021-2022 BUDGET ORDINANCE AMENDMENT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to revise and amend its annual budget for FY 2021-2022; and,

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

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

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

Section 1. Ordinance No. 23-2021, the City’s FY 2021-2022 Budget Ordinance, is hereby amended as follows to provide for Budget Amendment No. 11 for the year:

(1) The following General Fund line items are amended:

- | | |
|---|-----------|
| (a) Increase 11005000-36150
Airport Fuel Sales | \$130,000 |
| (b) Increase 110453-41210
Fuel for Resale | \$130,000 |

(2) The following Economic Development Fund line items are amended:

- | | |
|--|-----------|
| (a) Increase 23001000-32203
Local Occupancy Tax | \$ 40,000 |
| (b) Increase 23009000-33500
County Grant | \$130,000 |
| (c) Increase 230590-85004
Local Occupancy Tax | \$ 40,000 |
| (d) Increase 230590-52000
Land | \$130,000 |

(3) The following Housing Fund line items are amended:

- | | |
|--|-----------|
| (a) Increase 34006000-38804
CARES Act Grant | \$ 53,453 |
| (b) Increase 34006000-34826
2018 HUD Revenues | \$ 63,271 |
| (c) Decrease 34006000-34827
2019 HUD Revenues | \$ 50,194 |

- (d) Increase 340530-41511 Materials \$ 53,453
- (e) Increase 340530-65034 2018 HUD Expense \$ 63,271
- (f) Decrease 340530-65035 2019 HUD Expense \$ 50,194

(4) The following Natural Gas Fund Line Items are amended:

- (a) Increase 64006000-36740 Natural Gas Charges \$8,200,000
- (b) Increase 640742-45202 Natural Gas Purchase for Resale \$8,100,000
- (c) Increase 640742-45204 Transferred from Gas Fund \$ 100,000

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

	<u>Current Budget</u>	<u>Amendment No. 11</u>
General Fund	\$ 34,826,336	\$ 34,956,336
Emergency Telephone System Fund	107,000	107,000
Powell Bill Fund	515,000	515,000
Economic Dev. Fund	2,061,322	2,231,322
Housing Fund	1,836,751	1,903,281
Cemetery Fund	30,000	30,000
Utilities-Water Fund	6,618,171	6,618,171
Utilities-Sewer Fund	6,942,644	6,942,644
Utilities-Electric Fund	28,125,273	28,125,273
Utilities-Gas Fund	16,972,068	25,172,068
Utilities – Stormwater Fund	840,520	840,520
FY 2021-2022 Budget Total	<u>\$ 98,875,085</u>	<u>\$107,441,615</u>

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

Ordinance No. 43-2022
July 18, 2022
Page 3

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

Adopted and approved this the 18th day of July A. D. 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
July 18, 2022
City Hall Council Chamber

Agenda Item: C-5

5) Management Reports:

a. Monthly Financial Summary – May 2022

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

Summary of Available Information:

➤ Monthly Financial Summary – May 2022

City Manager's Recommendation / Comments

The above listed report is for City Council information and is placed on the agenda to ensure documentation that it was formally presented by management during a regular meeting.

Shelby
NORTH CAROLINA

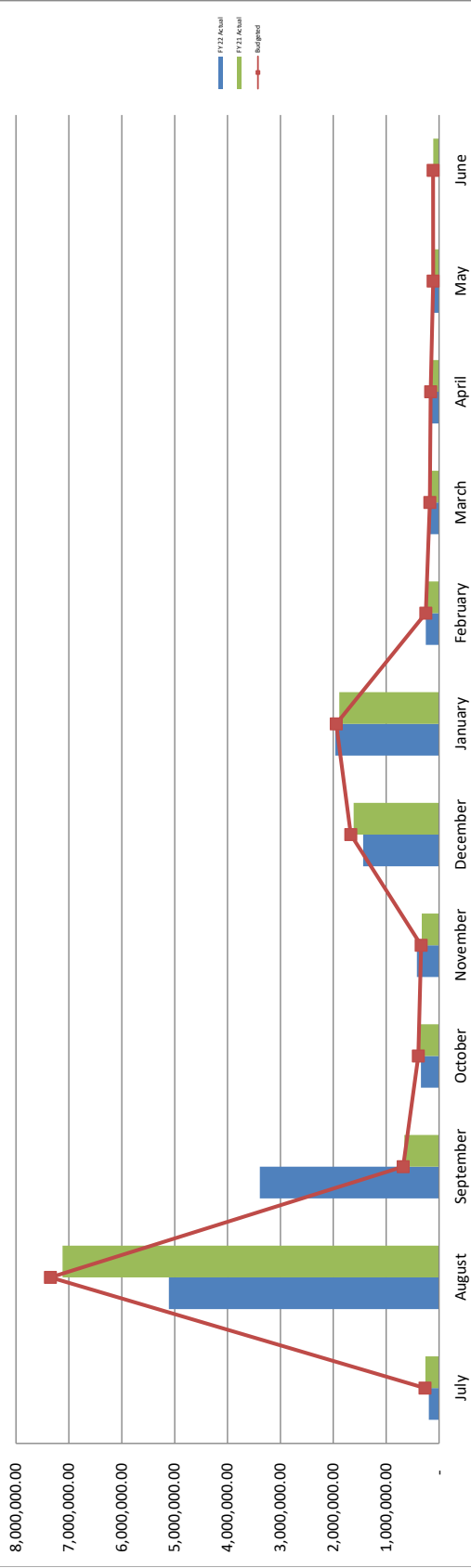


Monthly Financial Summary
May 2022

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	118,338.11	-	13,555,088.76
% of Budget	1.43%	37.99%	25.21%	2.55%	3.11%	10.69%	14.60%	1.88%	1.35%	1.08%	0.88%	0.00%	100.78%
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)	6,655.87	(115,136.13)	104,588.76

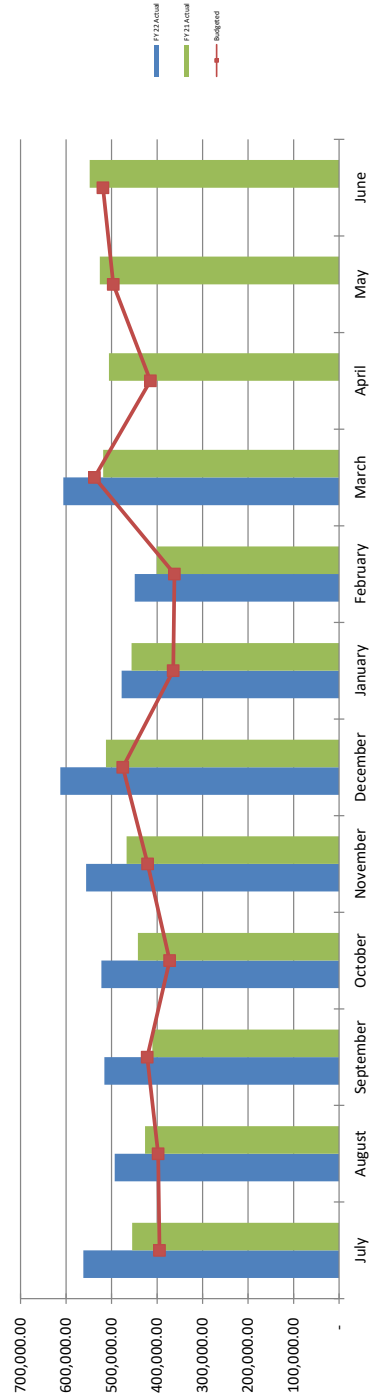
Current Property Tax Collections Budgeted and Collected



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	605,975.13	-	-	-	4,794,307.11
% of Budget	10.86%	9.53%	9.96%	10.09%	10.74%	11.84%	9.23%	8.68%	11.71%	0.00%	0.00%	0.00%	92.64%
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	68,401.41	(414,801.75)	(496,080.53)	(518,804.51)	(380,692.89)

Sales Tax Collections Budgeted and Collected

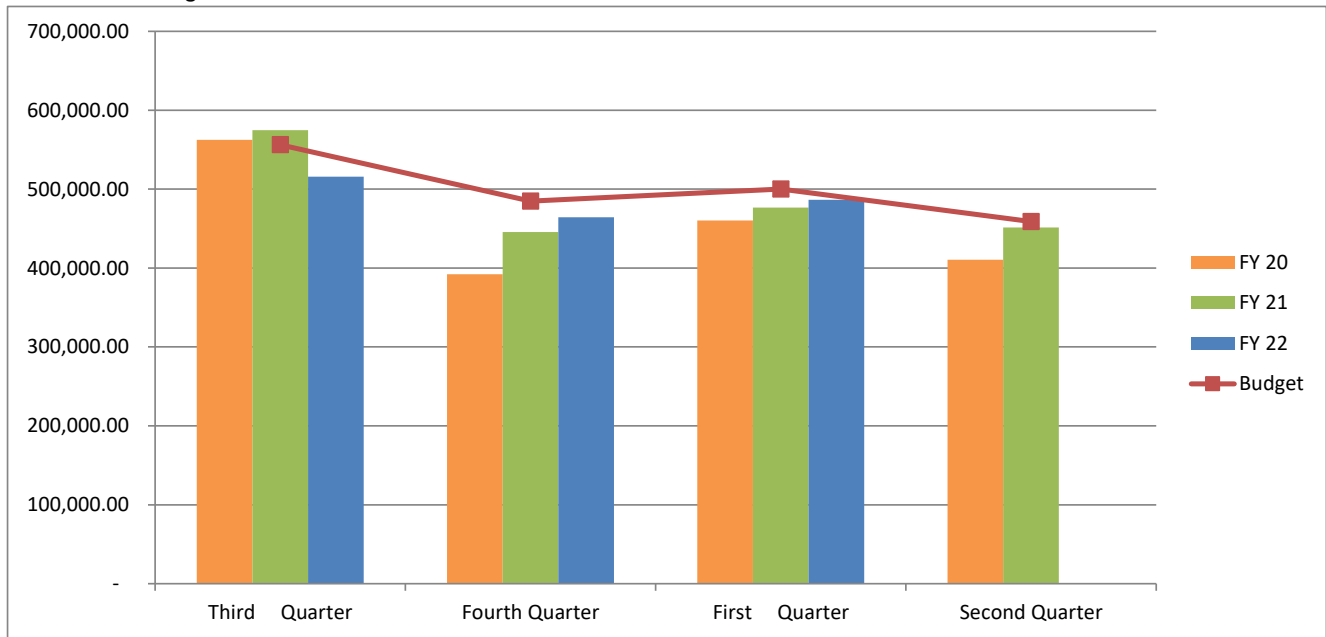


Notes:
Sales Tax Expansion to include Service Contracts: NCGS §105-164.4(a)(11), effective January 2014, has expanded the NC Sales and Use Tax to include "the sales price of a service contract".
A link to the NCDOR directive on this change is embedded here: <http://www.dor.state.nc.us/practitioner/sales/directives/SD-13-5.pdf>

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	486,627.19	-	1,466,751.15
Budget	556,178.37	484,704.73	500,184.30	458,932.60	2,000,000.00
% of Budget	25.79%	23.22%	24.33%	0.00%	73.34%



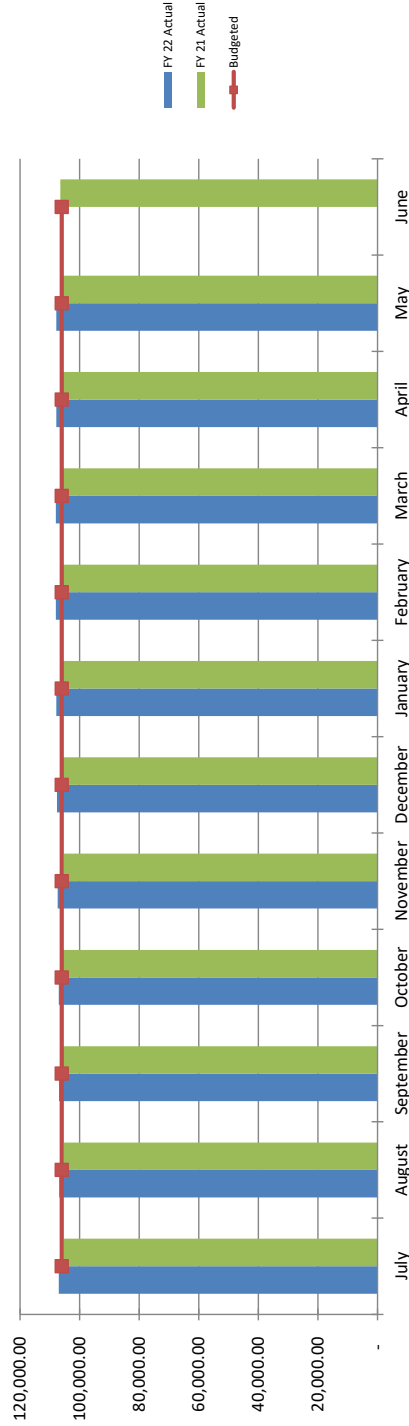
Notes:

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	107,847.23	-	1,182,263.39
% of Budget	8.41%	8.40%	8.41%	8.41%	8.44%	8.46%	8.48%	8.49%	8.49%	8.48%	8.48%	0.00%	92.95%
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	1,847.23	(106,000.00)	(89,736.61)
Res. Accts:	7,738	7,718	7,730	7,731	7,760	7,776	7,790	7,793	7,797	7,782	7,787	-	-
Comm. Accts:	674	674	671	677	677	674	677	681	681	681	680	-	-

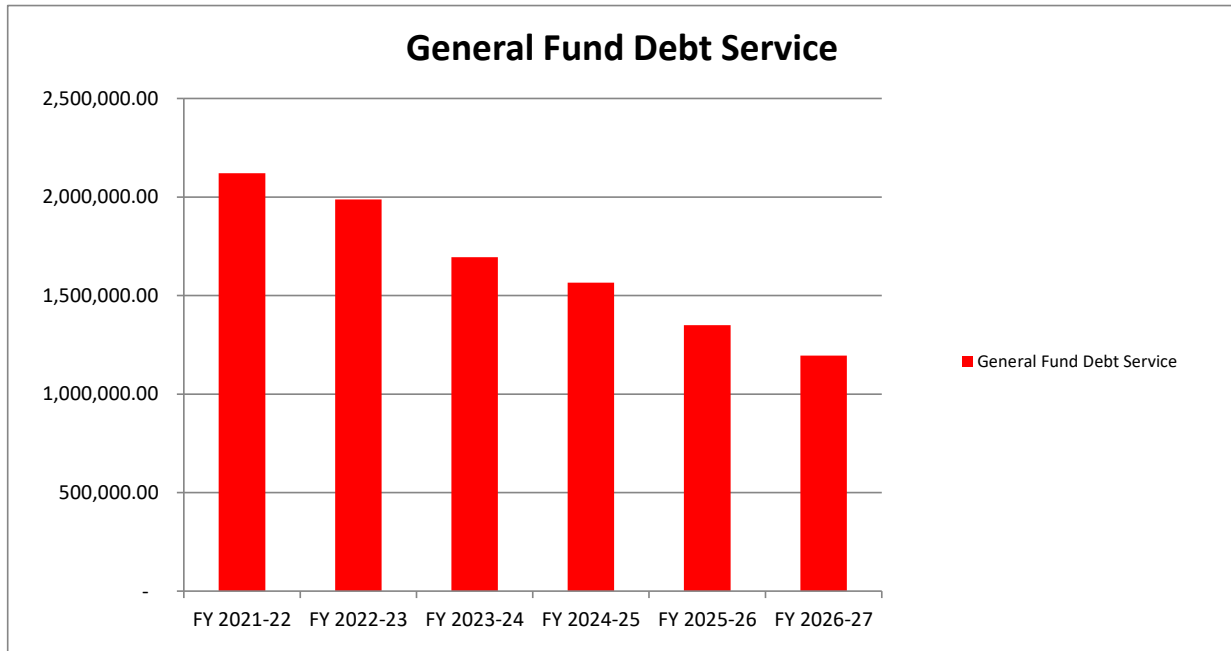
Solid Waste Fees Budgeted and Collected



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.



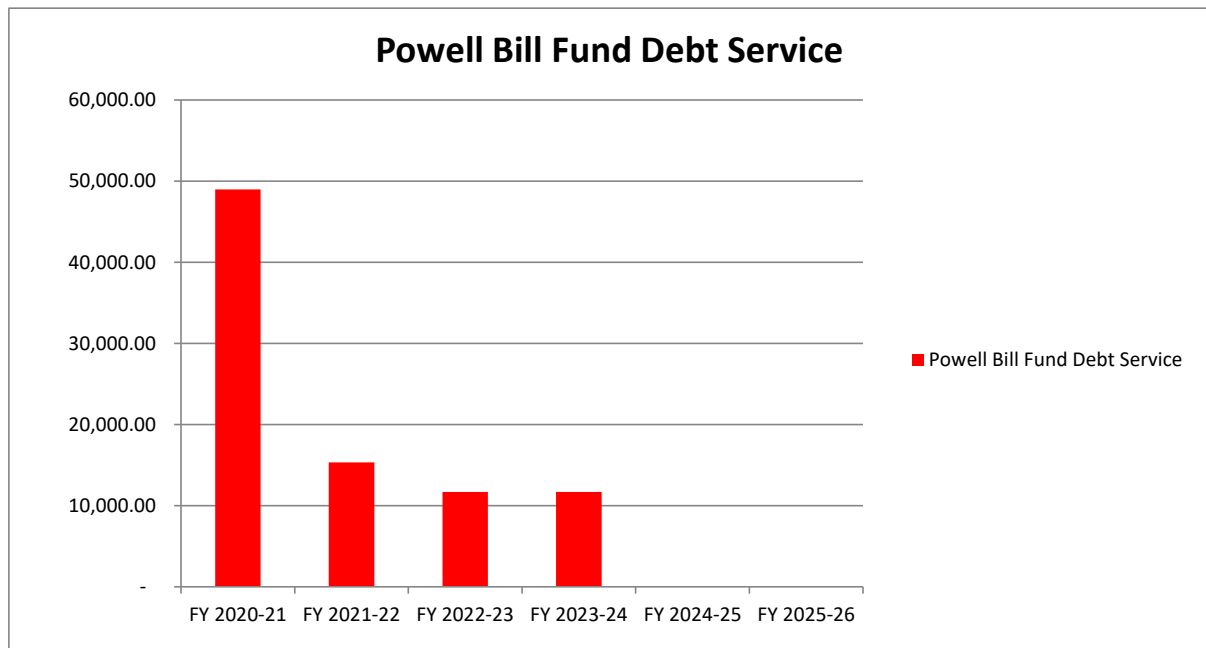
City of Shelby
 For 2022 11 (91.67% of the Fiscal Year)
 General Fund Expenditures by Division

DEPARTMENT	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL GOVERNING BOARD	85,921.00	85,921.00	77,483.85	0.00	8,437.15	90.20 %
TOTAL ADMINISTRATION	719,261.00	719,261.00	626,518.05	0.00	92,742.95	87.10 %
TOTAL FINANCE	656,717.00	656,717.00	586,747.92	0.00	69,969.08	89.30 %
TOTAL PURCHASING	77,710.00	77,764.00	81,366.62	53.59	-3,656.62	104.70 %
TOTAL HUMAN RESOURCES	273,393.00	273,393.00	183,199.79	931.58	89,261.63	67.40 %
TOTAL CUSTOMER SERVICE	292,079.00	296,377.00	236,181.56	44,555.50	15,639.91	94.70 %
TOTAL INFORMATION SERVICES	329,919.00	331,621.00	271,426.98	5,389.50	54,804.52	83.50 %
TOTAL METER SERVICE	96,082.00	96,082.00	56,686.83	0.00	39,395.17	59.00 %
TOTAL GARAGE	534,715.00	534,715.00	477,936.95	0.00	56,778.05	89.40 %
TOTAL CITY HALL	452,800.00	107,800.00	103,653.54	0.00	4,146.46	96.20 %
TOTAL POLICE	7,671,563.00	7,701,967.00	6,738,024.98	45,362.95	918,578.81	88.10 %
TOTAL COMMUNICATION	794,100.00	794,100.00	608,387.96	0.00	185,712.04	76.60 %
TOTAL FIRE	5,626,296.00	5,714,728.00	4,326,555.39	831,166.49	557,005.96	90.30 %
TOTAL BUILDING INSPECTIONS	416,775.00	416,775.00	220,486.58	0.00	196,288.42	52.90 %
TOTAL STREETS	1,276,305.00	1,308,076.00	1,112,498.01	0.00	195,577.59	85.00 %
TOTAL AIRPORT	438,275.00	443,185.00	480,679.06	5,855.62	-43,349.53	109.80 %
TOTAL SOLID WASTE	2,144,010.00	2,170,460.00	1,655,228.74	313,718.30	201,512.96	90.70 %
TOTAL GIS	54,989.00	87,788.00	87,037.71	3,093.55	-2,343.26	102.70 %
TOTAL PLANNING SERVICES	590,950.00	591,376.00	414,705.87	29,631.00	147,038.63	75.10 %
TOTAL SPECIAL APPROPRIATIONS	2,948,525.00	9,369,616.00	7,913,698.09	0.00	1,455,917.91	84.50 %
TOTAL PARKS & RECREATION	1,717,290.00	1,726,886.00	1,228,974.65	81,369.25	416,541.86	75.90 %
TOTAL MAINTENANCE & CEMETERY	1,596,325.00	1,596,325.00	1,245,078.86	22,555.05	328,691.09	79.40 %
GRAND TOTAL	28,794,000.00	35,100,933.00	28,732,557.99	1,383,682.38	4,984,690.78	85.80 %

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	-	-

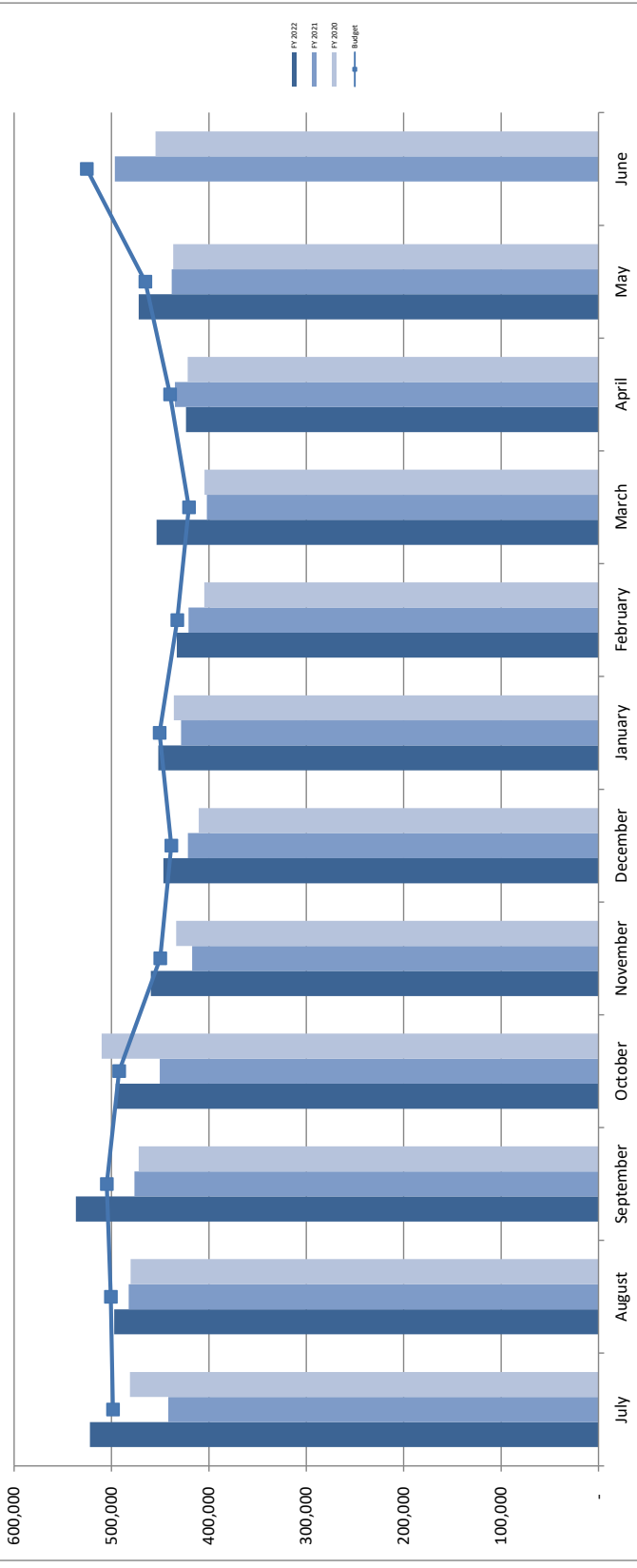
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



City of Shelby
Water Revenue Budget to Actual
FY 2022

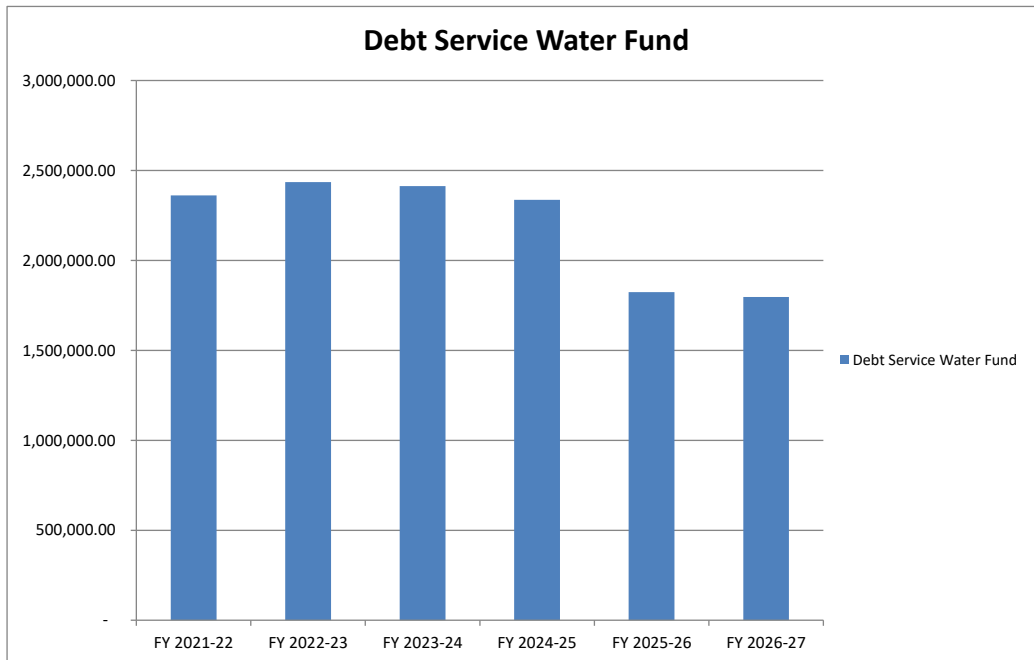
	July	August	September	October	November	December	January	February	March	April	May	June	Total
FY 2022 Budget													
Inside Water													
Useage	132,961	135,912	137,516	130,967	116,874	114,782	120,220	110,024	106,297	114,535	123,558	147,145	1,490,790
Dollars	440,558.64	448,193.27	444,341.63	435,884.36	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	125,493	-	1,408,116
Dollars	465,884	437,870	478,412	441,580	410,286	395,299	406,740	382,611	409,335	376,413	414,936	-	4,619,364.30
Outside Water													
Useage	15,182	16,501	16,094	14,496	12,923	13,678	11,272	13,314	11,063	12,111	15,181	-	151,815
Dollars	56,397	59,395	58,290	54,158	49,260	51,542	45,241	50,453	44,404	47,116	57,221	-	573,477
Totals	162,482	149,270	172,108	150,875	136,116	130,685	135,590	124,853	136,689	120,589	140,674	-	1,559,931
Dollars	522,281	497,265	536,702	495,738	459,546	446,841	451,981	433,064	453,740	423,529	472,156	-	5,192,841.50
Variance													
Useage	14,339	(3,143)	18,498	5,412	6,319	2,225	4,098	1,515	19,329	(6,057)	1,935	(147,145)	(82,674)
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)	(126.63)	(467,791.58)	(378,138.13)
Outside Water													
Useage	(190)	2,930	(283)	(414)	232	2,193	(658)	511	(289)	269	2,341	(15,353)	(8,711)
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)	7,035.44	(57,614.67)	(48,660)
Totals	14,149	(214)	18,215	4,997	6,551	4,418	3,440	2,026	19,040	(5,787)	4,276	(162,497)	(91,385)
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)	6,908.81	(525,406.25)	(426,798.50)

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

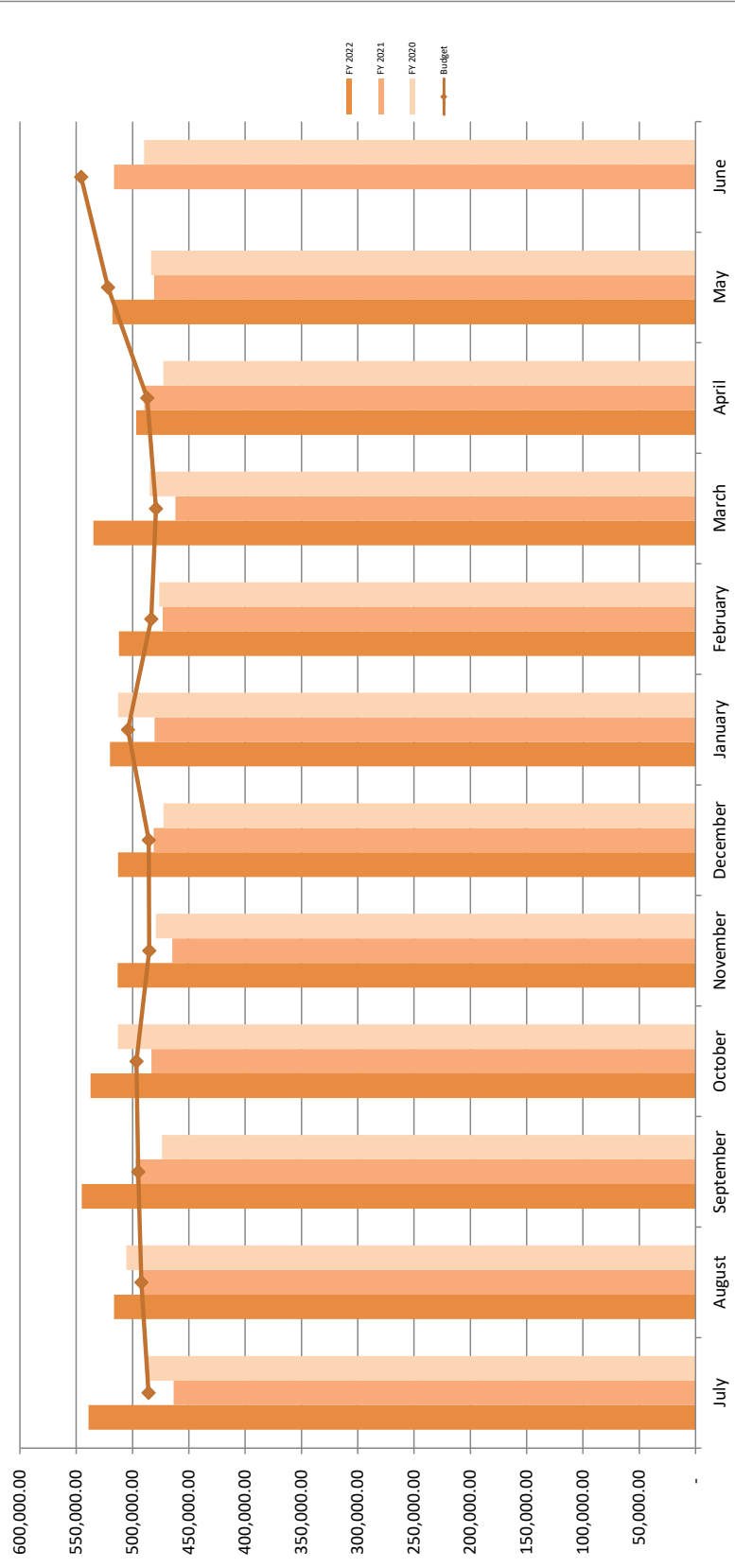
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



City of Shelby
Sewer Revenue Budget to Actual
FY 2022

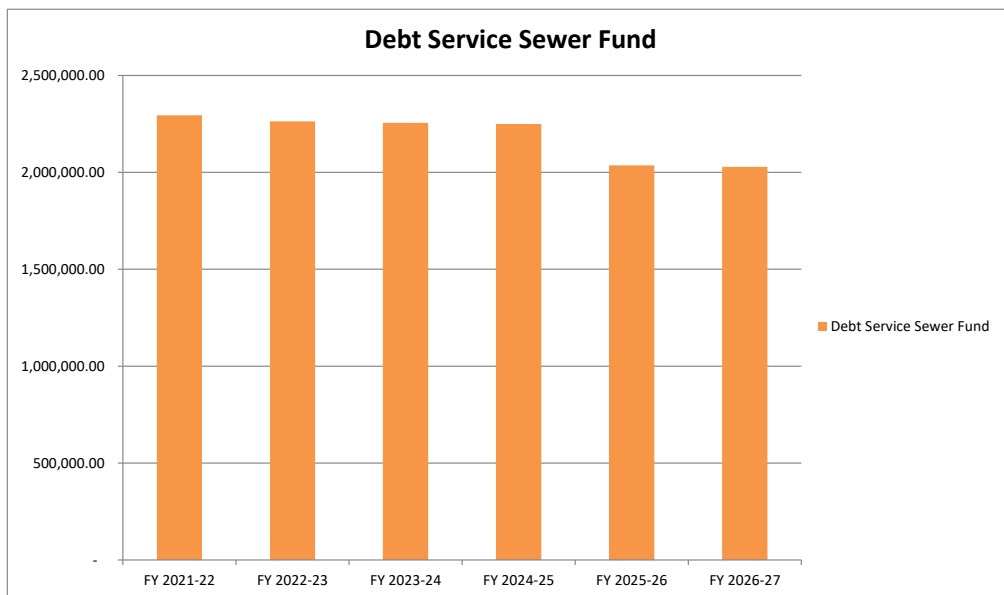
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
FY 2022 Budget													
Inside Sewer													
Useage	68,512	70,250	53,846	69,057	66,689	67,452	71,487	66,675	64,185	66,827	76,924	82,341	824,244
Dollars	456,884.41	465,493.45	462,106.95	462,388.82	448,975.74	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	70,063	-	801,167
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	469,853.21	-	5,264,543.79
Outside Sewer													
Useage	2,432	2,397	2,756	3,298	3,389	3,590	3,230	3,689	3,775	3,858	3,873	-	36,287
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	47,885.34	-	480,770.29
Totals													
Useage	80,065	75,737	84,317	79,820	72,971	72,898	76,723	72,770	79,920	68,297	73,936	-	837,454
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	517,738.55	-	5,745,314.08
Variance													
Inside Sewer													
Useage	9,121	3,090	27,715	7,465	2,893	1,856	2,006	2,406	11,960	(2,388)	(6,861)	(82,341)	(23,076.67)
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)	(15,750.09)	(509,783.35)	(281,545.90)
Outside Sewer													
Useage	(454)	(123)	(654)	(259)	(466)	(181)	(1,099)	108	(569)	489	512	(3,320)	(6,016.00)
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	11,787.31	(35,946.66)	65,787.98
Totals													
Useage	8,667	2,967	27,061	7,206	2,427	1,675	907	2,514	11,391	(1,899)	(6,349)	(85,661)	(29,092.67)
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	(3,962.78)	(545,730.01)	(215,757.92)

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

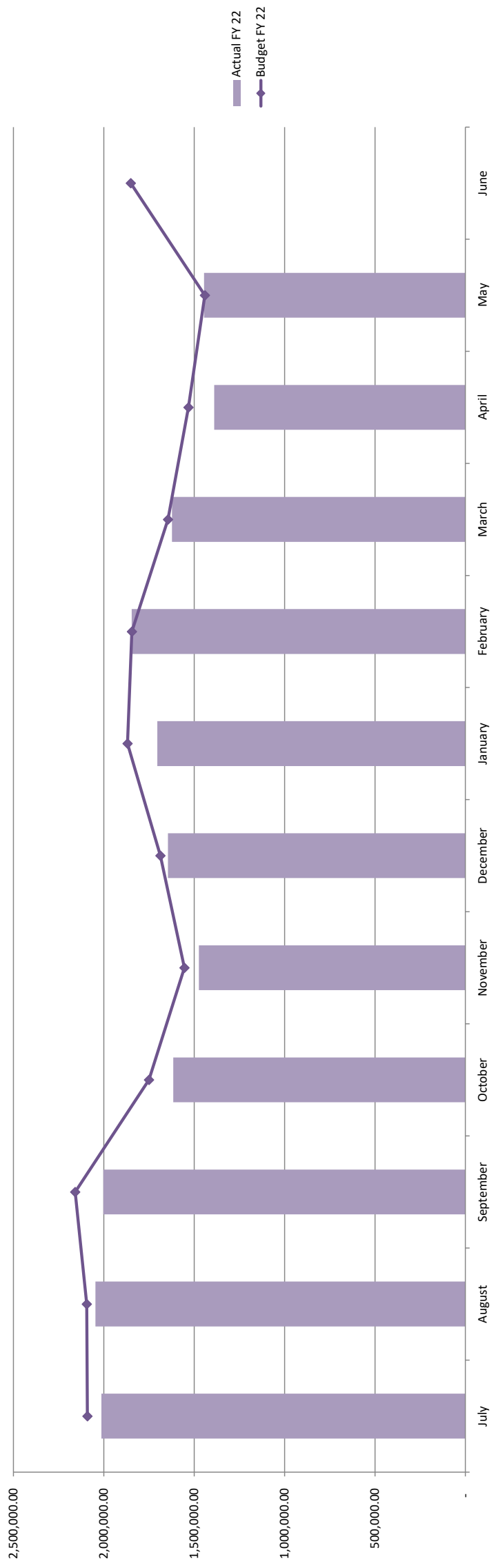
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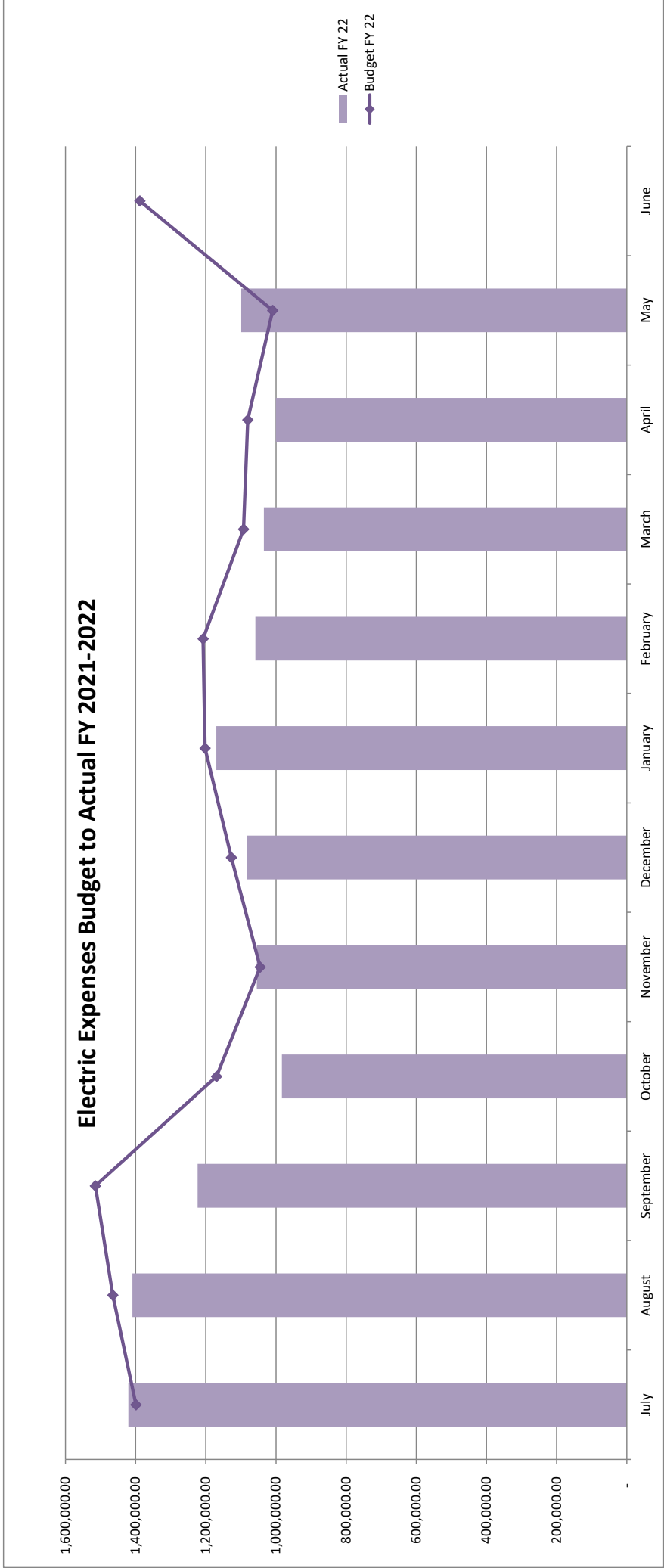
City of Shelby
Electric Revenues Budget to Actual
FY 2022

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	576,818.62	-	8,279,418.47
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	840,660.04	-	10,197,535.08
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	27,901.10	-	-
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	1,445,379.76	-	18,805,148.96
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)	2,003.64	(770,567.06)	(1,104,161.65)
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)	(10,082.87)	(1,055,875.44)	(1,724,105.72)
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	12,217.21	(24,305.22)	113,416.33
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)	4,137.97	(1,850,747.72)	(2,714,851.04)

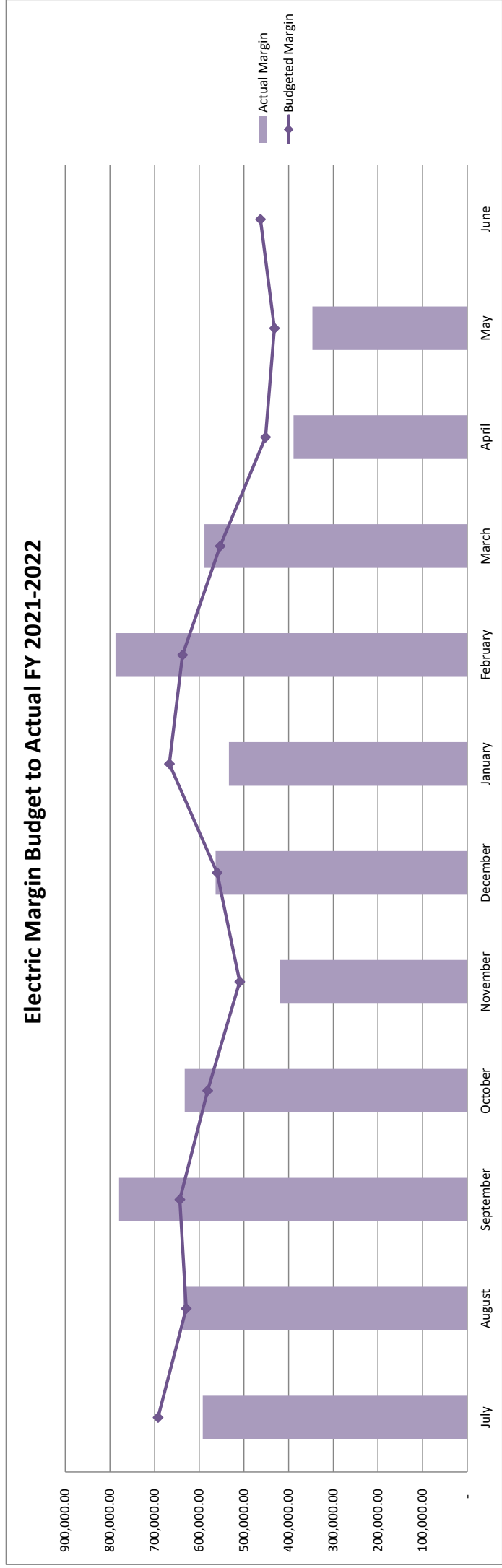
Electric Revenues Budget to Actual FY 2021-2022



Expenses													
Budget FY 22													
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
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	1,066,332.54	-	12,162,052.11
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	32,468.68	-	373,714.48
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	1,098,801.22	-	12,535,766.59
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	(92,274.31)	1,344,504.84	2,047,947.89
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	2,941.29	43,328.26	116,285.52
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	(89,333.03)	1,387,833.10	2,164,233.41

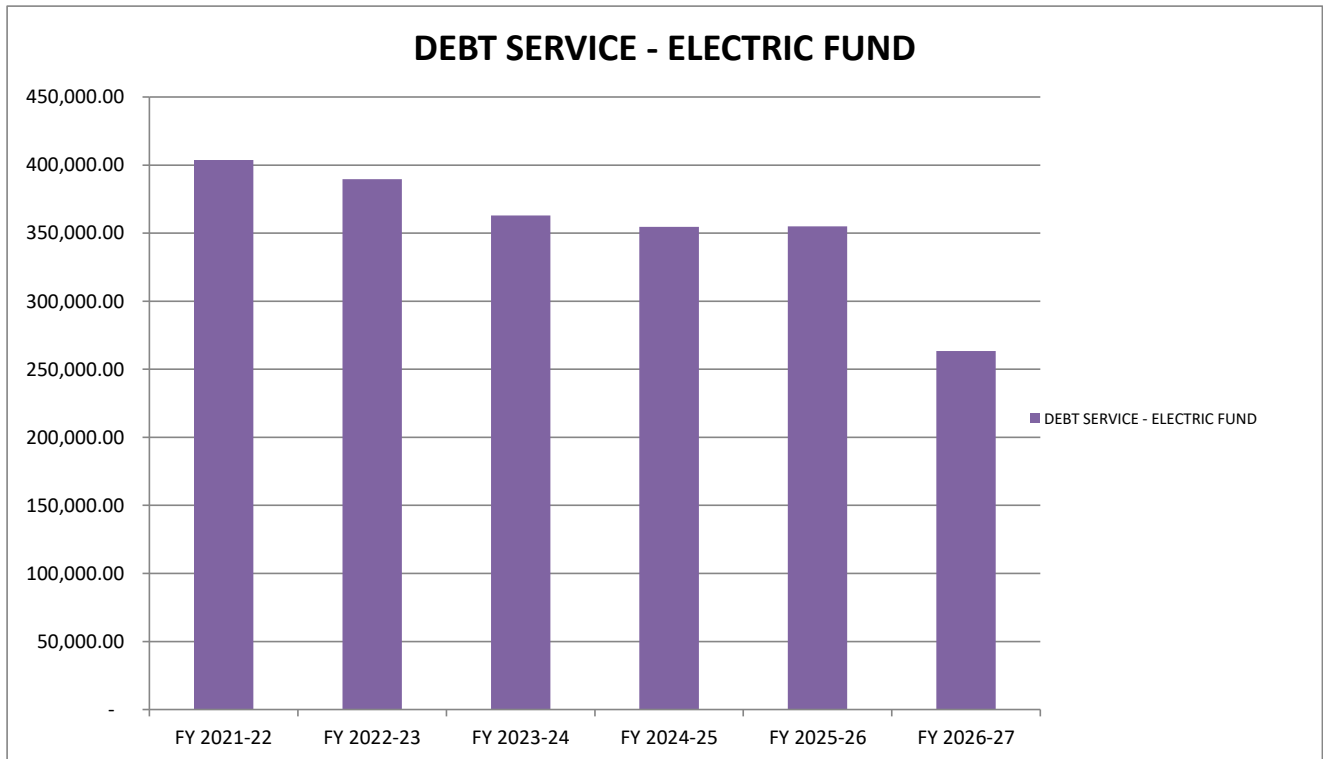


Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	2,091,222.49	2,094,270.76	2,158,362.56	1,750,644.33	1,554,502.55	1,687,288.28	1,869,145.41	1,845,192.18	1,645,527.78	1,531,854.14	1,441,241.79	1,850,747.72	21,520,000.00
Budgeted Expenses	(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	1,445,379.76	-	18,805,148.96
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)	(1,098,801.22)	-	(12,535,766.59)
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	346,578.54	-	6,269,382.37
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)	(85,195.06)	(462,914.62)	(550,617.63)



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>

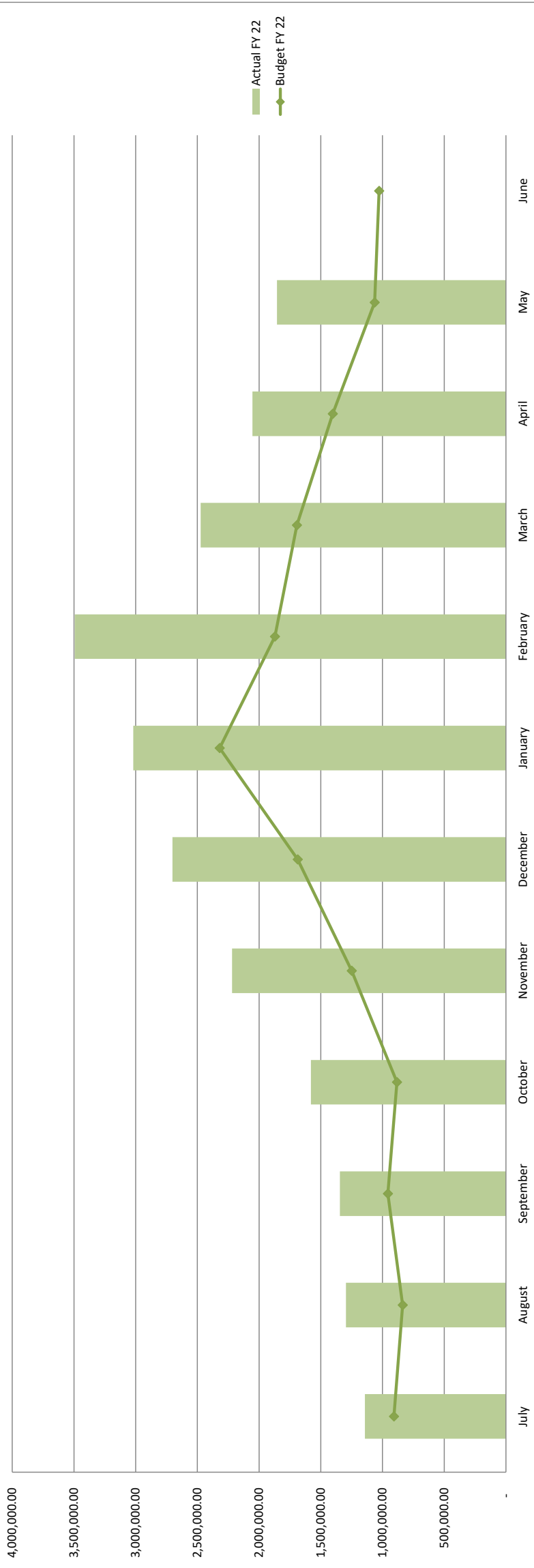
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



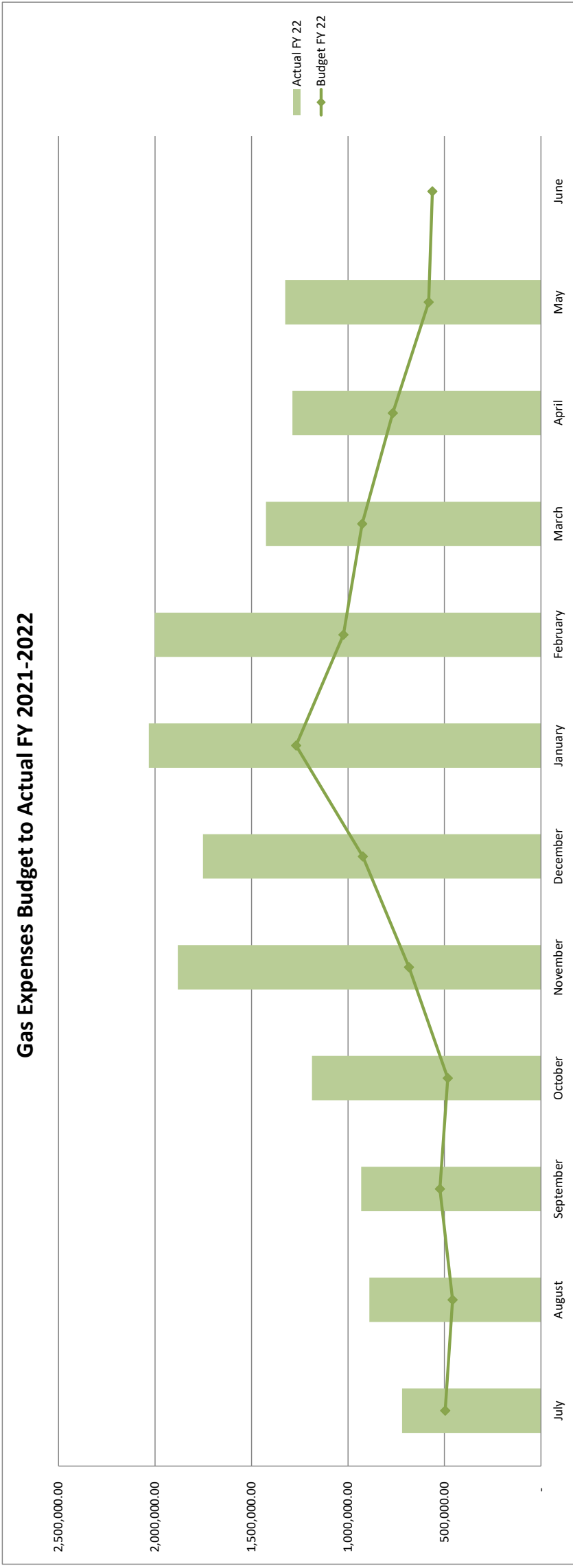
City of Shelby
Gas Revenues Budget to Actual
FY 2022

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 lnd 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	229,003.66	-	4,747,752.31
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	247,601.46	-	5,228,096.43
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	28,038.14	-	630,328.77
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	116,024.82	-	1,000,270.79
Special lnd 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	1,234,176.37	-	11,572,939.16
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	1,854,844.45	-	23,179,387.46
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	44,658.38	(140,512.60)	796,591.58
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	87,074.44	(142,379.72)	1,742,049.58
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)	(22,441.95)	(50,460.41)	160,359.06
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	64,706.41	(54,642.71)	324,129.05
Special lnd 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	617,304.19	(640,232.84)	4,256,258.19
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	791,301.47	(1,028,228.29)	7,279,387.46

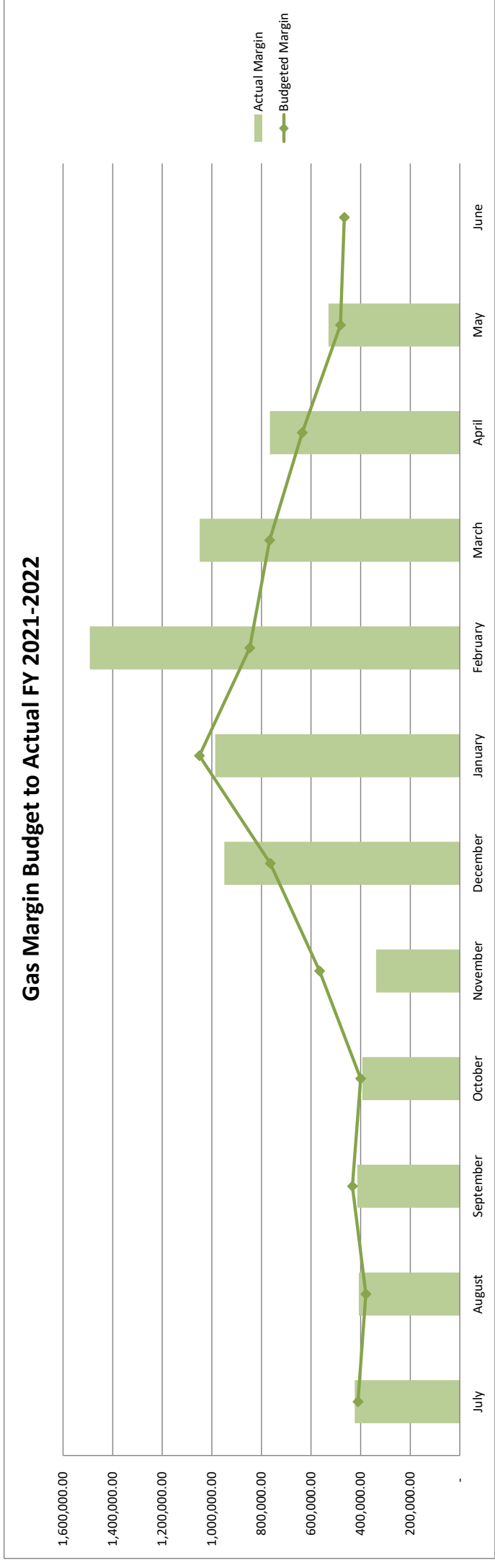
Gas Revenues Budget to Actual FY 2021-2022



Expenses Budget FY 22	July	August	September	October	November	December	January	February	March	April	May	June	Totals
	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	1,324,908.91	-	15,430,495.28
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)	(742,970.30)	562,615.48	(6,730,495.28)

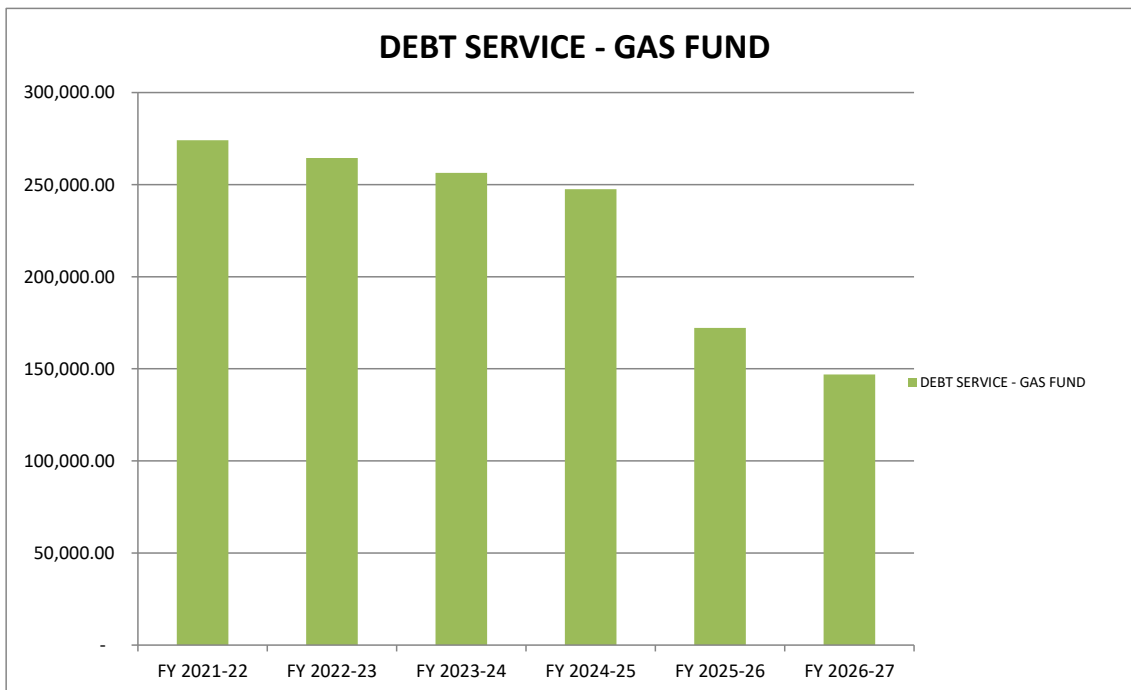


Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	907,262.79	836,938.70	956,317.74	883,045.05	1,249,620.66	1,687,656.91	2,319,301.61	1,871,283.13	1,693,932.27	1,402,869.87	1,063,542.98	1,028,228.29	15,900,000.00
Budgeted Expenses	496,426.81	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	1,854,844.45	-	23,179,387.46
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	1,324,908.91	-	15,430,495.28
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	529,935.54	-	7,748,892.18
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	48,331.17	(465,612.81)	548,892.18



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 11 (91.67% 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	3,768,090.91	7,964.85	-130,142.91	103.6 %
TOTAL WATER LINES OPERATIONS	843,190.00	32,669.00	875,859.00	649,566.61	2,017.19	224,275.00	74.4 %
TOTAL WATER PLANT OPERATIONS	1,953,083.00	248,252.00	2,201,335.00	1,631,694.00	209,549.47	360,091.84	83.6 %
TOTAL WATER	6,039,171.00	683,936.00	6,723,107.00	6,049,351.52	219,531.51	454,223.93	93.2 %
TOTAL SEWER ADMINISTRATION	3,024,004.00	764,021.00	3,788,025.00	3,623,721.05	4,014.85	160,288.95	95.8 %
TOTAL SEWER LINES OPERATIONS	1,008,340.00	184,182.00	1,192,522.00	933,275.46	64,139.23	195,106.84	83.6 %
TOTAL SEWER PLANT OPERATIONS	2,366,300.00	55,049.00	2,421,349.00	1,797,447.59	237,430.08	386,470.84	84.0 %
TOTAL SEWER	6,398,644.00	1,003,252.00	7,401,896.00	6,354,444.10	305,584.16	741,866.63	90.0 %
TOTAL ELECTRIC ADMINISTRATION	2,560,638.00	6,791,238.00	9,351,876.00	3,285,596.24	9,798.16	656,481.95	35.2 %
TOTAL ELECTRIC PURCHASE	16,220,000.00	0.00	16,220,000.00	12,746,984.11	0.00	3,473,015.89	78.6 %
TOTAL ELECTRIC LINES	3,258,817.00	371,627.00	3,630,444.00	2,260,921.28	568,116.22	801,406.52	77.9 %
TOTAL ELECTRIC	22,039,455.00	7,162,865.00	29,202,320.00	18,293,501.63	577,914.38	10,330,904.36	64.6 %
TOTAL NATURAL GAS ADMINISTRATION	4,541,910.00	1,942,653.00	6,484,563.00	5,514,692.27	34,021.41	935,849.17	85.6 %
TOTAL NATURAL GAS PURCHASE	9,370,000.00	0.00	9,370,000.00	14,820,569.37	0.00	-5,450,569.37	158.2 %
TOTAL NATURAL GAS LINES	2,213,690.00	368,265.00	2,581,955.00	1,642,997.25	216,106.38	722,851.62	72.0 %
TOTAL NATURAL GAS	16,125,600.00	2,310,918.00	18,436,518.00	21,978,258.89	250,127.79	-3,791,868.58	120.6 %

City of Shelby
Weather Variances
Fiscal Year to Date at May 31, 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	4.20	(0.20)	116	197	81	51	16	-35
June	4.30	0.00	(4.30)	337	0	-337	0	0	0
Totals	48.20	44.00	(4.20)	1,817	1,490	(327)	3,292	2,812	(480)

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
July 18, 2022
City Hall Council Chamber

D. Unfinished Business
Agenda Item: D-1

1) Shelby Aquatics Center Renovation Project:

- a) Adoption of a budget ordinance amendment for the City of Shelby's City Park Pool Renovation Project: Ordinance No. 44-2022
- b) Approval of a resolution authorizing selection of Sossamon Construction Company, Inc. based on qualifications for the Shelby Aquatics Center Renovation Project: Resolution No. 56-2022

Consent Agenda Item: (Rick Howell, City Manager, Justin Merritt, Assistant City Manager and Charlie Holtzclaw, Parks and Recreation Director)

Summary of Available Information:

- Memorandum dated July 11, 2022 from Charlie Holtzclaw, Director Parks and Recreation to Justin Merritt, Assistant City Manager, Carol Williams, City Clerk and Rick Howell, City Manager
- Agreement with Sossamon Construction Company, Inc. and the City of Shelby
- Letter of Bid Recommendation from CHA Consulting
- Ordinance No. 44-2022
- Resolution No. 56-2022

City Manager's Recommendation / Comments

The following two items are related to the renovation of the Shelby City Park Aquatics Center. The current facility is now 26 years old and has for the past few years been planned for replacement. The scope of the work is outlined in your agenda packet. The City has maintained this facility in good fashion over those years.

Ordinance No. 44-2022 is presented at this time for City Council consideration. City Council previously adopted Ordinance No. 38-2021 appropriating funding for the engineering and design of renovations necessary at the Shelby City Park Aquatics Center in the amount of \$107,000. If approved this project budget ordinance amendment would appropriate an additional \$2,373,230 from the Natural Gas Fund reserves for the construction of this renovation project.

Resolution No. 56-2022 is presented for City Council consideration at this time. If approved this resolution would award a contract in the amount of \$2,373,230 to Sossamon Construction Company, Inc. for the Aquatics Center Renovation project.

It is my recommendation Ordinance No. 44-2022 and Resolution No. 56-2022 be adopted and approved by City Council at this time.



Memorandum

To: Rick Howell, City Manager

Cc: Justin Merritt, Assistant City Manager

Carol Williams, City Clerk

From: Charlie Holtzclaw, Director Parks and Recreation

Date: July 7, 2022

Subject: Contract Award for Shelby Aquatics Center Renovation Project

Executive Summary of issue – Background

On August 16, 2021, City Council adopted Resolution 56 – 2021 authorizing the selection of CHA Consulting, Inc. to provide planning and design services and subsequent construction administration for the Shelby Aquatics Center Renovation Project. The planning of this project has been very thorough to ensure the 26-year old facility is brought back to its original condition as best as possible while addressing numerous issues including sealing leaks, resurfacing the pools, replacing the concrete deck, new roof shingles, items related to the functionality of the circulation system, and multiple cosmetic improvements to worn out equipment. It is anticipated the project will begin in early September and finish in May 2023 in time for opening.

On June 3, 2022, formal construction bids were received for the Shelby Aquatic Center Renovation Project, and due the current market for materials and labor the lowest responsive bid exceeded our anticipated dollar amounts and totaled \$2,594,000. City Staff then worked with CHA to Value Engineer the project and were able to identify \$264,770 in savings that will not compromise the project and are largely related to changing some specifications for the concrete deck and drain system. As stated in the enclosed Contract Agreement, the final total cost for the project is \$2,373,230, and it should be noted this cost does not include three (3) add alternates that were originally considered. 1) Slide System, 2) New Coping Stone for Competition Pool, and 3) Shade Structure.

Tie in to current policy and/or adopted planning documents

2020 Parks & Recreation Master Plan – D 1.1 Aquatic Facilities Updates

Strategic Growth Plan -

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

Recommendation

After conducting their appropriate reviews, CHA Consulting, Inc. has recommended the City of Shelby award the construction contract to Sossamon Construction Co., Inc. who was the lowest responsive bidder for the project. Therefore, it is my recommendation and request to you that consideration be given to awarding Sossamon Construction Co., Inc. the construction contract for Shelby Aquatics Center Renovation Project.

**STANDARD FORM OF AGREEMENT
BETWEEN OWNER AND CONTRACTOR
ON THE BASIS OF A STIPULATED PRICE**

THIS AGREEMENT is dated as of the 18th day of July in the year 2022 by and between the City of Shelby (hereinafter called OWNER) and Sossamon Construction Co., Inc. (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 - WORK.

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

1. Furnish all labor, materials, equipment and services necessary to complete selective renovations on the existing Competition pool, Wading pool and various miscellaneous outdoor and indoor (bathhouse) improvements.
2. Work shall include the following: Provide all necessary mobilization, site preparation, demolition, construction and cleanup work associated with the various Competition Pool and TT&T (Wading) Pool improvements as well as the various Bathhouse and other site improvements as detailed in the project documents. Provide all Base Bid work as detailed within the bid documents as well as the Value Engineered concrete deck and trench drain system (ie: V.E. #1). Work shall include but is not necessarily limited to erection and delivery onto the premises of any equipment or apparatus furnished, proper shoring and bracing for installation of repair work and/or new finish application (Competition pool), electrical bonding of installed items per NEC 680 code, pool pipe testing and addition, pool finishes including tile work, disassembly and reassembly of all pool deck equipment that is designated to be removed and stored during construction, temporary storage and protection, progress inspection approvals, concrete decking replacement, anchor and insert replacements, replacement of any areas (including landscaping) that was destroyed during demolition, pool filtration and recirculation equipment improvements and final testing and calibration of pool equipment after construction.

ARTICLE 2 - ENGINEER.

The Project has been designed by CHA, III Winners Circle, Albany, New York 12205, who is hereinafter called ENGINEER and who is to act as OWNER's representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

ARTICLE 3 - CONTRACT TIMES.

3.1 The Work will be substantially complete on or before **March 31, 2023** and completed and ready for final payment in accordance with paragraph 14.13 of the General Conditions on or before **May 2, 2023**.

3.2 *Liquidated Damages.* OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring of such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER Seven Hundred and Fifty dollars (\$750.00) for each day that expires after the time specified in paragraph 3.1 for Substantial Completion until the Work is substantially complete. After Substantial Completion, if CONTRACTOR shall neglect, refuse, or fail to complete the remaining Work within the time specified in paragraph 3.1 for completion and readiness for final payment or any proper extension thereof granted by OWNER, CONTRACTOR shall pay OWNER One thousand dollars (\$1,000.00) for each day that expires after the time specified in paragraph 3.1 for completion and readiness for final payment.

ARTICLE 4 - CONTRACT PRICE.

OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to paragraphs 4.1 and 4.2 below:

4.1 For all Work other than Unit Price Work, a Lump Sum of:

For Base Bid:

Two Million Five Hundred Ninety-Four Thousand Dollars **+\$ (2,594,000.00)**
 (use words) (figures)

For Construction Allowance: **Forty-Four Thousand Dollars** **+\$ (44,000.00)**
 (use words) (figures)

V.E. #1:

Two Hundred Sixty Four Thousand Seven Hundred Seventy Dollars **-\$ (264,770.00)**
 (use words) (figures)

Total Contract Price:

Two Million Three Hundred Seventy-Three Thousand Two Hundred Thirty Dollars + (\$ 2,373,230.00)
 (use words) (figures)

All specific cash allowances are included in the above price and have been computed in accordance with paragraph 11.8 of the General Conditions;

PLUS

4.2 For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the estimated quantity of that item as indicated in this paragraph 4.2:

UNIT PRICE WORK

No.	Item	Unit	Estimated Quantity	Unit Price
1	Pool Concrete shell spall repair: per plan sheet SP-505 Detail No. 1	Cubic inches	+ or – 100 cubic inches	\$135.00
2	Pool Concrete shell crack repair: per plan sheet SP-505 Detail No. 2	Cubic inches	+ or – 100 cubic inches	\$130.00
3	Pool Concrete shell crack repair: per plan sheet SP-505 Detail No. 3	Cubic inches	+ or – 100 cubic inches	\$130.00
4	Pool Concrete shell crack repair: per plan sheet SP-505 Detail No. 4	Cubic inches	+ or – 100 cubic inches	\$130.00

As provided in paragraph 11.9 of the General Conditions estimated quantities are not guaranteed, and determinations of actual quantities and classification are to be made by ENGINEER as provided in paragraph 9.10 of the General Conditions. Unit prices have been computed as provided in paragraph 11.9.2 of the General Conditions.

ARTICLE 5 - PAYMENT PROCEDURES.

CONTRACTOR shall submit Application for Payment in accordance with Article 14 of the General Conditions, Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

5.1 *Progress Payments; Retainage.* OWNER shall make progress payments on account of the Contract Price on

the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER, on or about the last day of each month during construction as provided in paragraphs 5.1.1 and 5.1.2 below. All such payments will be measured by the schedule of values established in paragraph 2.9 of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements.

- 5.1.1 Prior to Substantial Completion, payments will be made as set forth below, but, in each instance, less the aggregate of payment previously made and less such amounts ENGINEER shall determine, or OWNER may withhold in accordance with paragraph 14.7 of the General Conditions.

95% of Work completed (with the balance being retainage)

95% (with the balance being retainage) of materials and equipment not incorporated in the Work (but delivered, suitably stored and accompanied by documentation satisfactory to OWNER as provided in paragraph 14.2 of the General Conditions).

If the Work has been at least 50% completed as determined by the ENGINEER, and if the character and progress of the Work are satisfactory to OWNER and ENGINEER, OWNER on recommendation of ENGINEER, may (but is not required to) determine that as long as the character and progress of the Work remains satisfactory to them, there will be no additional retainage on account of Work completed, in which case the remaining progress payments prior to Substantial Completion will be in an amount equal to 100% of the Work completed.

- 5.1.2 When the Work has reached Substantial Completion, CONTRACTOR shall submit to the ENGINEER an Application for Payment of the remaining amount of the contract balance. Upon receipt of such Application for Payment, the OWNER shall approve and promptly pay the remaining amounts of the contract balance less two times the value of any remaining items to be completed and an amount necessary to satisfy any claims, liens or judgment against the CONTRACTOR which have not been suitably discharged. As the remaining items of Work are satisfactorily completed or corrected, OWNER shall promptly pay, upon receipt of an Application for Payment, for these items less an amount necessary to satisfy any claims, liens or judgments against the CONTRACTOR which have not been suitably discharged. Where the OWNER is other than the City of New York, the term "promptly pay" shall mean payment within thirty days, excluding legal holidays, of receipt of an Application for Payment unless such Application is not approved. Notwithstanding the foregoing, where the OWNER is other than the City of New York and is a municipal corporation which requires an elected official to approve progress payments, "promptly pay" shall mean payment within forty-five days, excluding legal holidays, of receipt of an approved Application for Payment.

5.2 *Final Payment.* Upon final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.13.

ARTICLE 6 - INTEREST.

All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the statutory rate of the State of North Carolina.

ARTICLE 7 - CONTRACTOR'S REPRESENTATIONS.

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

7.1 CONTRACTOR has examined and carefully studied the Contract Documents (including the Addenda listed in paragraph 8) and the other related data identified in the Bidding Documents including "technical data."

7.2 CONTRACTOR has visited the site and become familiar with and is satisfied as to the general, local, and site conditions that may affect cost, progress, performance or furnishing of the Work.

7.3 CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, performance and furnishing of the Work.

7.4 CONTRACTOR has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in paragraph 4.2.1 of the General Conditions. CONTRACTOR accepts the determination set forth in paragraph SC-4.2 of the Supplementary Conditions of the extent of the “technical data” contained in such reports and drawings upon which CONTRACTOR is entitled to rely as provided in paragraph 4.2 of the General Conditions. CONTRACTOR acknowledges that such reports and drawings are not Contract Documents and may not be complete for CONTRACTOR’s purposes. CONTRACTOR acknowledges that OWNER and ENGINEER do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the site. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) all such additional supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance, or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by CONTRACTOR and safety precautions, and programs incident thereto. CONTRACTOR does not consider that any additional examinations, investigations, explorations, tests, studies, or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

7.5 CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the site that relates to the Work as indicated in the Contract Documents.

7.6 CONTRACTOR has correlated the information known to CONTRACTOR, information and observation obtained from visits to the site, reports, and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.

7.7 CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities or discrepancies that CONTRACTOR has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 8 - CONTRACT DOCUMENTS.

The Contract Documents which comprise the entire agreement between OWNER and CONTRACTOR concerning the Work consist of the following:

- 8.1 This Agreement (pages 1 to 5, inclusive).
- 8.2 Exhibits to this Agreement.
- 8.3 Performance, Payment, and other Bonds.
- 8.4 Notice to Proceed.
- 8.5 General Conditions (pages GC-1 to GC-35 inclusive).
- 8.6 Supplementary Conditions (pages SC-1 to SC-16 inclusive).
- 8.7 Specifications bearing the title “SHELBY CITY AQUATIC CENTER SWIMMING POOL & SITE IMPROVEMENTS ” and consisting of ten (10) divisions as listed in table of contents thereof.
- 8.8 Drawings consisting of a title sheet (G-001), Appendix B (G-002) and plan sheets numbered A-001 through E-

602 inclusive with each sheet bearing the following general title: SHELBY CITY AQUATIC CENTER - POOL & SITE IMPROVEMENTS.

- 8.9 Addenda numbers 1 to 4, inclusive.
- 8.10 CONTRACTOR's Bid.
- 8.11 Documentation submitted by CONTRACTOR prior to Notice of Award.
- 8.12 The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto: All Written Amendments and other documents amending, modifying or supplementing the Contract Documents pursuant to paragraphs 3.5 and 3.6 of the General Conditions.

The documents listed in paragraph 8.2 et seq. above are attached to this Agreement (except as expressly noted otherwise above).

There are not Contract Documents other than those listed above in this Article 8. The Contract Documents may only be amended, modified or supplemented as provided in paragraphs 3.5 and 3.6 of the General Conditions.

ARTICLE 9 - MISCELLANEOUS.

9.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

9.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

9.3 OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

9.4 Any provisions or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

9.5 OTHER PROVISIONS

IN WITNESS WHEREOF, OWNER, and CONTRACTOR have signed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR, and ENGINEER. All portions of the Contract Documents have been signed, initialed or identified by OWNER, and CONTRACTOR, or identified by ENGINEER on their behalf.

This Agreement will be effective on **July 18, 2022** (which is the Effective Date of the Agreement).

OWNER: City of Shelby CONTRACTOR: Sossamon Construction Co., Inc.

By: _____ By: _____

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest _____

Address for giving notices

(If OWNER is a public body, attached evidence of authority to sign and resolution or other documents authorizing execution of Agreement).

Attest _____

Address for giving notices

License No. _____

Agent for services of process: _____

(If CONTRACTOR is a corporation, attach evidence of authority to sign).



Delivered Via Email

July 6, 2022

Mr. Justin Merritt, MPA, ICMA-CM
City of Shelby Assistant City Manager
P.O. Box 207
Shelby, NC 28151

Mr. Charlie Holtzclaw
City of Shelby Parks & Recreation Director
PO Box 207
Shelby, NC 28151

RE: City of Shelby
Aquatic Center Pool & Site Improvements - Bid Recommendation (Re-Bid)
CHA Project No. 072189

Dear Justin & Charlie:

The City of Shelby received and opened the bids for the above-referenced project on June 3, 2022, at 2:00 p.m. EST. Attached is a summary of the bids.

Both CHA Consulting Inc. (CHA) and the City of Shelby have reviewed the bids provided. Based on the City's review and the email correspondence on 6/14/2022, the award should be provided to Sossamon Construction, Inc. The Sossamon Construction team which includes Paddock Pool Construction Company is a qualified commercial general contractor (Sossamon) and swimming pool contractor (Paddock) capable of completing the work within the project's scope.

It is further understood that the City has requested engagement of Value Engineering the project to reduce the submitted bid construction costs in an effort to reduce the total construction cost to approximately two million dollars. Based on the recent evaluation and discussions, our recommendation would be to award the following based on the bid received and the V.E. analysis:

- Base Bid \$2,594,000.00
- Construction Allowance \$44,000.00
- VE #1 Items (per below): -\$264,770.00
 - Remove 4" existing pool deck concrete per Pool Deck Demo Plan Sheet SP-101A
 - Retain existing PVC storm drain mains & riser to new trench drains
 - Add new PVC mains and risers per Contractor provided sketch
 - Retain existing stone base, install 5" thick 4,000 psi concrete (Note: color additive removed)
 - Maintain wire mesh welded fabric for concrete deck reinforcement
 - Install expansion joint and control joint per Contractor provided sketch
 - Install Paddock S/S trench drain system
- Unit Price 1 \$ 135.00 /100 cubic inches (+ / -)
- Unit Price 2 \$ 130.00 /100 cubic inches (+ / -)
- Unit Price 3 \$ 130.00 /100 cubic inches (+ / -)

- Unit Price 4 \$ 130.00 /100 cubic inches (+ / -)
- Total= \$2,373,230.00

We would recommend that the following bid & V.E. items be rejected:

- Bid Alternate #1 \$490,000.00 (Waterslide addition)
- Bid Alternate #2 \$44,000.00 (Shade Structure addition)
- Bid Alternate #3 \$258,500.00 (Comp pool Coping Stone Replacements)
- VE #2 Items (per below): -\$10,000.00
 - Delete installation of new Rayvac Heater (We believe this should remain in the project as it is nearing or at End of Life.)
- VE #3 Items (per below): -\$58,000.00
 - Delete replacing shingle roof (We believe this should remain in the project as it is nearing or at End of Life.)
- VE #4 Items (per below): -\$40,000.00
 - Delete Slide 'B' (We believe the entire waterslide under Bid Alternate #1 should be deleted if it is unaffordable. Should the City wish to consider an alternate slide system during construction activities, this should be pursued separately with both the Engineer and awarded Contractor.)

All three Bid Alternates that are being rejected do not appear to fit in the City's budget but please confirm if this assumption is incorrect. Additionally, the Value Engineered items (VE #2-3) that are being rejected should be replaced now as opposed to chancing failure in the near future.

If you have any questions, please feel free to call us at your convenience.

Very truly yours,

CHA Consulting Inc.

Matt Cathone

Matt Cathone
Senior Aquatic Engineer

Tim Riordan

Tim Riordan, P.E.
Project Manager

ORDINANCE NO. 44-2022
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S
 CITY PARK POOL RENOVATION PROJECT

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

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

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

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

Section 1. Ordinance No. 38-2021, the City of Shelby's City Park Pool Renovation Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

Appropriating Fund Balance:

Fund Balance Appropriated	64006000-39900	\$ 2,373,230
Transfer to General Cap. Projects	640741-49111	\$ 2,373,230

City Park Pool Renovation Project

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

11101000-39640-CPPRP	Transferred from Nat. Gas Fund	\$2,373,230
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(2) The following General Fund Cap. Project Expenditures are amended by the City:

111612-53000-CPPRP	Construction	\$2,373,230
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Section 2. That the revenues, expenditures, and amendments set forth in Section 1 of this ordinance are hereby summarized as follows:

	<u>Current Budget</u>	<u>Amendment No. 1</u>
<u>City Park Pool Renovation Project</u>		
Revenues		
Transferred from Nat. Gas Fund	\$ 107,300	\$2,480,530
Expenditures		
Engineering	\$ 107,300	\$ 107,300
Construction	\$ -0-	\$2,373,230

Ordinance No. 44-2022
July 18, 2022
Page 2

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

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

Adopted and Approved this the 18th day of July, 2022.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

RESOLUTION NO. 56 – 2022

A RESOLUTION AUTHORIZING SELECTION OF SOSSAMON CONSTRUCTION COMPANY, INC. BASED ON QUALIFICATIONS FOR THE SHELBY AQUATICS CENTER RENOVATION PROJECT

WHEREAS, the City of Shelby in accordance with NCGS 143-129 has solicited bids for qualified contractors to perform work related to renovations and construction of the Shelby Aquatics Center; and,

WHEREAS, the City of Shelby held a public bid opening on June 3, 2022 to accept bids from qualified contractors to perform construction on the Shelby Aquatics Center Renovation Project; and,

WHEREAS, after advertising and solicitation for bids there were two (2) bid submittals from contractors and the apparent lowest responsible bidder is Sossamon Construction Co. Inc. of Gaffney, SC in the amount of two million, three hundred thousand, two hundred and thirty dollars (\$2,373,230); and,

WHEREAS, CHA Consulting Inc. reviewed the bids in conjunction with City Staff and has recommended to the City Manager that the contract be awarded to the lowest responsible bidder, Sossamon Construction Co. Inc. in the amount of two million, three hundred thousand, two hundred and thirty dollars (\$2,373,230); and,

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

Section 1. The City Council of the City of Shelby hereby awards the contract to Sossamon Construction Co. Inc.

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

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

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

Adopted and Approved this the 18th day of July A. D. 2022.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
July 18, 2022
City Hall Council Chamber

Agenda Item: D-2

2) Water and Sewer Projects – American Rescue Plan Funds:

- a) Adoption of ordinance establishing a capital project ordinance and budgets for the City of Shelby’s American Rescue Plan Water and Sewer Projects: Ordinance No. 45-2022
- b) Approval of a resolution authorizing selection of McGill Associates, PA based on qualifications for the Water Plant filter upgrades: Resolution No. 57-2022

Consent Agenda Item: (Rick Howell, City Manager and David Hux, Water Resources Director)

Summary of Available Information:

- Memorandum dated July 11, 2022 from David Hux, Water Resources Director to Ben Yarboro, Assistant City Manager and Rick Howell, City Manager
- Memorandum dated July 8, 2022 from David Hux, Water Resources Director to Rick Howell, City Manager
- Memorandum dated July 1, 2022 from Brian Wilson, Water Resources Operations Manager to David Hux, Water Resources Director
- Ordinance No. 45-2022
- Resolution No. 57-2022

City Manager’s Recommendation / Comments

Ordinance No. 45-2022 is presented for City Council consideration at this time. If approved this ordinance would establish a project budget ordinance and appropriate \$971,000 from the approximately \$6,300,000 in American Rescue Plan funding received from the U.S. Treasury through the State of North Carolina. City Council has previously allocated \$3,000,000 for improvements to the existing Water and Sewer systems.

Resolution No. 57-2022 is also presented for City Council consideration at this time. If approved this resolution would authorize the City Manager to negotiate and subsequently award of a contract to McGill Associates, PA for engineering and design of the Water Plant filter upgrade project.

It is my recommendation that Ordinance No. 45-2022 and Resolution No. 57-2022 be adopted and approved by City Council at this time.



Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: Justin Merritt; Assistant City Manager

CC: Rick Howell, City Manager
Ben Yarboro; Assistant City Manager - Operations

From: David Hux, Director of Water Resources *David Hux*

Date: July 11, 2022

Subject: Water and Sewer Projects - Project Budget Ordinances
American Rescue Plan Funds

Background

Over the course of the last 15 years, Water Resources has developed a comprehensive list of improvement projects for both water and sewer. This list has been developed through both internal and external evaluations that have included staff and in some cases consultant/engineer input. This list allows us to plan for improvements that are needed for system upgrades to continue to operate in a safe manner that follows all State and Federal regulations when money is needed and made available. With a large amount of work complete at the First Broad WWTP, Water Resources has turned our focus on continued improvements at the water plant, in the water distribution system and sewer collection system. With the approved street resurfacing initiative, Water Resources has also stepped-up internal evaluations of the water and sewer system to identify critical improvements needed prior to the multi-phased resurfacing plan.

During the previous budget year, the City received \$6.3 million from the American Rescue Plan that will allow us to move forward with several priority items that have been identified, reviewed and prioritized by staff.

Review

At this time Water Resources is recommending moving forward with several projects as outlined:

SEWERLINE PROJECTS	Engineering	Construction	Total
Elmwood Point Repairs and Manholes		\$125,000	\$125,000
Royster Sewerline		\$65,000	\$65,000
TOTALS	\$0	\$190,000	\$190,000

WATERLINE PROJECTS	Engineering	Construction	Total
Lear St/Dixon Blvd Extensions		\$8,000	\$8,000
Country Club Waterline Extension		\$77,000	\$77,000
Shannonhouse Waterline Replacement	\$15,000	\$150,000	\$165,000
Ford Street Waterline Replacement	\$25,000	\$230,000	\$255,000
Grice Waterline Replacement		\$5,000	\$5,000
Warren Street Service Extension		\$20,000	\$20,000
TOTALS	\$40,000	\$490,000	\$530,000

WATER PLANT PROJECTS	Engineering	Construction	Total
Filter Rehabilitation and Sed Basin Valve Repairs/Replacements	\$160,000	TBD	\$160,000
WTP Turbidity Meter Replacement		\$91,000	\$91,000
TOTALS:	\$160,000	\$91,000	\$251,000

Recommendation

Water Resources staff recommends the creation of project budget ordinances for the American Rescue Plan (ARP) projects for the areas sewerlines, waterlines, and water plant. Each ordinance would have engineering and construction line items as follows:

ACCOUNT	Engineering	Construction	Total
ARP - Sewer Line Projects 2022/23		\$190,000	\$190,000
ARP - Waterline Projects 2022/23	\$40,000	\$490,000	\$530,000
ARP - Water Plant Projects 2022/23	\$160,000	\$91,000	\$251,000

Please let me know if additional information is needed.



Memorandum

To: Rick Howell, City Manager

From: David Hux, Director of Water Resources *David Hux*

Date: July 8, 2022

Subject: Water Treatment Plant Filter and Sedimentation Valve Upgrades – Engineering Services Selection

Background

In 2016 a rehabilitation and upgrade evaluation was completed for the City's water treatment, which outlined a multi-phased rehabilitation effort for the water treatment plant which was constructed in the early 1950's. The first phase of this work outlined in the engineering report was completed in 2020 involving the installation of new clearwells, a high service pump station, main building improvements and filter valve upgrades. Now that these improvements are complete, Water Resources is ready to move forward with an additional phase of the project that includes the structural repairs and media replacement of the eight (8) filters and will include valve replacement/repair on the sedimentation basins.

The City of Shelby received American Rescue Plan (ARP) Funding in the amount \$6.3 million and Water Resources is recommending using a portion of these funds for the rehabilitation of the filter media and replacement/repair of the of the sedimentation basin valves.

Review

On May 30, 2022, the City of Shelby solicited a Request for Qualifications (RFQ) for engineering services for the Water Plant Filter Rehabilitation Project. The solicitation was advertised on the City's website and directly sent out to a number of engineering firms who have either worked for or expressed interest in working with the City.

On June 24, 2021 City staff received four (4) responses to the RFQ and a review team was put together and reviewed all proposals. Responses were received and evaluated from the following firms (in alphabetical order):

- McGill Associates – Hickory, North Carolina
- Stantec Engineering – Winston Salem, North Carolina
- Willis Engineers – Charlotte, North Carolina
- The Wooten Company – Hickory, North Carolina

After scoring of the RFQs, staff is recommending that McGill Associates be selected as the most qualified engineer. The RFQ process is in accordance with North Carolina General Statute 143-64.31.

Recommendation

City staff recommends that the Shelby City Council approve the resolution selecting McGill Associates to perform the engineering services for the Water Plant Filter and Sedimentation Basin Valve Upgrades. This resolution would also authorize the City Manager to then negotiate and execute an agreement establishing the scope of work and fees associated with the required engineering services.

Please let me know if additional information is needed.



Memorandum

To: David Hux, Director of Water Resources

From: Brian Wilson, Water Resources Operations Manager 

Date: 7/1/2022

Re: RFQ Selection – WTP Filter Rehabilitation

Background

As you are aware, professional civil engineering and architectural services exceeding \$50,000 is subjected to the RFQ process according to the Mini-Brooks Act. Furthermore, professional civil engineering and architectural services exceeding \$30,000 is subjected to the same RFQ process according to City policy.

Therefore, on May 30, 2022, the City of Shelby advertised a Request for Qualifications statement for engineering services related to the work with the City of Shelby Water Treatment Plant Filter Rehabilitation.

Review

A Request for Qualifications (RFQ) for the Engineering Services for the WTP Filter Rehabilitation was advertised and sent to engineering firms on May 30, 2022. The Statement of Qualifications (SOQ) of interested firms were due on June 24, 2022. We received SOQs from four (4) different engineering firms: McGill, Stantec, Willis Engineers and The Wooten Company.

The selection committee consisted of four (4) City staff members that individually reviewed the Statements and ranked them 1 through 4 based on four (4) criteria. The criteria for scoring included: Qualification of the firm, Overall qualifications of the Project Manager and Project Team, Relevant Project Experience and Project Understanding.

The selection committee met on Thursday, June 30, 2022 to discuss the Statements and determine who the committee would be recommending the Engineering Services contract be awarded to.

The selection committee recommends that McGill be awarded the Engineering Services contract for the WTP Filter Rehabilitation. The committee agreed that McGill had the most relevant work experience and were already working on other water treatment filter projects like the one presented. It was also stated that staff are familiar with and have a strong working relationship with the primary engineers for this project and that would be beneficial for communicating information with other numerous on-going projects within the City of Shelby

If you have any questions or need additional information, please let me know.

ORDINANCE NO. 45-2022

AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY'S AMERICAN RESCUE PLAN WATER AND SEWER PROJECTS

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 American Rescue Plan Water and Sewer Projects; 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 and maintenance of water and sewer utility assets, 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 repairs and improvements to certain water and sewer utility assets. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

Section 1. Appropriating Revenues:

ARP Funds-Federal	25002000-34550	\$ 971,000
Transfer to Water Capital Projects	250550-49611	\$ 781,000
Transfer to Sewer Capital Projects	250550-49621	\$ 190,000

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

Water Fund Capital Projects:

Revenues:		
Transferred from ARP Fund	61106000-39250-61842	\$530,000
Transferred from ARP Fund	61106000-39250-61843	\$251,000
Appropriation:		
Engineering	611716-42004-61842	\$ 40,000
Engineering	611716-42004-61843	\$160,000
Construction	611716-53000-61842	\$490,000
Construction	611716-53000-61843	\$ 91,000

Sewer Fund Capital Projects:

Revenues:		
Transferred from ARP Fund	62106000-39250-62880	\$190,000
Appropriation:		
Construction	621726-53000-62880	\$190,000

Ordinance No. 45-2022
July 18, 2022
Page 2

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 18th day of July, 2022.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

RESOLUTION NO. 57-2022

**A RESOLUTION AUTHORIZING SELECTION OF MCGILL ASSOCIATES, PA
BASED ON QUALIFICATIONS FOR THE WATER PLANT FILTER UPGRADES**

WHEREAS, the City of Shelby had a multi-phased rehabilitation plan developed for the City's Water Treatment Plant in 2016; and,

WHEREAS, the City of Shelby has need for additional improvements to the Water Treatment Plant filters and sedimentation valves to continue to provide adequate water treatment; and,

WHEREAS, the City of Shelby is seeking design engineering for the Water Treatment Plant Filter Upgrades; and,

WHEREAS, City staff issued a Request for Qualifications to professional engineering firms interested in providing design services and subsequently construction oversight to this project; and,

WHEREAS, Four (4) Statement of Qualifications were received from engineering firms interested in performing the work associated with this project in accordance with North Carolina General Statute 143-64.31; and,

WHEREAS, City staff has reviewed the Statement of Qualifications and determined that McGill Associates, PA is the most qualified to perform and provide the services as outlined in the Request for Qualifications.

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

Section 1. The City Council of the City of Shelby hereby desires for the City Manager or his designee to enter negotiations with McGill Associates, PA of Hickory, North Carolina in accordance with North Carolina General Statute 143-64.31 to negotiate a contract for the above referenced project.

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

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

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

Adopted and approved this 18th day of July 2022.

Resolution No. 57-2022
July 18, 2022
Page 2

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
July 18, 2022
City Hall Council Chamber

E. New Business

Agenda Item E-1

- 1) **FIRST READING:** An Ordinance amending Chapters 1, 10, 16, 20, 30, 32, 34 of the City of Shelby Code of Ordinances: Ordinance No. 46-2022

New Business Item: (Andrea Leslie-Fite, City Attorney)

- Memorandum dated July 12, 2022 from Andrea Leslie-Fite, City Attorney to Rick Howell, City Manager
- Ordinance No. 46-2022

City Manager's Recommendation / Comments

Ordinance No. 46-2022 is presented for City Council as a First Reading at this time. This ordinance amendment results from action taken by the North Carolina General Assembly amending NCGS 160-175.

The City Attorney has provided me with a memorandum of explaining the needed changes. She will address Council at this time and answer any questions you may have.

It is my recommendation that City Council adopt Ordinance No. 46-2022 on the first reading. A second reading and adoption at a subsequent meeting is required for the ordinance to go into effect.



To: Rick Howell, City Manager

From: Andrea Leslie-Fite, City Attorney

Date: July 12, 2022

Subject: Revisions of Chapters 1,10, 16, 20,30,32,34 of the City Code to Comply with amendments to N.C.G.S. §160A-175

Background:

N.C.G.S. §160A-175, as amended, decriminalizes certain ordinances unless the municipality adds a provision to each section that the section can be enforced criminally, as a misdemeanor. Prior to this law, the City's ordinances were deemed misdemeanors if violated. In order to continue enforcing certain city ordinances as misdemeanors, each section will need to be updated to specifically enumerate misdemeanor enforcement. The proposed ordinance makes needed changes to update Chapters 1,10,16,20,30,32, and 34 following the review of the Code of Ordinances by City Staff. The proposed will require two reads prior to adoption.

Recommendation

It is recommended that City Council, following two reads of the proposed ordinance, adopt the Ordinance entitled: An Ordinance Amending Chapter 1,10, 16,20,32, and 34 of the Shelby City Code of Ordinances

ORDINANCE NO. 46-2022

**AN ORDINANCE AMENDING CHAPTERS 1, 10, 16, 20, 30, 32, 34
THE CITY OF SHELBY CODE OF ORDINANCES**

WHEREAS, the Shelby City Council deems it prudent and necessary to update the Code of Ordinances to reflect new conditions and changed circumstances; and

WHEREAS, N.C.G.S. 160A-175 provided that effective December 1, 2021 a violation of a city ordinance may be a misdemeanor as provided by N.C.G.S. § 14-4 only if the City specifies such in the ordinance; and

WHEREAS, prior to December 1, 2021 state law provided that the violation of a city ordinance is a misdemeanor unless the City otherwise provides;

WHEREAS, the Shelby City Council intends for certain ordinance violations to continue to be punishable as a misdemeanor;

WHEREAS, Part XIII of Senate Bill 300/Session Law 2021-138 expressly prohibits criminal penalties for the regulation and licensing of businesses and trades; and

WHEREAS, Part XII of Senate Bill 300/Session Law 2021-138 expressly prohibits criminal penalties for the regulation of trees.

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. The City of Shelby Code of Ordinances be amended as follows:

Sec. 1-4. - Enforcement of ordinances.

~~(a) *General enforcement.* Unless otherwise expressly stated in a specific ordinance, violations of this Code of Ordinances or any other city ordinance shall constitute a misdemeanor, and/or at the election of the city shall subject the violator to criminal penalties, civil penalties and/or, where permitted by law, equitable remedies for said violation as hereinafter provided.~~

~~(b) *Injunction and order of abatement remedies.*~~

(1) Any provision of this Code or any other city ordinance that makes unlawful a condition existing upon or use made of real property may be enforced by injunction and order of abatement by the general court of justice. When a violation of such a provision occurs, the city may apply to the appropriate division of the general court of justice for a mandatory or prohibitory injunction and/or order of abatement commanding the defendant to correct the unlawful condition upon or cease the unlawful use of the property. The action shall be governed in all respects by the laws and rules governing civil proceedings, including the North Carolina Rules of Civil Procedure in general and Rule 65 in particular.

(2) An order of abatement may direct that buildings or other structures on the property be closed, demolished or removed; that fixtures, furniture or other movable property be removed from buildings on the property; that abandoned or junked vehicles be removed; that improvements or repairs be made; or that any other action be taken that is necessary to bring the property into compliance with this Code or any other city ordinance. If the defendant fails or refuses to comply with an injunction or with an order of abatement within the time allowed by the court, he may be cited for contempt, and the city may execute the order of abatement. The city shall have a lien on the property for the cost of executing an order of abatement in the nature of a mechanic's and material man's lien. The defendant may secure cancellation of a filed lien by paying all costs of the proceedings and posting a bond for compliance with the order. The bond shall be given with sureties approved by the clerk of superior court in an amount approved by the judge before whom the matter is heard and shall be conditioned on the defendant's full compliance with the terms of the order of abatement within a time fixed by the judge. Cancellation of an order of abatement shall not suspend or cancel an injunction issued in conjunction therewith.

(eb) Civil penalties.

(1) Upon determination of a violation of any subsection of this Code or any other city ordinance, the penalty for which is a civil penalty, the city shall cause a notice of violation to be issued to the violator by the appropriate official of the city and served on the violator or his agent, either in person or by first class United States mail, postage prepaid and addressed to the last known address of the violator as contained in the records of the city or as obtained from the violator or his agent. The appropriate city official serving the notice of violation shall sign and have notarized an affidavit describing the type of service and the date of service. The violator shall be deemed to have been served upon the mailing or personal service of the notice of violation. The notice of violation shall set out the nature of the violation, the code section or ordinance violated, the date or dates of the violation, and shall contain an order to cease the violation immediately or as otherwise provided by the ordinance being violated. The notice of violation shall specify that failure to comply with the ordinance may result in issuance of a citation and/or a civil action requiring payment of a civil penalty, together with costs, attorney fees, and such other relief as may be provided by law. The notice of violation shall also inform the violator of the violator's appeal rights. If the violation is in the nature of an offense for which an order of abatement would be appropriate in a civil proceeding, a reasonable period of time must be stated within which the violation must be abated.

(2) The violator may file an appeal from a notice of violation within ten days from the service date of the notice of violation as indicated on the affidavit of service. An appeal is deemed filed when it is received by the city manager or his stated

designee. Forms and instructions for filing an appeal shall be made available at the office of the city manager or his said designee. A violator who fails to file an appeal within the time period described above is deemed to have forfeited the right to appeal the violation, the notice of violation, the civil citations, and the civil penalties assessed for the violation. Appeals shall be heard by administrative process established by the city. The decision of the administrative appeal arbiter shall be final. If an appeal is denied, the violator shall have ten days following the date of the decision to comply with the ordinance in question.

(3) Where the city determines that the period of time stated in the original notice of violation is not sufficient for abatement based upon the work required or based on a consent agreement, the city may at any time amend the notice of violation to provide for additional time.

(4) Upon failure of the violator to appeal or to comply with the notice of violation within ten days of service of the notice of violation, a civil citation shall be issued by the appropriate official of the city and served on the violator or his agent, either in person or by first class United States mail, postage prepaid and addressed to the last known address of the violator. The appropriate city official serving the civil citation shall sign and have notarized an affidavit describing the type of service and the date of the service. The violator shall be deemed to have been served upon the mailing or personal service of the civil citation.

(5) The civil citation shall direct the violator to immediately cease the violation, shall inform the violator of the civil penalty, and shall direct the violator to make payment of the civil penalty to the city manager or his stated designee, within ten days of the date of the civil citation, or alternatively to pay the citation by mail postmarked within ten days of service of the civil citation. Once a notice of violation has been issued and the ten-day appeal or warning period has expired, civil citations may be issued for each day the same or similar violation continues until the prohibited activity is ceased or abated.

(6) If a violation is repeated within a two year period from the date of the initial violation, it shall be considered to be a continuation of the initial violation, whether or not the previous violation was voluntarily ceased or abated by the violator within the ten-day period following service of the notice of violation, and shall be subject to additional penalties and remedies as set forth in this stion. A repeat violation is one which is identical to or reasonably similar to a previous violation for which a notice of violation or civil citation has been issued by the city.

(7) If the violator fails to respond to a civil citation within ten days of its service, and pay the penalty prescribed therein, the city may institute a civil action in the appropriate division of the North Carolina General Court of Justice for abatement

of the violation and/or for the collection of the citation penalty, costs, attorney fees and such other relief as permitted by law.

~~(d-c)~~In the event any provision of this section is found to be in conflict with any other provision of any other ordinance or code of the city, the more specific provision shall prevail. In the event any provision of this section is found to be invalid, the remaining provisions shall remain effective and valid.

~~(e-d)~~ The time periods in this section shall be computed in the manner set forth in Rule 6(a) and 6(e) of the North Carolina Rules of Civil Procedure.

~~(f-e)~~The provisions of this Code and any other city ordinances may be enforced by one, all or a combination of the remedies authorized and prescribed by this section unless otherwise provided by ordinance.

~~(g f)~~ If any provision of this Code is violated by a corporation or statutory corporate entity, the officer, agent or employee who violates such provision, or who procures, aids or abets such violation, shall be subject to the same penalties as if he himself committed the violation.

~~(h g)~~ The existing provisions of the Code of Ordinances, the violation of which shall subject the offender to civil penalties and/or a combination of any other remedy authorized and prescribed by this section, are as follows:

Sec. 1-5. - General penalty.

~~(a) Unless otherwise provided herein or by ordinance, each violation of this Code and any other city ordinance constitutes a misdemeanor. Any person, firm, corporation, or other entity convicted of violating the provisions of this Code is, upon conviction, guilty of a misdemeanor and is subject to a fine not to exceed \$500.00 and/or subject to imprisonment for a period not to exceed 30 days.~~

(a) Unless otherwise provided by specific ordinance, civil penalties shall be in the following amounts:

First citation: \$50.00

Second citation for same or similar violation: \$100.00

Third and subsequent citations for same or similar violation: \$500.00

Once a notice of violation has been issued and the ten-day warning period has expired, civil citations in the above amounts may be issued for each day the same or similar violation continues until the prohibited activity is ceased or abated in accordance with section 1-4.

(b) In the event any provision of this section is found to be in conflict with any other provision of any other ordinance or code of the city, the more specific provision shall prevail. In the event any provision of this section is found to be invalid, the remaining provisions shall remain effective and valid.

Sec. 10-37. - False statement; penalty.

Any person who shall willfully make any false statement in any application for a license under any section of this article or schedule shall be guilty of a misdemeanor, and upon conviction shall be **punished as provided by G.S. 14-4** ~~fined and/or imprisoned subject to the general penalty provisions in section 1-4.~~

Sec. 16-81. - Penalties and remedies.

(b) A violation of this article by reasons of conditions described in [section 16-72](#), shall constitute a misdemeanor, punishable ~~by a fine of not more than \$500.00 or imprisonment for not more than 30 days~~ as provided by G.S. 14-4.

Sec. 20-42. - Penalty.

Violation of the provisions of this article or failure to comply with any of its requirements, including violation of conditions and safeguards established in connection with grants of variance or special exceptions, shall constitute a misdemeanor. Any person who violates this article or fails to comply with any of its requirements shall upon conviction be punished in accordance with ~~section 1-4~~ G.S. 14-4.

Sec. 30-112. - Display of sexually explicit material in establishments frequented by minors. [Offenses and Miscellaneous Provisions/ Offenses against Public Morals]

(d) *Violations.*

(1) A violation of this section shall constitute a misdemeanor **and shall be punished as provided by G.S. 14-4.**

(2) In addition to criminal penalties, a violation of this section may be enforced by the institution of proceedings in the form of a civil action for equitable and injunctive relief to restrain or prohibit the violation. The proceeding shall be brought in the superior court of the county. The institution of any proceeding for equitable or injunctive relief under this subsection shall not relieve any party to such proceedings of any criminal penalty imposed for violation of any part of this section.

Sec. 32-3. - Ban on registered sex offenders from city parks and recreation facilities.
[Parks and Recreation/In General]

(b)*Penalties.* Violation of this section shall be a ~~class 1~~ misdemeanor, ~~punishable by a fine of \$500.00 and/or incarceration for up to 30 days~~ punished as provided by G.S. 14-4. Each entry into a public park, regardless of the time period between such entries, shall constitute a separate offense under this article.

Sec. 34-67. - Violations of article.

Any person violating any of the provisions of this article or filing or causing to be filed an application for a permit or certificate under this article containing false or fraudulent statements shall upon conviction be punished as prescribed in ~~accordance with G.S. 14-4~~. If the violation charged is soliciting contributions for any charitable purpose without a permit or soliciting contributions for any religious purpose without a certificate, each such act of solicitation shall constitute a separate offense.

Sec. 42-121. - Violation; penalty.

Any person violating any of the provisions of this article shall be guilty of a misdemeanor and shall be punished in accordance with ~~G.S. 14-4 section 1-4~~.

Section 2. The ordinance shall become effective upon its adoption and approval.

ADOPTED AND APPROVED this the 18th day of July, 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
July 18, 2022
City Hall Council Chamber

Agenda Item E-2

- 2) **FIRST READING:** An Ordinance amending Chapter 12 of the City of Shelby Code of Ordinances: Ordinance No. 47-2022

New Business Item: (Andrea Leslie-Fite, City Attorney)

- Memorandum dated July 12, 2022 from Andrea Leslie-Fite, City Attorney to Rick Howell, City Manager
- Ordinance No. 47-2022

City Manager's Recommendation / Comments

Ordinance No. 47-2022 is presented for City Council as a First Reading at this time. This ordinance amendment results from action taken by the North Carolina General Assembly amending NCGS 160-175.

The City Attorney has provided me with a memorandum of explaining the needed changes. She will address Council at this time and answer any questions you may have.

It is my recommendation that City Council adopt Ordinance No. 47-2022 on the first reading. A second reading and adoption at a subsequent meeting is required for the ordinance to go into effect.



To: Rick Howell, City Manager

From: Andrea Leslie-Fite, City Attorney

Date: July 12, 2022

Subject: Proposed Revisions to Chapter 12 of the Code of Ordinances

Background:

Article 17 of Chapter 160A of the North Carolina General Statutes authorizes cities to operate cemeteries. The City of Shelby owns and operates cemeteries within its corporate boundaries as authorized by Article 17 of Chapter 160A. Recent conditions and the evolution of monument materials constitute changed circumstances in the operation and maintenance of city owned cemeteries. The proposed ordinance language endeavors to maintain the proper and orderly upkeep of city owned cemetery grounds.

Recommendation

It is recommended that City Council, following two reads of the proposed ordinance, adopt the Ordinance entitled: An Ordinance Amending Chapter 12 of the Shelby City Code of Ordinances

ORDINANCE NO. 47-2022

**AN ORDINANCE AMENDING CHAPTER 12 OF
THE CITY OF SHELBY CODE OF ORDINANCES**

WHEREAS, Article 17 of Chapter 160A authorizes cities to operate cemeteries; and

WHEREAS, the City of Shelby owns and operates cemeteries within its corporate boundaries as authorized by Article 17 of Chapter 160A; and

WHEREAS, the Shelby City Council deems it prudent and necessary to update the Code of Ordinances to reflect new conditions and changed circumstances in the operation and maintenance of city owned cemeteries; and

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. The City of Shelby Code of Ordinances be amended as follows:

Sec. 12-9. - Approval required for mausoleums.

(a) No mausoleum shall be erected in any cemetery unless its location is first approved by the cemetery superintendent, and unless plans and specifications are submitted to and approved by the superintendent.

(b) All mausoleums shall be constructed of first quality granite or marble only. **Granite means a common, coarse-grained, light-colored, hard igneous rock consisting chiefly of quartz, orthoclase or microcline, and mica, used in monuments for building. Marble means a metamorphic rock formed by alteration of limestone or dolomite, often irregularly colored by impurities, and used especially in architecture and sculpture.**

(c) The foundations for all mausoleums shall be **made** of solid masonry concrete and **include a sufficient number** columns to sustain the weight of the mausoleum. The area at the top of such foundations must be at least equal to that of the base of the superstructure. Foundations shall be constructed by **a licensed and bonded** mausoleum company under the specifications set out above at the expense of the owner/company.

Sec. 12-44. - Memorials and installations.

(a) The city reserves the right to regulate the size and quality of all memorials, foundations and other construction placed upon any grave or lot in city cemeteries, and to prevent the erection, construction or placing of any objects which may conflict with this chapter, or which may be injurious to the general appearance of the cemeteries and to remove them if necessary. The city shall not be responsible for theft or damage to anything placed on graves or lots.

(b) All monuments shall be constructed of first quality granite or marble only. **Granite means a common, coarse-grained, light-colored, hard igneous rock consisting chiefly of**

quartz, orthoclase or microcline, and mica, used in monuments for building. Marble means a metamorphic rock formed by alteration of limestone or dolomite, often irregularly colored by impurities, and used especially in architecture and sculpture.

(c) The foundations for all monuments shall be made of solid masonry concrete and include a sufficient number of columns ~~of sufficient number~~ to sustain the weight of the monument. The area at the top of such foundations must be at least equal to that of the base of the superstructure. Foundations shall be constructed by ~~the~~ a licensed and bonded monument company under the specifications set out above at the expense of the owner/company.

Section 2. The ordinance shall become effective upon its adoption and approval.

ADOPTED AND APPROVED this the 18th day of July, 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
July 18, 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. 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