

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. Public Hearings:**

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 28706 and 28707 (Depot Park): Ordinance No. 1-2024 2 - 15
- 2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 30492 and 28474 (Blanton Farm): Ordinance No. 2-2024 16 - 71
- 3) Consideration of a resolution granting a special use permit to Caleb Peeler for parcel 60931 at the corner of South Post Road and Joe's Lake Road: Resolution No. 1-2024 (quasi-judicial hearing required) 72 - 85

**D. Consent Agenda:**

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

- |   |           |
|---|-----------|
| 1) Approval of the Minutes of the Regular Meeting of December 4, 2023   | 86 - 95   |
| 2) Adoption of a budget ordinance amendment for the City of Shelby's City Park Pool Renovation Project: Ordinance No. 3-2024                          | 96 - 98   |
| 3) Approval of a resolution accepting a dedication of land for the new location of County Home Road: Resolution No. 2-2024                            | 99 - 101  |
| 4) Underground Electric Installation Projects FY24 (Villas at Kingsview):   | 102 - 113 |
| a) Adoption of budget ordinance amendment for the City of Shelby's Underground Electric Projects FY24 – Amendment #1: Ordinance No. 4-2024            |           |
| b) Approval of a resolution awarding the construction contract for the Kingsview Subdivision Underground Electric Project: Resolution No. 3-2024      |           |
| 5) Underground Electric Installation Projects FY24 (Willow Estates):  | 114 - 128 |
| a) Adoption of budget ordinance amendment for the City of Shelby's Underground Electric Projects FY24 – Amendment #2: Ordinance No. 5-2024            |           |
| b) Approval of a resolution awarding the construction contract for the Willow Estates Subdivision Underground Electric Project: Resolution No. 4-2024 |           |

6) Seattle Crossing Subdivision Underground Electric Installation Project:	129 - 141
a) Adoption of budget ordinance amendment for the City of Shelby's Seattle Crossing Underground Electric Project – Amendment #1: Ordinance No. 6-2024	
b) Approval of a resolution awarding the construction contract for the Seattle Crossing Subdivision Underground Electric Project: Resolution No. 5-2024	
7) Approval of a resolution approving a financing agreement authorized by North Carolina General Statute 160A-20: Resolution No. 6-2024	142 - 154
8) City Of Shelby FY 2023-2024 Budget Ordinance Amendment (JAG grant): Ordinance No. 7-2024	155 - 181
9) Approval of a resolution and order to accept a memorial commemorating the 50 Greatest Mens Basketball Players of Cleveland County at the Holly Oak Park Gymnasium: Resolution No. 7-2024	182 - 183
10) Recognition of Beth B. Beam, Finance Director, and the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the Fiscal Year ended June 30, 2022	184 - 191
11) Management Reports:	192 - 220
a) Monthly Financial Summary – November 2023	
b) Sanitary Sewer Overflow Report	
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**F. New Business:**

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|---|-----------|
| 1) Approval of a resolution giving preliminary approval for the issuance of multifamily housing revenue bonds to finance the acquisition, rehabilitation and equipping of Laurel Hill Apartments: Resolution No. 8-2024 | 222 - 225 |
| 2) Approval of a resolution authorizing execution of a pre-development agreement for the redevelopment of historic Webbley: Resolution No. 9-2024   | 226 - 230 |

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**H. Council Announcements and Remarks** 231

**I. Closed Session:** 231

- 1) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including on a tentative list of economic development incentives that may be offered by the public body in negotiations pursuant to North Carolina General Statute 143-318.11(a)(4).

**J. Adjournment:** 231

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

- 1) Motion to adjourn



**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.***

C. Public Hearings:

Agenda Item: C-1 **Legislative**

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 28706 and 28707 (Depot Park): Ordinance No. 1-2024

**Presenting: (Justin Longino, Assistant City manager)**

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Summary of Available Information:

- Memorandum dated January 3, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
  - General Application
  - Staff Report
  - Future Land Use Map, Location Map, and Zoning Map
  - Notice of Public Hearing
  - Public Notice
  - Certified Recommendation from the Planning and Zoning Board
  - Ordinance No. 1-2024
- 

City Manager's Recommendation / Comments

This time is scheduled on the agenda for City Council to conduct the required public hearing in accordance with the NC General Statutes. Following the conclusion of the hearing the Council may act on the item under consideration. A certified recommendation from the Planning and Zoning Board is included as part of the packet. I would call attention to Mr. Longino's memorandum noting that the zoning map amendment is **consistent** with the City's current land use plan, however it is consistent with development patterns in the area. I would further note that the recommendation of the Planning and Zoning Board is advisory in nature only and that as a legislative matter Council has broad discretion to take action it believes is in the best interests of the City. City Council has adopted plans and established an advisory board for the purpose of providing reasonable guidance in the decision-making process.

The following excerpt from the NC General Statutes is provided as a reminder as to the statutory guidance provided to Council when considering changes in zoning and development regulations.

See Next Page

**§ 160D-605. Governing board statement.**

*(a) Plan Consistency. – When adopting or rejecting any zoning text or map amendment, the governing board shall approve a brief statement describing whether its action is consistent or inconsistent with an adopted comprehensive plan. The requirement for a plan consistency statement may also be met by a clear indication in the minutes of the governing board that at the time of action on the amendment the governing board was aware of and considered the planning board's recommendations and any relevant portions of an adopted comprehensive plan. If a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment shall have the effect of also amending any future land-use map in the approved plan, and no additional request or application for a plan amendment shall be required. A plan amendment and a zoning amendment may be considered concurrently. The plan consistency statement is not subject to judicial review. If a zoning map amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the governing board statement describing plan consistency may address the overall rezoning and describe how the analysis and policies in the relevant adopted plans were considered in the action taken.*

*(b) Additional Reasonableness Statement for Rezonings. – When adopting or rejecting any petition for a zoning map amendment, a statement analyzing the reasonableness of the proposed rezoning shall be approved by the governing board. This statement of reasonableness may consider, among other factors, (i) the size, physical conditions, and other attributes of the area proposed to be rezoned, (ii) the benefits and detriments to the landowners, the neighbors, and the surrounding community, (iii) the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment; (iv) why the action taken is in the public interest; and (v) any changed conditions warranting the amendment. If a zoning map amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the governing board statement on reasonableness may address the overall rezoning.*

*(c) Single Statement Permissible. – The statement of reasonableness and the plan consistency statement required by this section may be approved as a single statement. (2019-111, s. 2.4; 2020-3, s. 4.33(a); 2020-25, s. 51(a), (b), (d).*

**After the conclusion of the public hearing City Council may act upon Ordinance No. 1-2024**

**Possible actions:**

**Motion to approve Ordinance No. 1-2024 as presented.**

**OR**

**Motion to deny approval of Ordinance No. 1-2024 as presented.**

MEMORANDUM

To: Rick Howell – City Manager  
From: Justin Longino – Assistant City Manager  
Date: January 3, 2024  
Subject: Depot Park Rezoning

**Background**

The subject property is located at the southeast corner of Morgan Street and West Graham Street, where it extends south to Gardner Street. The subject property is approximately 3.2 acres and is currently zoned General Industrial (GI). The applicant is proposing to rezone the parcel to Central Business (CB) in order to allow for the redevelopment of the property into a city park.

**Recommendation**

The Comprehensive Land Use Plan identifies this property as being in the Uptown Master Plan District adjacent to a High-Density Residential area. This proposal is consistent with the Comprehensive Future Land Use Plan and with development in the area. Staff recommends this proposed zoning change.

*Please schedule a public hearing for the January 8<sup>th</sup> City Council meeting.*

**Attachments:**

Application  
Staff Report  
Zoning Map  
Location Map  
Future Land Use Map  
Notice of Public Hearing  
Certified P&Z Recommendation  
Ordinance



City of Shelby  
Planning and Development Services Department

General Application

Address of Subject Property:

South Morgan Street

Applicant(s) Name: Ed McLean

Address: 136 Furman Rd. Ste 6, Boone, NC 28607

Email: Ed@dbdplanning.com

Phone: 828 406 3776

Owner(s) Name: City of Shelby

Email:

Phone:

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

Request for (Check all that apply):

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

Project Information (Fill in applicable information):

Parcel Number: 28706

Proposed Zoning: CB - Central Business District

Proposed Land Use: Recreation - Civic

Previous Use: Vacant

Approx Building Sq Ft:

Approx Project Acreage:

Business Name: Depot Park

Construction Sq. Ft.:

Valuation:

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

Redevelopment of existing vacant property for public recreational use. Uses to include restaurant, stage, playground, splash pad, open lawn areas, greenway trail, and associated restrooms.

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

Signature of Applicant

Date

Received by:

Date

# Staff Report



To: Shelby Planning & Zoning Board  
From: Audrey Whetten Godfrey  
Senior Planner

Date: Nov 9, 2023  
Meeting: Nov 16, 2023  
File: #

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**OWNER:** City of Shelby

**APPLICANT:** City of Shelby

**LOCATION:** South Lafayette Street at

**PARCEL ID #:** 28706

**PRESENT ZONING:** GI

**REQUESTED ZONING:** CB

**SURROUNDING ZONING:**           **North:** CB, GI   **South:** GB   **East:** CB, GB   **West:** GI

**UTILITIES:**                           **Water:** Yes   **Sewer:** Yes   **Floodplain:** No   **Watershed:** No

**ANALYSIS:** The subject property is located at the southeast corner of Morgan Street and West Graham Street, where it extends south to Gardner Street. The subject property is approximately 3.2 acres and is currently zoned General Industrial (GI). The applicant is proposing to rezone the parcel to Central Business (CB) in order to allow for the redevelopment of the property into a city park.

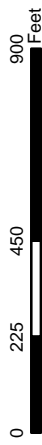
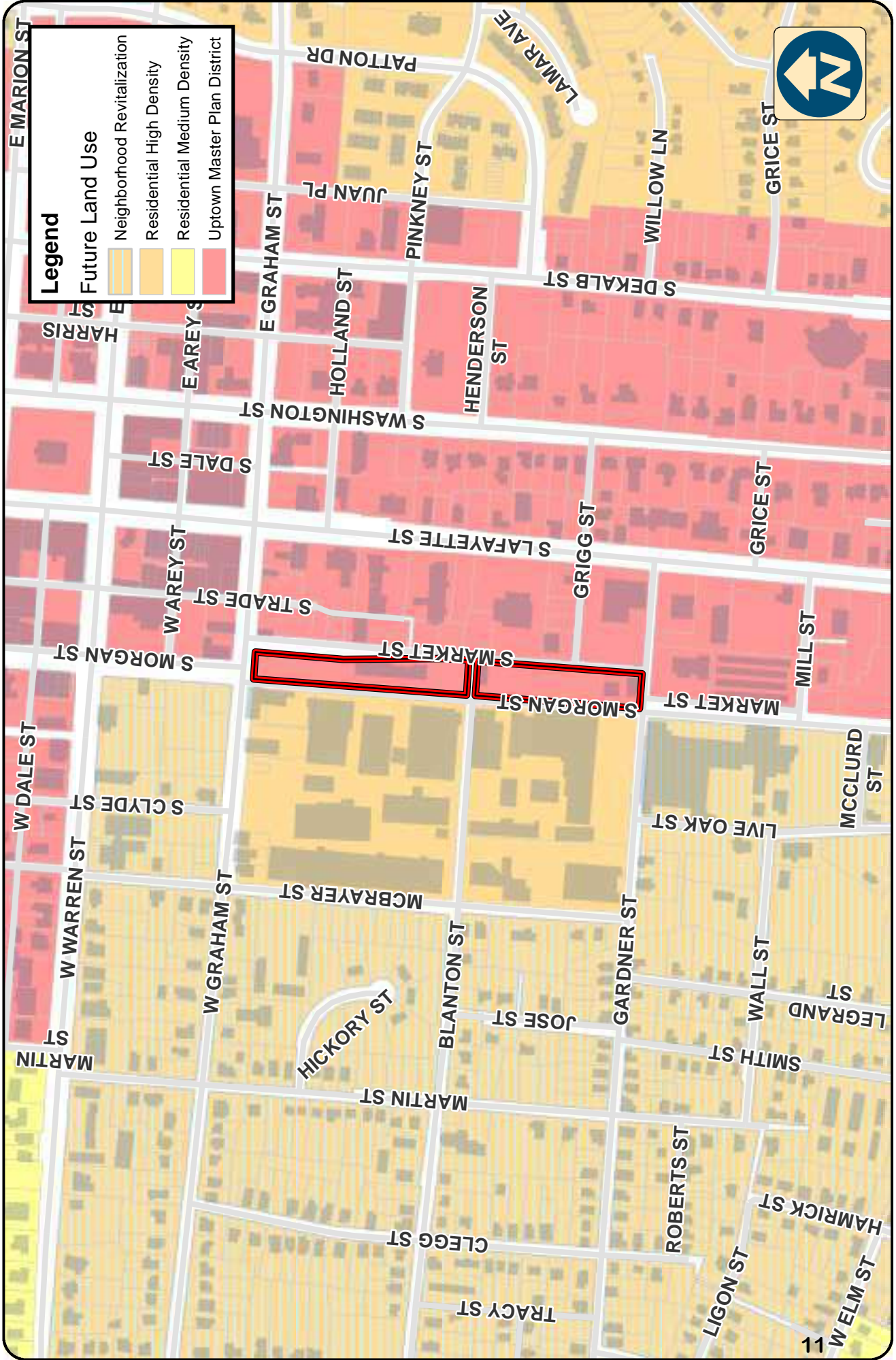
The GI General Industrial district is primarily intended to accommodate a wide range of assembling, fabricating, manufacturing uses, and support retail and service uses. The GI district is established for the purpose of providing appropriate locations and development regulations for uses that may require special measures to ensure compatibility with adjoining residential or business properties.

The CB Central Business district is primarily intended to accommodate a wide variety of commercial activities, particularly those that are pedestrian-oriented, in an intensive development pattern in the city's central business district (CBD). The regulations of this district are intended to preserve the general character and integrity of the current development in the CBD; encourage land uses which provide for a multi-purpose CBD including retail, offices, professional and personal services, entertainment, institutional uses, and living space; encourage land uses which do not require large amounts of outdoor use areas; encourage common or shared off-street parking; and encourage the continued use of land for governmental activities.

**STAFF COMMENTS:** The Comprehensive Land Use Plan identifies this property as being in the Uptown Master Plan District adjacent to a High-Density Residential area. This proposal is consistent with the Comprehensive Future Land Use Plan. Staff recommends this proposed zoning change.



# Future Land Use Depot Park



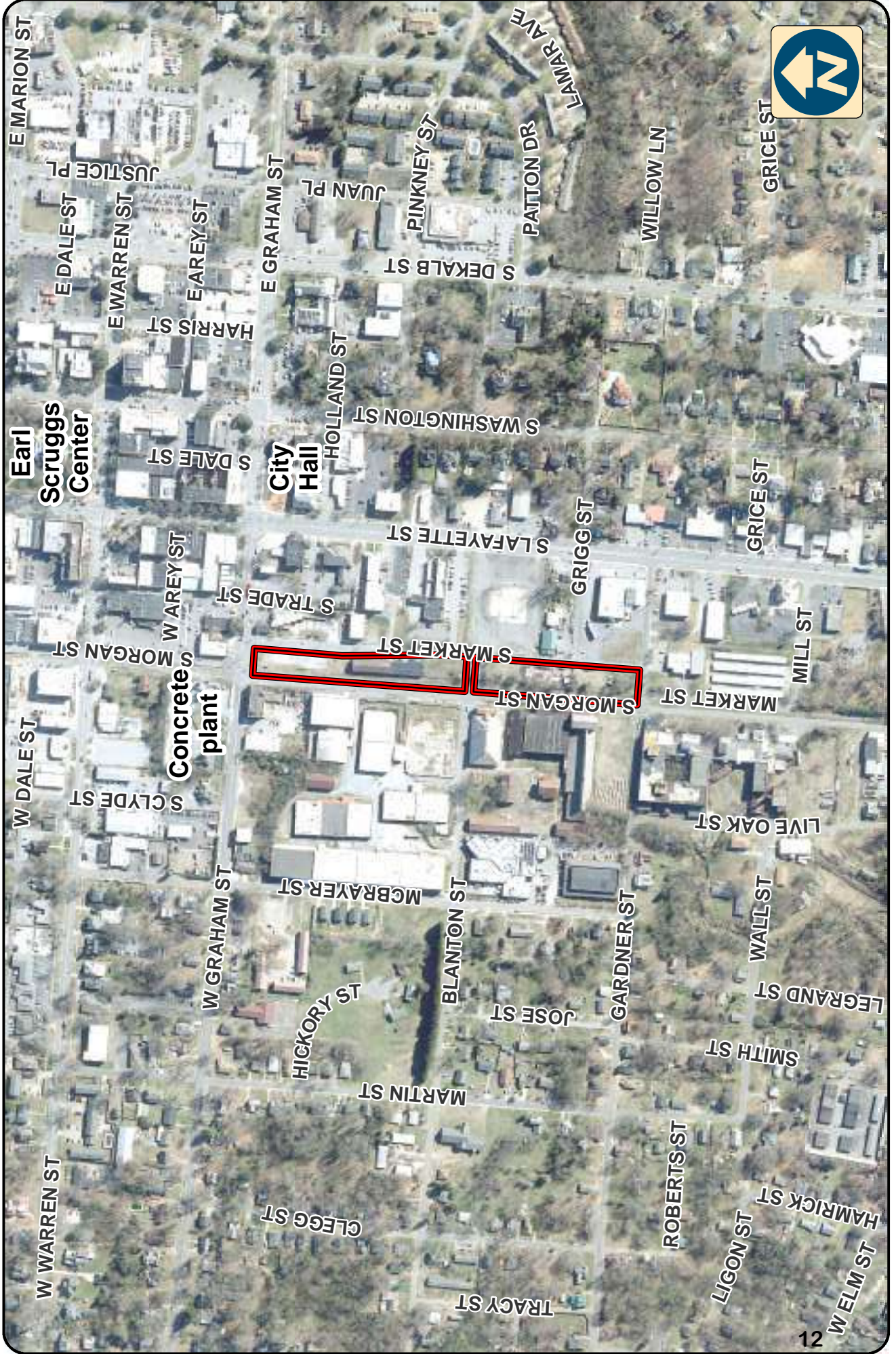
Scale 1:5,400 1 inch = 450 feet

Date: 11/13/2023





# Location Depot Park



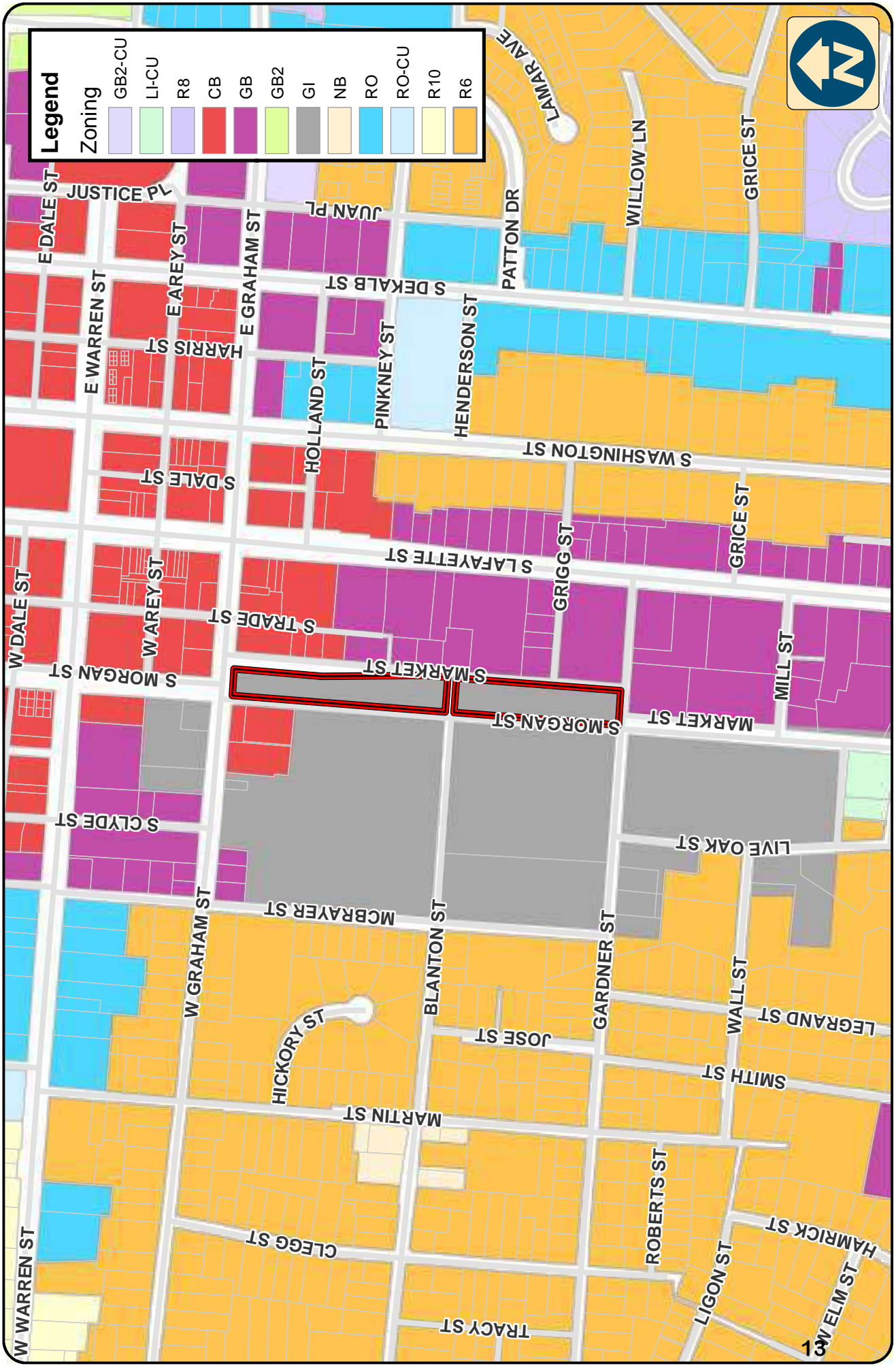
Scale 1:5,400 1 inch = 450 feet

Date: 11/13/2023





# Zoning Map Depot Park



Legend	
Zoning	Color
GB2-CU	Light Purple
LI-CU	Light Green
R8	Light Blue
CB	Red
GB	Purple
GB2	Light Green
GI	Grey
NB	Light Orange
RO	Light Blue
RO-CU	Light Blue
R10	Yellow
R6	Orange



Scale 1:5,400 1 inch = 450 feet

Date: 11/13/2023

## **NOTICE OF PUBLIC HEARING ZONING MAP AMENDMENT**

The City Council of Shelby, North Carolina will conduct a public hearing during its regular meeting at 6:00 p.m., Monday, January 8, 2024, at 300 South Washington Street. City Council will consider a proposed zoning map amendment from General Industrial (GI) to Central Business (CB) Zoning District for property located on South Morgan Street with the Cleveland County Parcel Numbers 28706 and 28707.

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

The City Council may change the existing zoning classification of the entire area covered by the petition or any part thereof, without the withdrawal or modification of the petition or further publication of notice.

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

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

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Carol Williams  
City Clerk

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### **The Shelby Star:**

**Please publish this notice as a legal line ad on Wednesday, December 20, 2023 and the same ad again on Wednesday, December 27, 2023 in The Shelby Star.**

**Mail invoices with affidavits to Audrey Whetten Godfrey, City of Shelby, PO Box 207, Shelby, NC 28151. Thank you.**



December 18, 2023

RE: Parcels 28706 and 28707– South Morgan Street – Proposed Zoning Map Amendment

Dear

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on Monday, January 8, 2024, at 6:00 p.m. at 300 South Washington Street in City Hall to consider a proposed zoning map amendment from General Industrial (GI) to Central Business (CB) Zoning District for property located on South Morgan Street with the Cleveland County Parcel Numbers 28706 and 28707.

Enclosed are the application, location map, and zoning map.

If you have any questions or require additional information, contact Audrey Whetten Godfrey at [audrey.godfrey@cityofshelby.com](mailto:audrey.godfrey@cityofshelby.com) or 704-484-6829.

Sincerely,

A handwritten signature in black ink that reads "Audrey Whetten Godfrey". The signature is written in a cursive style.

Audrey Whetten Godfrey  
Senior Planner

Enclosures

Parcel Number	Parcel Address	Owner Address	Owner City	Owner State	Owner Zipcode	Owner 1	Owner 2
17124	130 W GRAHAM ST	2028 WESSON RD	SHELBY	NC	28152-7076	PADGETT WILSON W JR	PADGETT DIANE W
17851	201 W GRAHAM ST	205 POPLAR SPRINGS C	SHELBY	NC	28152	HORNER NANCY LIVING TRUST	
70828	303 S MORGAN ST	3150 SUFFOLK DR	SHELBY	NC	28152	THE DOLMADA COMPANY	
28707	S MORGAN ST	8 N JEFFERSON ST	ROANOKE	VA	24042	CITY OF SHELBY	
17175	S MARKET ST	895 S BROADWAY ST	FOREST CITY	NC	28043	FAMILY CAR RENTAL, LLC	
17853	S MORGAN ST	BOX 146	SHELBY	NC	28151	CAPITOL FUNDS INC	
17162	307 MARKET ST	P O DRAWER 207	SHELBY	NC	28151	SHELBY CITY OF	
17176	327 S MARKET ST	PO BOX 1420	SHELBY	NC	28151-1420	WHITE INVESTMENTS OF SHELBY	LLC A NC LIMITED
17160	300 BLANTON ST	PO BOX 1697	SHELBY	NC	28151-1697	ROYSTER P & M WAREHOUSE CO INC	
71668	132 W GRAHAM ST	PO BOX 2242	SHELBY	NC	28151-2242	UNITED WAY OF CLEVELAND COUNTY	
70826	200 W GRAHAM ST	PO BOX 5247	CHARLOTTE	NC	28225	CONCRETE SUPPLY CO LLC	
17174	S MARKET ST	PROP TAX DEPT	WINSTON-SALEM	NC	27102-0167	BRANCH BANKING & TRUST CO	

# Certified Recommendation

## City of Shelby Planning & Zoning Board



**Case File:** # 1193

**Amendment:** A Zoning Map Amendment for property located at the southeast corner of Morgan Street and West Graham Street, where it extends south to Gardner Street (having Cleveland County parcel numbers 28706 and 28707) from General Industrial (GI) zoning district to Central Business (CB) zoning district.

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**Recommendation:** The Planning and Zoning Board recommends approval of the proposed zoning map amendment for property located at the southeast corner of Morgan Street and West Graham Street, where it extends south to Gardner Street (having Cleveland County parcel numbers 28706 and 28707) from General Industrial (GI) zoning district to Central Business (CB) zoning district.

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**Findings &**

**Reasons:**

1. The proposed zoning map amendment is consistent with the Comprehensive Land Use Plan for the proposed land use.
2. The proposed zoning map amendment is consistent with development patterns in the area.

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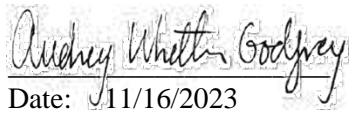
**Motion:** Mr. Hamrick made the motion to recommend approval of the proposed Zoning Map Amendment from GI zoning district on the basis that the proposed zoning map amendment is consistent with the Comprehensive Land Use Plan for the proposed land use and is consistent with development patterns in the area.

**Second:** Mr. Royster

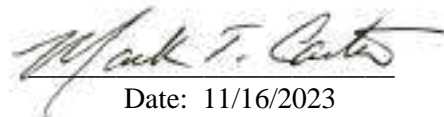
**Action:** This motion passed unanimously.

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**Signatures:** Audrey Whetten Godfrey  
Senior Planner

  
Date: 11/16/2023

Mark Carter  
Planning and Zoning Board Chair

  
Date: 11/16/2023

**ORDINANCE NO. 1-2024**

**A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF  
THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 28706 and 28707**

**WHEREAS**, the City of Shelby has received an application requesting the rezoning of property at the southeast corner of Morgan Street and West Graham Street, where it extends south to Gardner Street (Parcels 28706, 28707) located in Cleveland County and within the corporate limits of the City of Shelby; and,

**WHEREAS**, the Shelby Planning and Zoning Board has reviewed said application for a zoning change and has made its findings and recommendations to City Council; and,

**WHEREAS**, the Shelby Planning and Zoning Board found that the zoning change is consistent with development in the area and with the Comprehensive Land Use Plan for the proposed land use; and,

**WHEREAS**, in accordance with GS 160D-602, a public hearing on this proposed rezoning was held by City Council on January 8<sup>th</sup>, 2024 after due publication of said hearing as required by law; and,

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

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

**Section 1.** This zoning change is reasonable and in the public interest based on being consistent with the City of Shelby Comprehensive Land Use Plan for the proposed land use.

**Section 2.** In accordance with Chapter 160D, Article 6 and Article 7 of the North Carolina General Statutes, as amended, the Shelby Unified Development Ordinance and Shelby Zoning Map (Appendix A of the Shelby City Code), the property at the southeast corner of Morgan Street and West Graham Street, where it extends south to Gardner Street (Parcels 28706, 28707) is hereby amended from the GI (General Industrial) Zoning District to CB (Central Business).

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

**Section 4.** This ordinance shall become effective on January 8<sup>th</sup>, 2024 upon its adoption and approval.

**ADOPTED AND APPROVED** this the 8th day of January 2024.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

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Jason Lunsford  
City Attorney

Agenda Item: C-3 **Quasi-Judicial**

3) Consideration of a resolution granting a special use permit to Caleb Peeler for parcel 60931 at the corner of South Post Road and Joe's Lake Road: Resolution No. 1-2024

**Presenting: (Justin Longino, Assistant City Manager)**

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Summary of Available Information:

- Memorandum dated January 3, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
  - General Application
  - Letter dated October 4, 2023 from Peeler Engineering to Audrey Whetten, City of Shelby
  - Supporting Documents
  - Staff Report
  - Zoning Map and Future Land Use Map
  - Quasi-Judicial Hearing document
  - Resolution No. 1-2024
- 

City Manager's Recommendation / Comments

This hearing must be conducted in a quasi-judicial fashion by the Mayor and Council. By nature, decisions conducted as such involve two key elements 1) there must be a written finding of facts regarding the specific proposal and 2) the exercise of judgment and discretion must apply existing policies to the situation.

As a reminder these hearings must be evidentiary in nature and the decision of Council must be based upon that evidence. The purpose of the hearing is to establish facts, not to gather opinions about the desirability or popularity of the proposed development. Any person offering testimony must do so under oath and cross examination must be allowed. The gathering of evidence outside the hearing by individual members is not permitted and as noted previously a written finding of facts is required.

Information provided by Mr. Longino within the agenda packet is to be considered evidence to be factored in as part of your decision-making policy. It should be noted that your decision may only be appealed to NC Superior Court within the prescribed time frame in the statute.

**Following the hearing City Council may take action either in favor or opposition to Resolution No. 1-2024 but must do so based upon a finding of facts.**



MEMORANDUM

To: Rick Howell – City Manager  
From: Justin Longino – Assistant City Manager  
Date: January 3, 2024  
Subject: Joe’s Lake and S. Post Road Townhome Project

**Background**

The applicant is proposing a high-density townhome community consisting of up to 81 townhomes across 15 buildings (4-6 units per building). The subject property is located at the northeastern corner of Joe’s Lake Road and South Post Road. The site area is 9.18 acres, existing zoning is GB (general business), and the property is currently vacant.

**Review and Comments**

The proposal is consistent with the Comprehensive Land Use Plan, connects to existing neighborhoods in the area which improves connectivity, and matches development patterns in the area.

Our Unified Development Ordinance stipulates that any proposed multifamily development with more than 25 units (this includes townhomes) requires a Special Use Permit 1. This permit is reviewed in a quasi-judicial proceeding by the City Council in accordance with Section 4-7 of the UDO.

**Recommendation**

Staff recommends approval of the proposal based on its consistency with the Comprehensive Land Use Plan and existing development in the area.

**Attachments:**

- Application
- Site Plan
- Staff Report
- Location Map
- Zoning Map
- FLU map
- Quasi-Judicial Procedures from the City Attorney
- Resolution



City of Shelby  
Planning and Development Services Department

General Application

Address of Subject Property:

S. Post Road & Joe's Lake Road

Applicant(s) Name: Caleb Peeler, PE

Address: 211 Patton Drive

Shelby, NC 28150

Email: caleb.peeler@protonmail.com

Phone: (704) 692-4212

Owner(s) Name: Don Peeler Realty, Inc.

Email: Donpeelernc@aol.com

Phone: (704) 913-1033

Relationship to Property:  Owner  Developer, Contractor, etc.  Other: \_\_\_\_\_

Request for (Check all that apply):

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

Project Information (Fill in applicable information):

Parcel Number: 60931

Proposed Zoning: GB

Proposed Land Use: Residential - Townhomes

Previous Use: Agricultural

Approx Building Sq Ft: 1,500

Approx Project Acreage: 9.2 ac

Business Name: Lennar Homes

Construction Sq. Ft.: 121,500

Valuation: ~ \$15,000,000

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

The purpose of this project is to construct a residential townhome subdivision consisting of 81 individual lots on a 9.2 acre parcel previously vacant.

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

*Caleb Peeler*

Signature of Applicant

10/03/2023

Date

Received by:

Date



October 4, 2023

Ms. Audrey Whetten Godfrey  
Senior Planner – City of Shelby  
315 Lafayette Street  
Shelby, NC 28115

**Subject: S. Post Rd. Townhomes – SUP1 Statement of Reasonableness**

Dear Ms. Godfrey,

On behalf of Don Peeler Realty, Inc. we provide the below statement of reasonableness regarding the proposed S Post Road Townhomes project:

The proposed S Post Road Townhomes project is reasonable and in the public interest because it supports the City of Shelby Comprehensive Land Use Plan, as well as for the following reasons:

1. Consistency with Surrounding Area: The proposed townhome development will be similar to the surrounding high density residential developments of Pinnacle Estates and Kings View and will allow buildings of a similar size and residential use to those in the surrounding area.
2. Consistency with City of Shelby Comprehensive Land Use Plan (CLUP): The proposed development is a high density townhome community which is consistent with the City's CLUP showing this property as commercial/residential high density development. Additionally, the public sidewalk connections proposed for this project will be a key connection between the sidewalks along Joe's Lake Rd and the proposed Greenway connection along Earl Rd. The proposed development also matches the original 2006 approved master plan for the previous Hallelujah Acres development.
3. Benefits to the Community: The proposed development would provide much needed housing, along with opportunities for local businesses and employers, as well as remote workers, and increase the City tax base. The planned road connections, public sidewalks, and street buffer areas will connect the adjacent Pinnacle Estates neighborhood to the adjacent King's View neighborhood to create a well-knit community for pleasant city living.
4. Relationship of Proposed Development to Currently-Allowed Development: This property is currently zoned General Business, which allows for the proposed townhome use, however requires a special use permit for developments greater than 25 units. Since this is a high density residential development of approximately 10 acres, a special use permit is required for the proposed 81 units.

Sincerely,  
Peeler Engineering, PLLC

Caleb Peeler, PE  
Civil Engineer/Managing Member



HEELSTONE LAND HOLDINGS LLC  
1695-874  
Zoning: LI

211 Patton Drive  
Shelby, NC 28150  
704.692.4212  
PEELER ENGINEERING, PLLC  
NC B.E.L.S. LICENSE NO. P-2315

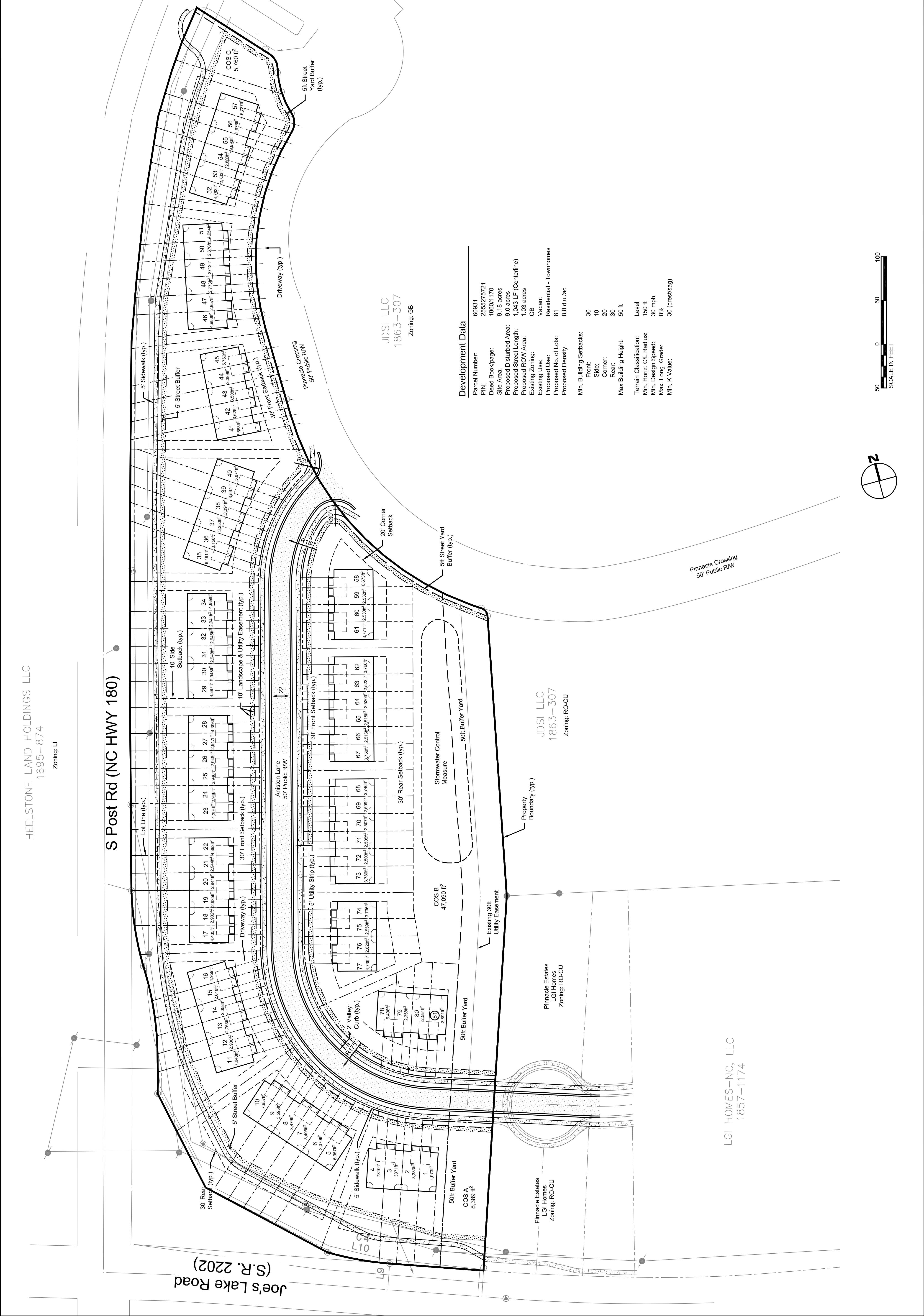
6701 Camel Road  
Charlotte, NC 28226  
Suite 425

REV	ISSUE	DATE	DESCRIPTION
A	ISSUED FOR REVIEW	08/16/2023	CLP
B	PER CITY COMMENTS	10/04/2023	CLP
CHECKED BY:	CLP	10/04/23	

DESIGN BY:	CLP	10/04/23
CHECKED BY:	CLP	10/04/23

**S POST RD TOWNHOMES**  
Site Plan  
CITY OF SHELBY, NORTH CAROLINA

JOB NO: 0001021  
DATE: 10/04/2023  
SHEET: C200



**Development Data**

Parcel Number:	60931
Deed Book/page:	2555275721 1860/1170
Site Area:	9.18 acres
Proposed Disturbed Area:	9.0 acres
Proposed Street Length:	1,043 LF (Centerline)
Proposed ROW Area:	1.03 acres
Existing Zoning:	GB
Proposed Use:	Vacant
Proposed No. of Lots:	81
Proposed Density:	8.8 d.u./ac

**Min. Building Setbacks:**

Front:	30
Side:	10
Corner:	20
Rear:	30

**Max Building Height:** 50 ft

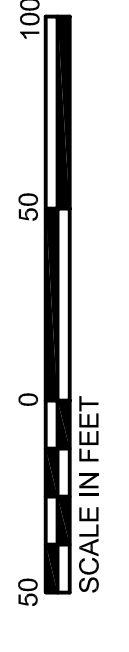
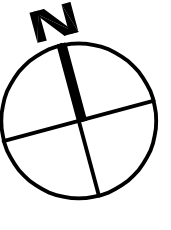
**Terrain Classification:** Level

**Min. Horiz. CUL Radius:** 150 ft

**Min. Design Speed:** 30 mph

**Max. Long. Grade:** 8%

**Min. K Value:** 30 (crest/sag)



# Staff Report



To: Planning and Zoning Board  
From: Justin Longino  
Assistant City Manager

Date: January 4, 2024  
Meeting: January 8, 2024  
File: #1195

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**APPLICANT:** Caleb Peeler, Peeler Engineering

**OWNER:** Don Peeler Realty, Inc

**LOCATION:** Joe's Lake Road at South Post Road      **PARCEL ID #:** 60931

**PRESENT ZONING** GB2-CZ

**REQUEST:** Special Use Permit for an 81 Unit Multi-Family Development

**SURROUNDING ZONING:**      **North:** GB2-CU, GB      **South:** County zoning      **East:** R6, RO-CU      **West:** LI

**UTILITIES:**      **Water:** Yes      **Sewer:** Yes      **Floodplain:** No      **Watershed:** No

**ANALYSIS:** For multi-family developments located within the General Business 2 Zoning District (GB2) with 25 or more units, a Special Use Permit is required.

The applicant is proposing multi-family development for up to 81 townhomes. The subject property is currently undeveloped.

GB2 is primarily designed to accommodate a wide range of commercial use and residential uses. Billboards are not permitted in the GB2 zoning district.

The proprietor would have to develop the properties in accordance with the submitted site plan.

When considering a Special Use Permit application, City Council should use the process found in the attached document from the City Attorney.

**STAFF COMMENTS:**

1. The applicant for the property submitted the required application and site plan for special use permit; and
2. According to Article 9-3-1, a townhome development is permitted in GB2 Conditional Use; and
3. The subject parcels lay within the City of Shelby fronting at the corner of South Post Road and Joe's Lake Road in the GB2-CU Zoning District and;
4. Land Use in the surrounding area is a mixture of Industrial, Institutional, Commercial, and Residential; and
5. The petitioner has declared that the intended use of the property is for townhomes; and
6. Other than what is shown on the site plan, no other changes to the site are planned; and
7. To the best of staff's knowledge, no non-conformities currently exist on the property and none will be created by the requested special use permit; and

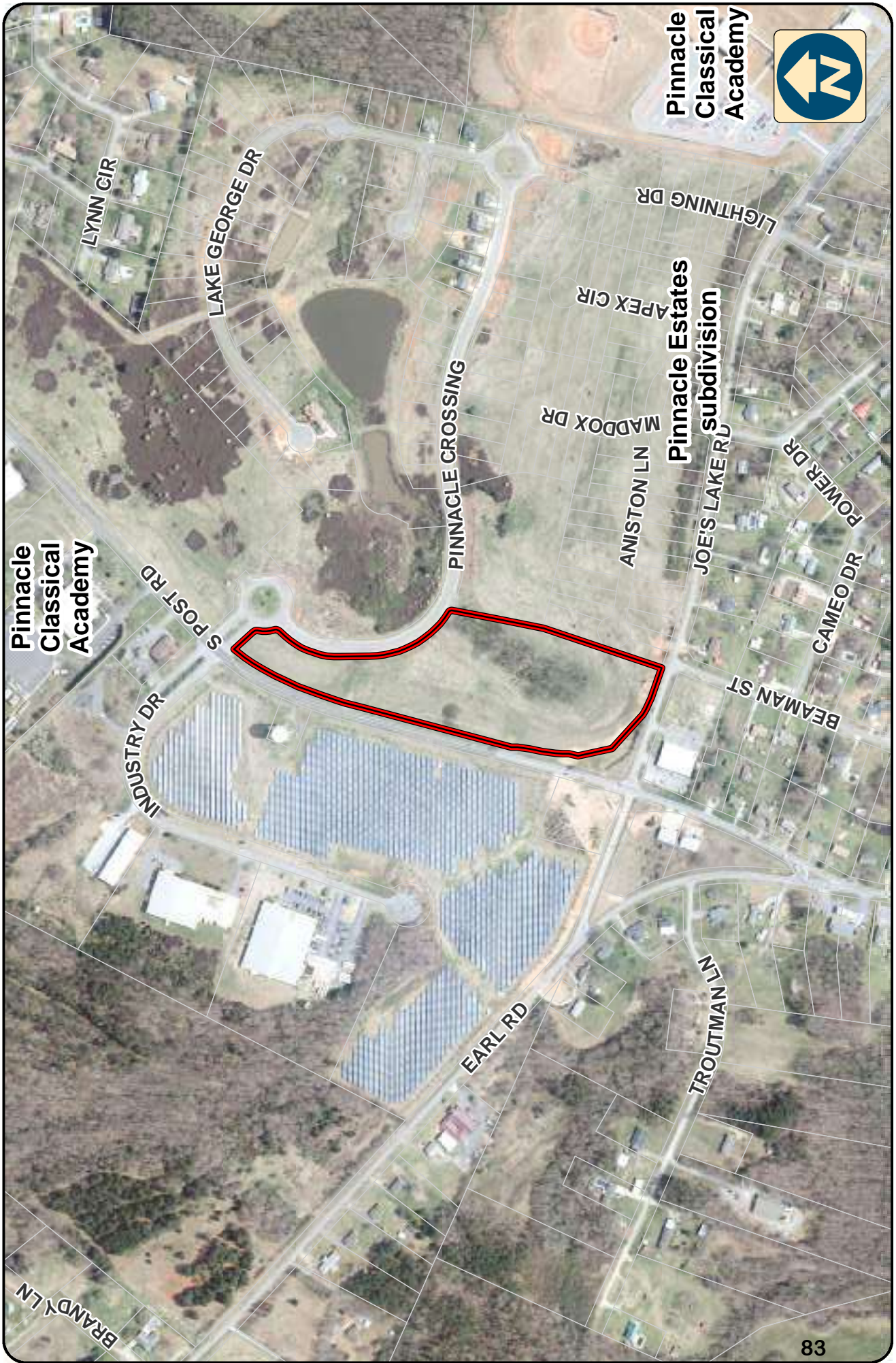
8. The use will not materially endanger the public health or safety if located where proposed and developed according to the plan; and
9. The use will not substantially injure the value of adjoining or abutting property; and
10. The location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Comprehensive Land Use Plan.





# Location

## Parcel 60931 - Joe's Lake Road at South Post Road

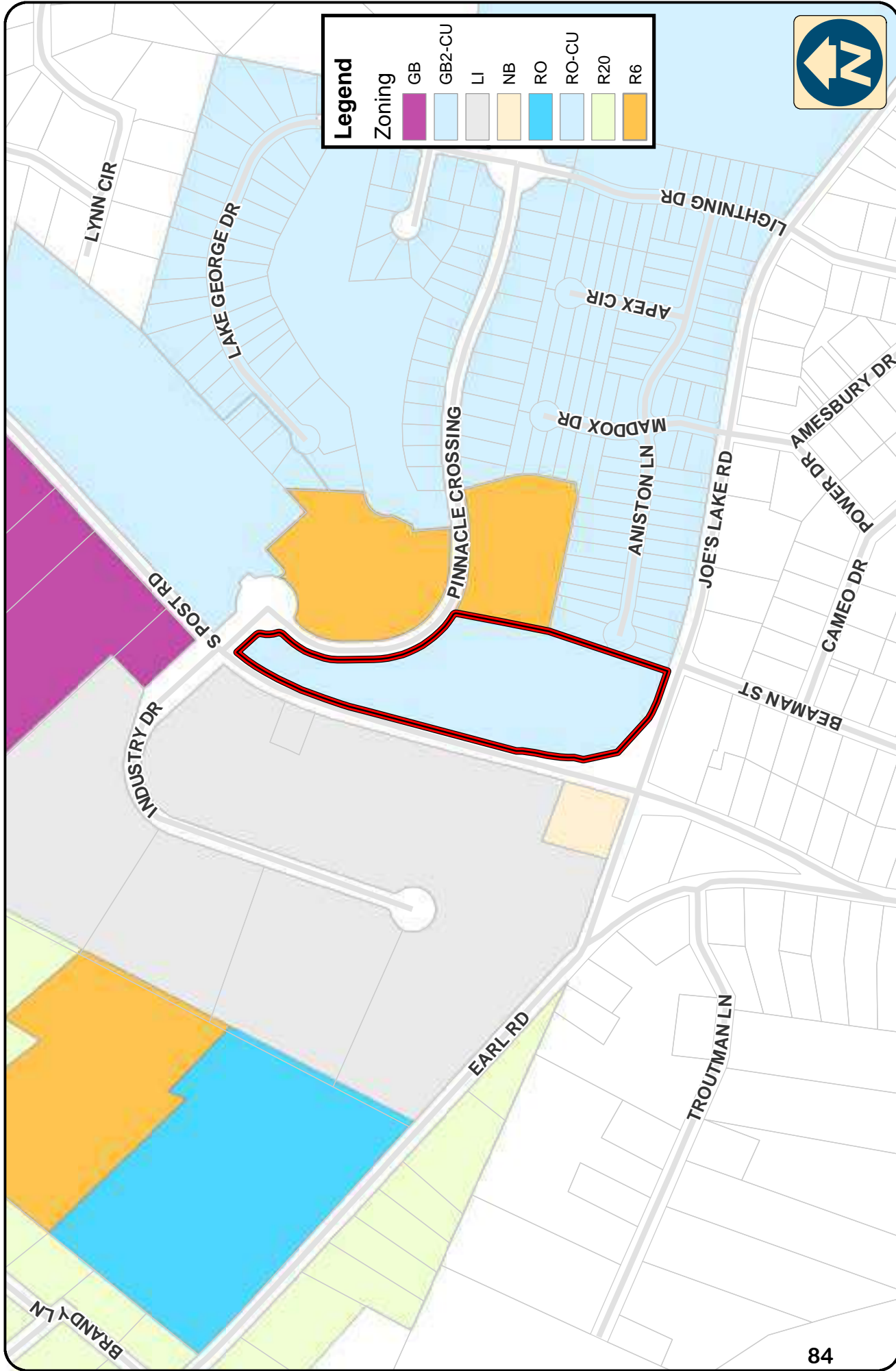






# Zoning Map

## Parcel 60931 - Joe's Lake Road at South Post Road



Legend	
Zoning	Color
GB	Purple
GB2-CU	Light Blue
LI	Grey
NB	Orange
RO	Blue
RO-CU	Light Blue
R20	Light Green
R6	Yellow



Scale 1:5,400 1 inch = 450 feet

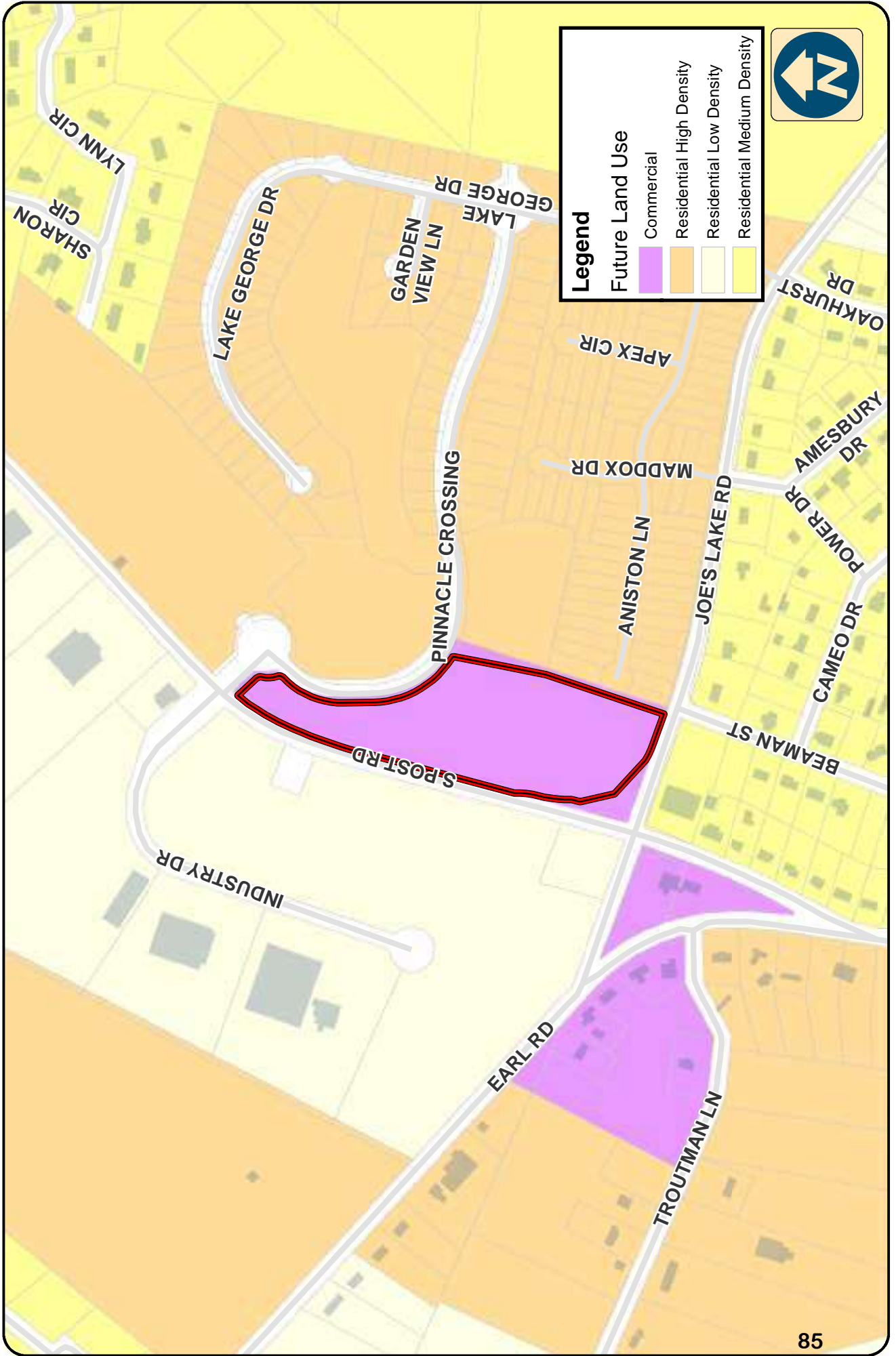
Date: 12/6/2023





# Future Land Use

## Parcel 60931 - Joe's Lake Road at South Post Road



Scale 1:5,400 1 inch = 450 feet

Date: 12/22/2023

## Quasi-judicial Hearings:

City council shall review the application for a special use permit 1 and shall hold an evidentiary public hearing on the application.

Council must hear evidence specific to this application and make a determination based on the evidence only.

### Acceptable Evidence –

**Competent** – This is evidence that is trustworthy and reliable.

This is typically demonstrated by first-hand knowledge.

It is not second hand knowledge.

*“I heard from my neighbor that . . .”*

*“I saw on Facebook that this will . . .”*

**Material** – This is evidence that relates to the questions Council has to answer.

It is not opinion testimony.

*“I believe that this will hurt the neighborhood because other neighborhoods had this issue before ours.”*

*“Public opinion and groups of people concerned is not evidence acceptable for this type of hearing, it cannot form the basis for any quasi-judicial decision.”*

**Expert testimony** – To be considered an expert, a proffer or presentation of the person and his/her credentials must be made to Council for Council’s consideration of the person as an expert.

An objection may be lodged to prevent a person from being found an expert. It is up to Council to determine if a person meets the qualifications.

**Hearsay** –Unlike a formal court proceeding, hearsay is permitted but Council should consider providing less weight to that testimony since the declarant (the person making the statement) is not present before Council.

Ex. My wife wanted to be here today to tell you all how she feels about this proposal and how it will negatively affect her.

Ex. I want to read a letter from my neighbor who could not be here today.

**Sufficient** – any evidence that tends to support a finding that the relevant standard is met.

Does it help a side meet their burden of proof? If yes, it is sufficient evidence.

## **Applicant**

- Evidence – must present some form of evidence discussed above. The applicant is the first to present.
- Burden on the Applicant – Presents first.
- Burden will shift if evidence is sufficient.

## **Opposing Party**

- Anyone with a legitimate interest in the property may speak at the hearing (standing) and will follow the presentation of the Applicant, assuming that the information presented and prepared meets the requirements necessary.

## **Vote**

Council members exercising quasi-judicial functions must not participate in or vote on any quasi-judicial matter if they have a fixed opinion prior to hearing the matter that is not susceptible to change, have undisclosed ex parte communications, or have a conflict of interest.

## **Council Findings of Fact – What evidence is considered?**

Not all statements are competent evidence.

What is proper evidence?

1. Evidence showing that upon granting the special use permit, that the use:
  - a. will not endanger the public health or safety;
  - b. will not injure the value of adjoining or abutting property;
  - c. will be in harmony with the area in which it is located; and
  - d. will be in conformity with the land development plan, thoroughfare plan, or other plan officially adopted by Council.

## **Council Decision/Determination Actions**

1. Approve the application.
2. Deny the application.
3. Approve the application subject to certain conditions.

**RESOLUTION NO. 1-2024**

**A RESOLUTION GRANTING A SPECIAL USE PERMIT  
TO CALEB PEELER FOR PARCEL 60931  
AT THE CORNER OF SOUTH POST ROAD AND JOE’S LAKE ROAD**

**WHEREAS**, the City of Shelby received an application requesting a Special Use Permit for property located at the corner of South Post Road and Joe’s Lake Road within the City or its area of Extraterritorial Jurisdiction; and,

**WHEREAS**, the Staff reviewed said application for a special use zoning permit and made its findings and recommendations to City Council; and

**WHEREAS**, the City, pursuant to Chapter 160D and its Articles, to include but not limited to, N.C. Gen. Stat. 160D-102, 160D-406, and 160D-705, shall hold a quasi-judicial hearing to protect the rights of affected persons through holding such hearing; and

**WHEREAS**, Section 4-7 and its subparts of the City of Shelby’s Unified Development Ordinance authorizes the establishment of “special use permits” as a means by which special conditions can be imposed on the use of property as permitted by the Unified Development Ordinance and, thus, to assure compliance with the Unified Development Ordinance, promote the welfare of adjacent property owners, and the protection of the general public interest; and

**WHEREAS**, in accordance with the laws of North Carolina and the quasi-judicial hearing procedures contained within the Development Ordinance, the City Council considered a special use permit request by Caleb Peeler in a public hearing on this date; and

**WHEREAS**, after hearing all who wished to present testimony on this special use permit request and consideration of the facts presented in this cause, the City Council made the following Findings of Fact and Conclusions of Law which are stated on Attachment “A,” incorporated by reference.

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

Section 1. In accordance with Chapter 160D, Article 7, of the North Carolina General Statutes, as amended, the City of Shelby may approve a Special Use Zoning Permit according to the requirements of the Unified Development Ordinance at the corner of South Post Road and

Joe’s Lake Road, lying within the City of Shelby in the GB2-CU Zoning District. Said area is more fully described as having Cleveland County parcel ID #60931.

Section 2. In accordance with Section 4-7 and its subparts of the City of Shelby’s Unified Development Ordinance, a Special Use Zoning Permit is hereby granted to Caleb Peeler for up to 81 Townhomes. The terms and conditions of such permit are stated in Attachment, "A" which is attached and incorporated by reference.

Section 3. The City Clerk of the City of Shelby is authorized and directed to cause resolution and recording of this Special Use Zoning Permit with the Cleveland County Register of Deeds.

Section 4. This Special Use Zoning Permit shall become effective upon its adoption and approval.

ADOPTED and APPROVED this the 8th day of January, 2024

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

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Jason Lunsford  
City Attorney

D. Consent Agenda:

Agenda Item: D-1

- 1) Approval of the Minutes of the Regular Meeting of December 4, 2023

**Consent Agenda Item: (Carol Williams, City Clerk)**

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Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of December 4, 2023

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City Manager's Recommendation / Comments

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

## MINUTES

Regular Meeting: Organizational  
City Hall Council Chamber

December 4, 2023  
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members David W. White, David Causby, Violet Arth, Charles Webber, Andrew L. Hopper Sr., and Emilie Bullock.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Ben Yarboro, Assistant City Manager Justin E. Longino, MBA, City Attorney Jason Lunsford, City Clerk Carol Williams, Deputy City Clerk Breanna Jones, Director of Finance Elizabeth B. (Beth) Beam, CPA, Director of Human Resources Deborah C. (Deb) Jolly, Director of Water Resources Brian Wilson, Police Chief Brad Fraser, Public Works Director Scott Black, Assistant Fire Chief David Vanhoy, 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 welcomed all to Council's organizational meeting and oath ceremonies.

Mayor Anthony gave the invocation and Ms. Arth led the Pledge of Allegiance.

### A. Approval of agenda:

Mayor Anthony stated there is an additional agenda item regarding the County Home Road Reconstruction Project that needed to be added under Unfinished Business as Item G-2.

- 1) Motion to adopt the amended agenda, with the addition of Item G-2.

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

### B. Assumption of Office:

- 1) Oath of Office administered to Mayor Oliver Stanhope Anthony, III

City Clerk Carol Williams administered the Oath of Office to Mayor Oliver Stanhope Anthony, III who was assisted by his wife, Ann.

- 2) Oath of Office administered to Council Member David Walton White, Ward 2

City Clerk Carol Williams administered the Oath of Office to Council Member David Walton White who was assisted by his wife, Lisa.

- 3) Oath of Office administered to Council Member David Causby, Ward 3

City Clerk Carol Williams administered the Oath of Office to Council Member David Causby who was assisted by his wife, Rebecca.

- 4) Oath of Office administered to Council Member Andrew L. Hopper, Sr., Ward 6

City Clerk Carol Williams administered the Oath of Office to Council Member Andrew L. Hopper, Sr., who was assisted by Council member Violet Arth.

**C. Election of Mayor Pro Tempore:**

Mayor Anthony explained State law requires every City Council to elect from among its members a Mayor Pro Tempore at its organizational meeting. The duties of the Mayor Pro Tempore include presiding over Council meetings in the Mayor's absence. The Mayor Pro Tempore also serves at the Council's pleasure.

Mayor Anthony opened the floor for nominations.

Mr. Causby nominated Mr. White.

**ACTION TAKEN:** Upon a motion by Mr. Causby, City Council voted unanimously to close the nominations and accept the nominee by acclamation.

**D. Public Comment:**

None

**E. Public Hearing:**

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 21879, 22277, 63473, and 63932: Ordinance No. 54-2023

Mr. Longino presented this item to Council and stated this 80-acre property is located east of Nancy Drive off Thrift Road and east of Cleveland Mall. According to Mr. Longino, this property is unique because it's mostly in Cleveland County and not within the city's ETJ district, but it is adjacent to our city limits, so we have authority to annex and apply zoning regulations to the parcels. Mr. Longino continued by stating tonight's Public Hearing is regarding the zoning designation and proposed plan for these parcels. If approved the zoning changes will not take effect until after an annexation



decision is made in January. Mr. Longino clarified that if the zoning amendment is not approved then the annexation request will be withdrawn.

Mr. Longino continued by stating the zoning requested is Conditional Zoning, allowing a specific plan for the property which cuts down on the uncertainty of what can be developed. According to Mr. Longino the amendment request is for R6-CZ with a density of 2.67 dwelling units per acre and lots ranging from 41 to 66 feet wide. Mr. Longino further stated the developer wishes to use the provision allowed in the UDO that is known as a cluster development, which makes the lot sizes smaller but keeps the open space, natural areas and stream buffers, making the neighborhood more appealing instead of “cookie-cutter”. Mr. Longino concluded by stating that staff and the Planning and Zoning Board recommend the proposed zoning amendment.

Mayor Anthony opened the public hearing at 6:14 p.m. and invited comments from the public.

Gayle Welch who resides at 209 Nancy Drive, Shelby, North Carolina moved to Rucker Downs because of the lot sizes and is against the development adjacent to his neighborhood. He stated if the proposed subdivision is developed then they should have their own entrances and not have the additional traffic come through Rucker Downs.

Leslie Spaes who resides at 214 Nancy Drive, Shelby, North Carolina spoke against the proposed development because it would take away from the landscape and beauty of her neighborhood. She stated that she’s not opposed to growth, but she encouraged the developer to find another way to enter/exit off of Thrift Road instead of Nancy Drive. Ms. Spaes stated she didn’t think Council would want this in their backyard either.

Eddie Moore is employed with McAdams Engineering and is working with the developer of this property. He is available for any questions.

Paula Dedmon who resides at 200 Nancy Drive, Shelby, North Carolina stated she will pass on speaking due to others expressing her same thoughts.

Allison Hodges who resides at 215 Nancy Drive, Shelby, North Carolina realized something was going on in her neighborhood when she noticed three cameras placed along the streets. She was later told a traffic assessment was occurring and that there would be 4000 trips in the neighborhood per day with the proposed addition of 200+ houses. Ms. Hodges compared the cluster development with almost 3 houses on an acre of land to a mobile home park. Ms. Hodges stated she didn’t think the city allowed mobile home parks so why should they allow this development. Ms. Hodges requested Council table this zoning decision tonight and do more investigation or table the entire development altogether.

Ellen Broome who resides at 302 Borders Road, Shelby, North Carolina stated she enjoys walking through her neighborhood and isn't opposed to another neighborhood adjacent so she could walk through it as well, but she would like the houses to be nice, and the yard size nice. She believes when neighbors live so close to each other, they don't get along. Ms. Broome concluded by stating it feels like this proposed development is being built for a Charlotte community instead of Shelby.

Carol Wiegand who resides at 210 Nancy Drive, Shelby, North Carolina spoke of the lovely view from her backyard of the rolling hills and is upset that the view will be taken away. She stated she can see Kings Mountain from her back patio. Ms. Weigand invited Council and staff to come to Rucker Downs and look around the neighborhood. Ms. Weigand asked whether Mr. Rucker was going to continue to hunt on the property behind her, and if the proposed houses were going to have sewers. Ms. Weigand believes her property value will decrease if this new neighborhood is developed as proposed.

Timothy Reek who resides at 1921 Carolyn Drive, Shelby, North Carolina spoke of his concerns about the number of homes and the lot sizes proposed. Mr. Reek addressed the issue that the proposed entrance on Thrift Road doesn't have a stoplight at that intersection, so the new neighborhood will most likely drive through Rucker Downs and on to Borders Road where there is a stoplight; this will make Nancy Drive and Carolyn Avenue "like a highway."

Will Rucker who resides at 110 Edgewater Drive, Shelby, North Carolina stated he is a family member of the property owner. Mr. Rucker gave some background of how his family acquired the property and how a decision was made to build neighborhoods in that area instead of the family farming business. Mr. Rucker stated that the recorded plat clearly states that Phase II of Rucker Downs shows the adjoining property is for future development and that there is an access road for future development. Mr. Rucker stated that due to the uncertainty of the location of the 74 Bypass further development in the Rucker Downs area stalled for several years, but the vision and intent never wavered. Mr. Rucker said his family kept the property mowed and addressed the issue of hunters on the property. With family members aging and having other interests, a decision was made that now was the time to look at the options available for this property. Mr. Rucker stated the desired program is to protect the existing neighborhood and current property values and for this new development to be family friendly with sidewalks and walking trails.

Shaun Gasparini who is employed by True Homes, LLC located at 2649 Brekonridge Centre Drive, Monroe, North Carolina addressed Council as the applicant. Mr. Gasparini presented to Council the following:

- showed the land uses around the property are mostly R20 and General Business
- explained medium density as stated in the Comprehensive Land Use Plan is a single family detached development with approximately 4 units per acre – the plan presented tonight is 2.67 units per acre, so well within the guidelines
- explained Conditional Zoning district creates a very specific plan that the developer implements and must follow
- explained the benefits of a cluster development which preserves tree space and open spaces
- showed the style of homes expected to be built – with a variety of materials used to keep the neighborhood from feeling “cookie-cutter”
- explained the community will have a connective feel with walking trails and sidewalks implemented, along with pergolas, and bench seating

Mr. Gasparini concluded his presentation by stating the plan, if approved, entails a single-family detached development with 213 maximum number of homes, which is 2.76 per acre, preserving 15% of the development as open space, 23% set aside for tree space, and each house will have an attached garage and covered entry.

Mr. Gasparini acknowledged that Mr. Rucker has been asked to stay on as a member of their consulting team due to his expertise. Mr. Gasparini also stated that True Homes, LLC is a local home builder with 350 associates in the Carolinas and not a national builder. Mr. Gasparini was proud to say that True Homes, LLC treats their clients like family and friends.

Tammy Harbison who resides at 1919 Rucker Road, Shelby, North Carolina expressed to Council that she just received her letter on Saturday, but she agrees with the sentiments of her neighbors. Mrs. Harbison and her husband bought their house ten years ago because of the privacy of the neighborhood; now that they are ready to retire, she is disappointed this new development is proposed. Ms. Harbison asked the developer to find another entrance to the new development so traffic doesn't go through Rucker Downs. Mrs. Harbison stated True Homes, LLC has been reported to the Better Business Bureau. Mrs. Harbison concluded stating that she didn't think Council would want this happening in their neighborhood.

Mayor Anthony closed the public hearing at 6:49 p.m.

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to TABLE Ordinance No. 54-2023 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 21879, 22277, 63473, AND 63932.”

## **F. Consent Agenda:**

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

- 1) Approval of the Minutes of the Regular Meeting of November 20, 2023**
- 2) City of Shelby's Riverwalk Sewer Project:**
  - a) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Riverwalk Sewer Project : Ordinance No. 55-2023**
  - b) Approval of a resolution for acceptance of the Utility Extension Agreement for residential development for Riverwalk Subdivision: Resolution No. 78-2023**
- 3) Purchase and Sale Agreement for Real Property located at 607 West Grover Street:**
  - a) Adoption of FY 2022-2023 Budget Ordinance Amendment #2: Ordinance No. 56-2023**
  - b) Approval of a resolution authorizing the execution of a purchase and sale agreement for real property located at 607 West Grover Street: Resolution No. 79-2023**
- 4) Approval of Special Event Applications:**
  - a) Light Ball Dash, requested date: December 17, 2023**
  - b) Tony's Walk: requested date: January 6, 2024**
- 5) Management Reports:**
  - a) Monthly Financial Summary – October 2023**
- 6) Approval of Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council**

## END OF CONSENT AGENDA

### G. Unfinished Business:

#### 1) Consideration of Council liaison appointments to City advisory boards

Mrs. Williams reminded Council that liaison appointments rotate every two years based on a policy developed in January 2002. Mrs. Williams announced the liaison appointments to the City's advisory boards for the term 2024-2025 as follows:

Ward 1/Emilie Bullock – Housing and Redevelopment Board and Shelby Public Art Board

Ward 2/David White – Alcohol Beverage Control (ABC) Board

Ward 3/David Causby – Shelby-Cleveland County Regional Airport Advisory Board and Zoning Board of Adjustment

Ward 4/Violet Arth – Keep Shelby Beautiful (KSB) Commission

Ward 5/Charles Webber – Parks and Recreation Advisory Board

Ward 6/Andrew Hopper – Planning and Zoning Board

Mayor Anthony encouraged Council members to regularly attend their respective advisory board meetings and to be a liaison between the community boards and City Council.

Regarding the Gaston-Cleveland-Lincoln Metropolitan Planning Organization (GCL-MPO) Board, Mayor Anthony stated this would be addressed at another time.

#### 2) City of Shelby's County Home Road Project:

- a) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's County Home Road Project: Ordinance No. 57-2023
- b) Approval of a resolution awarding the contract for the County Home Road Reconstruction Project in Shelby, North Carolina: Resolution No. 80-2023

Mr. Howell introduced Ordinance No. 57-2023 and Resolution No. 80-2023 for Council's consideration. If adopted, this ordinance establishes a capital

project ordinance and budget that appropriates the necessary funding for construction of the new section of County Home Road. If approved, the resolution awards the contract for construction to Asphalt Paving of Shelby in the amount of \$430,000. A total of \$483,000 (\$473,000 for construction and \$10,000 for professional services) will be appropriated from the fund balance of the Powell Bill fund. Mr. Howell stated a start date for this project is probably late January or early February, 2024 and it will take approximately four months to complete.

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Ordinance No. 57-2023 entitled, “AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY’S COUNTY HOME ROAD PROJECT” and Resolution No. 80-2023 entitled, “A RESOLUTION AWARDDING THE CONTRACT FOR THE COUNTY HOME ROAD RECONSTRUCTION PROJECT IN SHELBY, NORTH CAROLINA”.

**H. New Business:**

None

**I. City Manager’s Report:**

None

**J. Council Announcements and Remarks:**

- 1) Mayor Anthony encouraged all Council members to participate in the Shelby Christmas parade on Sunday, December 17, 2023, and listed some of the other events coming up for Council.
- 2) Council members wished everyone a joyous holiday season.
- 3) Mr. Hopper thanked the voters of the City of Shelby for electing the members sworn in tonight and looks forward to serving four more years.

**K. Adjournment:**

**1) Motion to adjourn**

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 7:05 p.m.

Respectfully submitted,

**Carol Williams**  
City Clerk

**O. Stanhope Anthony III**  
Mayor

**Minutes of December 4, 2023**

DRAFT

Agenda Item: D-2

- 2) Adoption of a budget ordinance amendment for the City of Shelby's City Park Pool Renovation Project: Ordinance No. 3-2024

**Consent Agenda Item: (Justin Longino, Assistant City Manager and Beth Beam, Finance Director)**

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Summary of Available Information:

- Memorandum dated January 3, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
- Ordinance No. 3-2024

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City Manager's Recommendation / Comments

Ordinance No. 3-2024 is presented for City Council via the Consent Agenda. If approved this ordinance would appropriate funding in the amount of \$45,000 to pay increased engineering and construction costs related to the replacement . This amendment brings the total project cost to \$2,761,595. The amendment amounts to a 1.7% increase in the project cost.

As noted in Mr. Longino's memorandum this amendment is necessary due to some cracking of the pool deck concrete and a resulting dispute between the City, contractor and engineering group as to cause and responsibility. The proposed amount is a compromise between the three entities and is an amount that is reasonable and agreed upon between them.

**It is my recommendation that Ordinance No. 3-2024 be adopted and approved by City Council via the Consent Agenda.**





To: Rick Howell, City Manager  
From: Justin Longino, Assistant City Manager  
Date: January 3, 2023  
Subject: City Park Pool Renovation Project PBA

Background:

The City has been working through the finalization of the City Park Pool project, specifically finalizing the pool deck. Some additional work has been needed due to cracking in the concrete that was previously poured. Due to a disagreement between the contractor (Sossamon Construction) and the engineering firm (CHA Consulting), staff has asked both to be present during the pouring of the new concrete. This will result in additional fees from CHA totaling \$3,790.

Additionally, work was completed during the project by the contractor that was above and beyond the scope of the original contract. Sossamon has asked for payment for these services and staff recommends compensating them for the work. This totals \$20,727.

The project has also experienced some overages that were not foreseen in the original agreements. This includes bringing in a concrete specialist to evaluate the previously poured deck, additional engineering work, and some various fees that were unexpected. These costs total \$20,452.

City staff believe this is a necessary and prudent measure to ensure the future safe operation of the pool and for the proper preparation of the facility.

Recommendation:

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

ORDINANCE NO. 3-2024  
 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. 4 for said project:

**Appropriating Fund Balance:**

Fund Balance Appropriated	64006000-39900	\$ 45,000
Transfer to General Cap. Projects	640741-49111	\$ 45,000

**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	\$45,000
----------------------	--------------------------------	----------

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

111612-42004-CPPRP	Engineering	\$18,500
111612-53000-CPPRP	Construction	\$26,500

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. 4</u>
<b><u>City Park Pool Renovation Project</u></b>		
<b>Revenues</b>		
Transferred from Nat. Gas Fund	\$2,716,595	\$2,761,595
<b>Expenditures</b>		
Engineering	\$ 107,300	\$ 125,800
Construction	\$2,609,295	\$2,635,795

Ordinance No. 3-2024  
January 8, 2024  
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 8th day of January, 2024.

---

O. Stanhope Anthony, III  
Mayor

ATTEST:

---

Carol Williams  
City Clerk

APPROVED AS TO FORM:

---

Jason Lunsford  
City Attorney

Agenda Item: D-3

- 3) Approval of a resolution accepting a dedication of land for the new location of County Home Road: Resolution No. 2-2024

**Consent Agenda Item: (Justin Longino, Assistant City Manager)**

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Summary of Available Information:

- Resolution No. 2-2024

---

City Manager's Recommendation / Comments

Resolution No. 2-2024 is presented for City Council consideration via the Consent Agenda. If approved this resolution simply accepts the dedication of the necessary right of way from the State Employees Credit Union to the City of Shelby. A copy of the dedication plat is also included within your packet illustrating the actual right of way.

Council will recall that it has previously approved a contract via Resolution No. 80-2023 with Asphalt Paving of Shelby in the amount of \$430,000 for the construction of this new street segment. The street segment will be added to the City street system and Powell Bill map.

**It is my recommendation that Resolution No. 2-2024 be adopted and approved by City Council via the Consent Agenda.**

**RESOLUTION NO. 2-2024**

**A RESOLUTION ACCEPTING A DEDICATION OF LAND  
FOR THE NEW LOCATION OF COUNTY HOME ROAD**

**WHEREAS**, the State Employees' Credit Union and Shelby Hospitality Group LLC previously petitioned the City of Shelby in 2018 to permanently close the right-of-way along the section of County Home Road between Highway 74 (East Dixon Boulevard) and Kings Road; and,

**WHEREAS**, adjoining property owners submitted a petition for the closure due to plans for future development.

**WHEREAS**, the City of Shelby City Council voted on September 16, 2019 to close the aforementioned section of County Home Road by Resolution 58-2019; and,

**WHEREAS**, the State Employees' Credit Union wishes to dedicate a new right-of-way for County Home Road north of Highway 74 (East Dixon Boulevard) across their property having Cleveland County parcel ID #26169; and,

**WHEREAS**,. Since these developments have now been permitted, and or constructed the City of Shelby desires to reconstruct County Home Road; and

**WHEREAS**, the City of Shelby plans to handle the construction and continued maintenance of the new County Home Road;

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

**Section 1.** The City of Shelby hereby accepts the dedication of the new right-of-way for County Home Road as shown on the attached plat produced by Ballentine Associates, PA and labeled "State Employees Credit Union US-74 Shelby Branch R/W and Easement Dedication Plat" as a public right-of-way in the City of Shelby street network.

**Section 2.** This resolution shall be effective on January 8, 2024.  
Adopted and approved this the 8<sup>th</sup> day of January, 2024.

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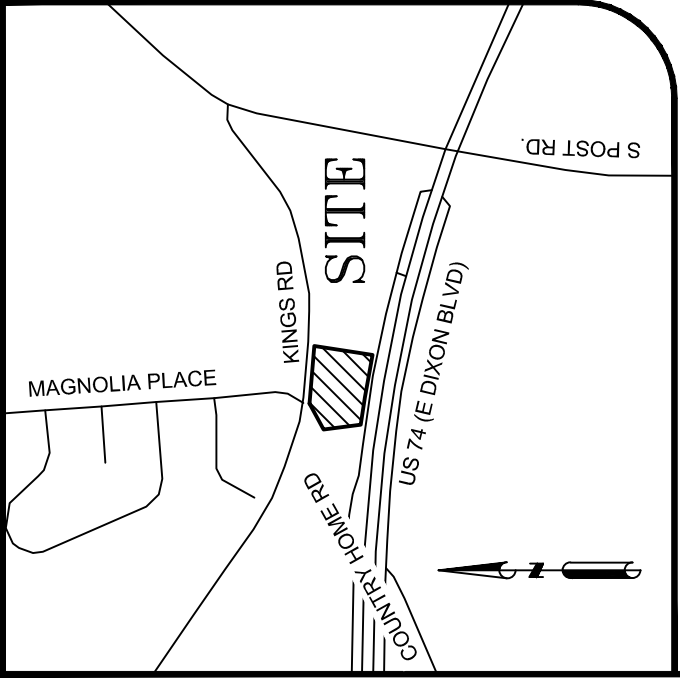
O. Stanhope Anthony III  
Mayor

ATTEST:

---

Carol Williams  
City Clerk





VICINITY MAP  
NOT TO SCALE

**ZONING DATA**

PER CLEVELAND COUNTY GIS, AS OF 6/20/2023.  
 ZONE 09 - GENERAL BUSINESS  
 ZONING INFORMATION PER SHELBY LUDAS OF  
 PLANNING AND ZONING DEPARTMENT, BY LUDAS  
 CONTACT ZONING ADMINISTRATOR.  
 MIN. FRONT SETBACK 30'  
 MIN. SIDE SETBACK 10'  
 REAR SETBACK 0'

**GENERAL NOTES**

- THIS IS A SURVEY OF AN EXISTING PARCELS OF LAND, THIS IS A R/W AND EASEMENT DEDICATION PLAT.
- THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE SEARCH AND IS BASED ON REFERENCED INFORMATION. THERE MAY BE UNRECORDED INTERESTS IN THE SUBJECT PROPERTY.
- BEARINGS FOR THIS SURVEY ARE BASED ON NORTH CAROLINA STATE PLANE COORDINATE SYSTEM (NCSPCS) NAD83 BASED ON VRS REAL TIME KINEMATIC OBSERVATIONS.
- TIE TO NGS MONUMENT "HICKS" SHOWN ON SURVEY.
- AREA BY COORDINATE GEOMETRY.
- SITE ADDRESS: 179 EAST DIXON BLVD, SHELBY, NORTH CAROLINA 28152.
- THIS PROPERTY IS NOT LOCATED IN A SPECIAL FLOOD HAZARD AREA OR FUTURE CONDITIONS FLOOD HAZARD AREA, AS SHOWN ON:
- FIRM PANEL: 371025650J
- DATE: 12/22/2023
- UTILITY STATEMENT
- THE UNDERGROUND UTILITIES SHOWN HAVE BEEN LOCATED FROM FIELD SURVEY INFORMATION, EXISTING DRAWINGS AND PAINT MARKING LOCATION PROVIDED BY A. MORTON THOMAS AND ASSOCIATES ON MAY 7, 2018. THE SURVEYOR MAKES NO GUARANTEE THAT THE INFORMATION PROVIDED IS ACCURATE. THE SURVEYOR DOES NOT WARRANT THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED. ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE. THE SURVEYOR IS NOT RESPONSIBLE FOR ANY DAMAGE TO OR INTERFERENCE WITH THE UNDERGROUND UTILITIES.
- SURVEYOR HAS MADE NO INVESTIGATION REGARDING POSSIBLE STREAM BUFFERS OR JURISDICTIONAL WETLANDS ON THE SUBJECT PROPERTY. SITE MAY BE SUBJECT TO WETLANDS OR STREAM BUFFERS NOT SHOWN HEREON.
- THE MAINTENANCE OF STREETS DESIGNATED ON THIS PLAT AS PRIVATE SHALL BE THE RESPONSIBILITY OF PROPERTY OWNERS WITHIN THIS DEVELOPMENT HAVING ACCESS TO SUCH STREETS. PRIVATE STREETS AS SHOWN HEREON WERE NOT CONSTRUCTED TO THE STANDARDS OF THE NORTH CAROLINA HIGHWAY DEPARTMENT. THE SURVEYOR MAKES NO GUARANTEE THAT THE CITY OF SHELBY, NORTH CAROLINA DEPARTMENT OF TRANSPORTATION WILL MAINTAIN A PRIVATE STREET.

**CERTIFICATE OF OWNERSHIP AND DEDICATION**

I (We) hereby certify that I am (we are) the owner(s) of the property described hereon, which property is located within the subdivision jurisdiction of Shelby, that I (We) hereby dedicate to the public use all areas shown on this plat as streets, alleys, walks, parks, open space, and easements, except those specifically indicated as private, and that I (we) will maintain all such areas until the date of dedication is accepted by the City of Shelby, North Carolina. I (we) warrant that the information herein is true and correct and that I (we) will be bound by law when such other use is approved by the City Council of the City of Shelby in the public interest.

OWNER \_\_\_\_\_ DATE \_\_\_\_\_

OWNER \_\_\_\_\_ DATE \_\_\_\_\_

NOTARIZED \_\_\_\_\_ DATE \_\_\_\_\_

**CERTIFICATE OF FINAL PLAT APPROVAL**

I hereby certify that the subdivision described hereon has been granted final approval pursuant to the Shelby Unified Development Ordinance subject to its being recorded in the Office of Registrar of Deeds within thirty days of the date below.

UDO Administrator \_\_\_\_\_ DATE \_\_\_\_\_

**CERTIFICATE OF GUARANTEE IN-LIEU**

I hereby certify that a guarantee in-lieu of the installation of the required improvements in an amount or manner satisfactory to the City of Shelby has been received.

CITY CLERK \_\_\_\_\_ DATE \_\_\_\_\_

District Engineer \_\_\_\_\_ DATE \_\_\_\_\_

**CERTIFICATE OF DIVISION OF HIGHWAYS DISTRICT ENGINEER**

I hereby certify that the streets as depicted hereon are in compliance with the requirements of the North Carolina Department of Transportation.

TEMP. CONST.	ESMT.	LINE TABLE
LINE	BEARING	DISTANCE
TCE1	S 10°18'42" W	140.00'
TCE2	S 45°49'35" W	35.33'
TCE3	N 10°32'37" E	180.59'
TCE4	S 48°48'09" W	23.06'
TCE5	N 10°18'42" E	173.00'
TCE6	S 85°22'01" E	19.99'
TCE7	S 46°33'04" W	54.22'
TCE8	S 08°35'48" W	167.07'
TCE9	N 68°22'42" W	25.50'

PERM. DRAIN.	ESMT.	LINE TABLE
LINE	BEARING	DISTANCE
PDE1	N 61°11'26" E	38.40'
PDE2	S 10°18'42" W	43.00'
PDE3	N 10°32'37" E	93.15'
PDE4	N 48°48'09" W	49.32'
PDE5	S 72°10'55" E	42.55'
PDE6	S 79°35'00" E	68.93'
PDE7	N 10°18'42" E	7.94'
PDE8	S 68°22'42" E	51.68'
PDE9	S 04°43'01" E	59.81'

PROPERTY LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 61°11'26" E	93.15'
L2	S 79°35'00" E	5.37'
L3	S 46°12'00" E	42.55'
L4	S 45°49'35" W	68.93'
L5	N 81°09'48" W	7.94'
L6	N 41°35'03" W	51.68'
L7	N 56°35'22" E	44.50'

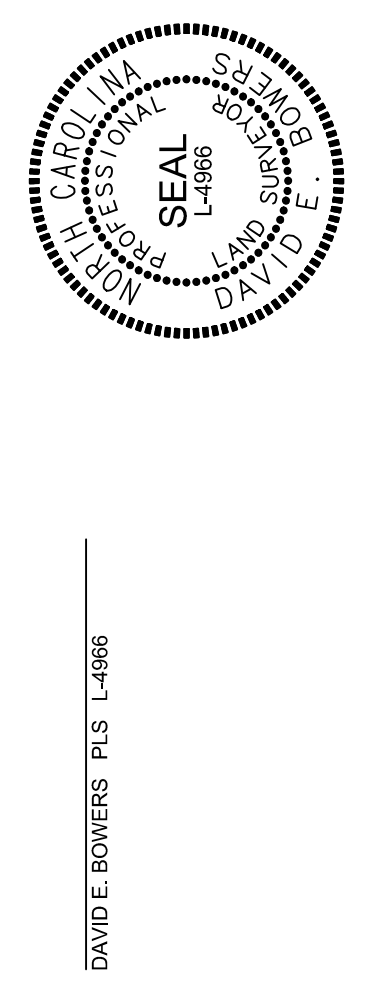
OLD PROPERTY LINE TABLE		
LINE	BEARING	DISTANCE
OL1	S 79°35'00" E	43.65'
OL2	S 85°22'01" E	74.36'
OL3	N 81°05'51" W	130.74'

I, DAVID E. BOWERS, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY PERFORMED UNDER MY SUPERVISION FROM DEED DESCRIPTIONS RECORDED IN BOOK 397, PAGE 235; AND BOOK 442, PAGE 730; THAT THE FOUNDERS NOT SURVEYED ARE CLEARLY INDICATED AS SUCH AND ARE PLATTED ACCORDING TO THE ORIGINAL RECORDS OF THE SURVEY. THE SURVEY WAS CALCULATED IS 1:10,000; THAT THE GLOBAL NAVIGATION SATELLITE SYSTEM (GNSS) WAS USED TO PERFORM A PORTION OF THIS SURVEY AND THE FOLLOWING INFORMATION WAS USED:

CLASS OF SURVEY: CLASS A  
 POSITIONAL ACCURACY: 1.0 CM + 1.0 PP  
 DATE OF SURVEY: NOVEMBER 22, 2023  
 DATUM/EPOCH: NAD83/2011  
 CONTROL POINT: NCSPCS NAD83/2011  
 GEOID MODEL: 2018  
 COMBINED GRID FACTOR(S): 1.00012735274573  
 UNITS: US SURVEY FEET

I FURTHER CERTIFY THIS SURVEY IS OF ANOTHER CATEGORY, SUCH AS THE RECONSTRUCTION OF EXISTING PARCELS, A COURT-ORDERED SURVEY, OR OTHER EXCEPTION TO THE REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA (21 NCAC 59 - 1800) AND THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED.

WITNESS MY ORIGINAL SIGNATURE AND SEAL THIS DAY: \_\_\_\_\_, 2023.



DAVID E. BOWERS PLS L-4686

**Ballentine Associates, PA**  
 223 Providence Road  
 Cary, NC 27513  
 919.229.0481  
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**LEGEND**

NGCS MONUMENT	GOV WIRE
IRON PIPE SET	HWAC UNIT
EXISTING IRON	ELECTRIC BOX
ELECTRIC METER	ELECTRIC METER
TEMPORARY BENCHMARK	SIGN
CATCH BASIN	HANDICAPPED PARKING SPACE
FLARED END SECTION	BOLLARD
DROP/YARD INLET	RIGHT-OF-WAY
STORM JUNCTION BOX	SS
GREASE TRAP	RW
SANITARY SEWER MANHOLE	OHE
SANITARY SEWER CLEANOUT	SD
IRIGATION CONTROL VALVE	
WATER VALVE	
FIRE HYDRANT	
GAS METER	
GAS VALVE	
TELEPHONE VAULT	
TELEPHONE PEDESTAL	
FIBER OPTIC MARKER	
LIGHT POLE	
POWER POLE	

**SITE DATA TABLE**

STATE EMPLOYEES CREDIT UNION PARCEL # 26169 DB 1715, PG 219	
EXISTING TOTAL AREA 100,302 SQ FT / 2.303 AC	AREA A 65,133 SQ FT / 1.495 AC
R/W DEDICATION 15,793 SQ FT / 0.362 AC	AREA B 19,409 SQ FT / 0.448 AC



**STATE EMPLOYEES' CREDIT UNION**  
 WEST DIXON BLVD  
 SHELBY, NORTH CAROLINA  
 NUMBER 6 TOWNSHIP, CLEVELAND COUNTY, NORTH CAROLINA  
 R/W AND EASEMENT DEDICATION PLAT

ISSUED: 28 NOV 23  
 FOR REVIEW: 28 NOV 23

OWNER INFORMATION:  
 STATE EMPLOYEES CREDIT UNION  
 801 S. SAULSBURY ST.  
 RALEIGH, NC 27603

OWNERS REPRESENTATIVE:  
 JAMIE APPELLQUIST  
 P. 800.438.1104  
 E: jamie.applquist@cescu.org

DATE: 28 NOV 23

REVISIONS: \_\_\_\_\_

DATE: \_\_\_\_\_

JOB NUMBER: 177007.08  
 DATE: 28 NOV 23  
 SCALE: 1" = 30'  
 DRAWN BY: ELS/YS  
 REVIEWED BY: DEB

**1 OF 1**  
**SHEET**



## Agenda Item: D-4

- 4) Underground Electric Installation Projects FY24 (Villas at Kingsview):
  - a) Adoption of budget ordinance amendment for the City of Shelby's Underground Electric Projects FY24 – Amendment #1: Ordinance No. 4-2024
  - b) Approval of a resolution awarding the construction contract for the Kingsview Subdivision Underground Electric Project: Resolution No. 3-2024

### **Consent Agenda Item: (Ben Yarboro, Assistant City Manager)**

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#### Summary of Available Information:

- Memorandum dated December 27, 2023, from Ben Yarboro, Assistant City Manager to Beth B. Beam, Director of Finance and Rick Howell, City Manager
- Memorandum dated December 27, 2023, from Marc Kennedy, Electric Systems Technician to Ben Yarboro, Assistant City Manager
- Parcel Map of Villas of Kings View Phase 1
- Bid Tabulation
- Award Recommendation
- Ordinance No. 4-2024
- Resolution No. 3-2024

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#### City Manager's Recommendation / Comments

Ordinance No. 4-2024 and Resolution No. 3-2024 are presented for City Council consideration via the Consent Agenda.

- a) If approved Ordinance 4-2024 would appropriate \$85,000 from the Electric Fund Net Retained Earnings for the purpose of constructing an electric distribution system within the Villas at Kingsview development located in part of the former Hallelujah Acres subdivision. The \$85,000 represents the actual cost of construction and a 10% contingency to allow for unknown site conditions such as rock.
- b) If approved Resolution No. 3-2024 would award a construction contract for the Villas at Kingsview electric distribution system construction to Carl Grigg Electric and Supply in the amount of \$76,172.50. This project was bid in accordance with the requirements of the NC General Statutes and City Purchasing Policy.

Note: This subdivision contains 49 single family lots on approximately 9 +/- acres. It is an R6 cluster type development and is served by City water, sewer, and electric services. City natural gas service is also available.

**It is my recommendation that Ordinance No. 4-2024 and Resolution No. 3-2024 be adopted and approved by City Council at this time via the Consent Agenda.**





## *Memorandum*

**To:** Rick Howell, City Manager

**From:** Ben Yarboro, Assistant City Manager

**Copied:** Beth Beam, Director of Finance

**RE:** Villas of Kingsview Subdivision Underground Electric Installation – Project Budget Ordinance and Construction Contract Award

**Date:** December 27, 2023

### **Background**

As noted in the attached memorandum from Marcus Kennedy, Electric System Technician, the City of Shelby held a public bid opening for the labor contract associated with the installation of the underground electric system for the Villas of Kingsview subdivision. This subdivision consists of approximately 49 single family houses and is located on Pinnacle Crossing near Pinnacle Classical Academy. The materials required for this project have been purchased and are currently being stored by the City.

This project generally consists of installing the following:

- 4,500 feet of 1/0 primary underground wire
- 5,250 feet of triplex underground wire
- 6,700 feet of 2” conduit
- 1,800 feet of 3” conduit
- 9 transformers

At the public bid opening, the City received 4 responsive bids and 2 “No Bid” letters. As shown in the attached bid tabulation, Carl Grigg Electric & Supply was the low bidder with a bid of \$76,172.50. The original estimate from Progressive Engineering for this construction contract was \$100,000.00.

The City Finance Department has prepared a Project Budget Ordinance for this project for City Council consideration. This PBO totals \$85,000 which is based on the \$76,172.50 bid amount plus approximately a 10% contingency for unknown site conditions such as rock that may be encountered during trench excavation. If approved, funding for this project will be appropriated from the Electric fund balance.

The developer has begun the site grading and the electric installation is anticipated to begin in March 2024 after the streets have been fully graded.

City staff recommends Council approval of the Project Budget Ordinance in the amount of \$85,000.00 and approval of the resolution awarding this construction contract to Carl Grigg Electric & Supply for the low bid amount of \$76,172.50.

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



## *Memorandum*

**To:** Ben Yarboro, Assistant City Manager  
**From:** Marc Kennedy, Electric Systems Technician  
**RE:** Villas of Kingsview Electric Project  
**Date:** December 27, 2023

### **Background**

On January 31, 2023, JDSI received approval for the development of a Subdivision on Pinnacle Crossing in the City of Shelby. During the review process, City of Shelby Planning, Fire, and Utility departments reviewed plans to ensure development met city standards and to ensure the City could provide the development with the utilities that would meet their needs.

With the City of Shelby having electric lines located on South Post Road and Pinnacle Crossing, the City ensures it could meet the developer's needs. With JDSI selecting the City of Shelby to provide its electric needs, the City Electric Department contracted with Progressive Engineering Consultants Inc., a professional engineering services firm, to design the electric system for the Villas of Kingsview Subdivision. The City has already purchased materials for this project.

### **Review**

City Staff advertised the Villas of Kingsview Subdivision Underground Electric Project on the City webpage and bid packages were provided to eleven (11) prospective bidders on November 9, 2023. At the bid opening on December 14, 2023, four (4) complete bids and two no bid letters were received. The bid tabulation for this project is attached to this memorandum and depicts the bids and the unit prices that were received. The lowest responsive bidder was Carl Grigg Electric & Supply. The low bid by Carl Grigg Electric & Supply was a lump sum bid for the scope of work in the amount of \$76,172.50. The estimate provided by Progressive Engineering Inc. for this project was \$100,000 so the lowest bid received is 31.2% below the estimated cost.

<b>Company Name</b>	<b>Submitted Bid</b>
Carl Grigg Electric	\$76,172.50
Williams Electric	\$95,094.48
Lee Electrical Construction	\$104,558.50
River City Construction	\$135,110.00
Sumter Utilities	No Bid Letter
Carolina Power and Signalization	No Bid Letter

**Recommendation**

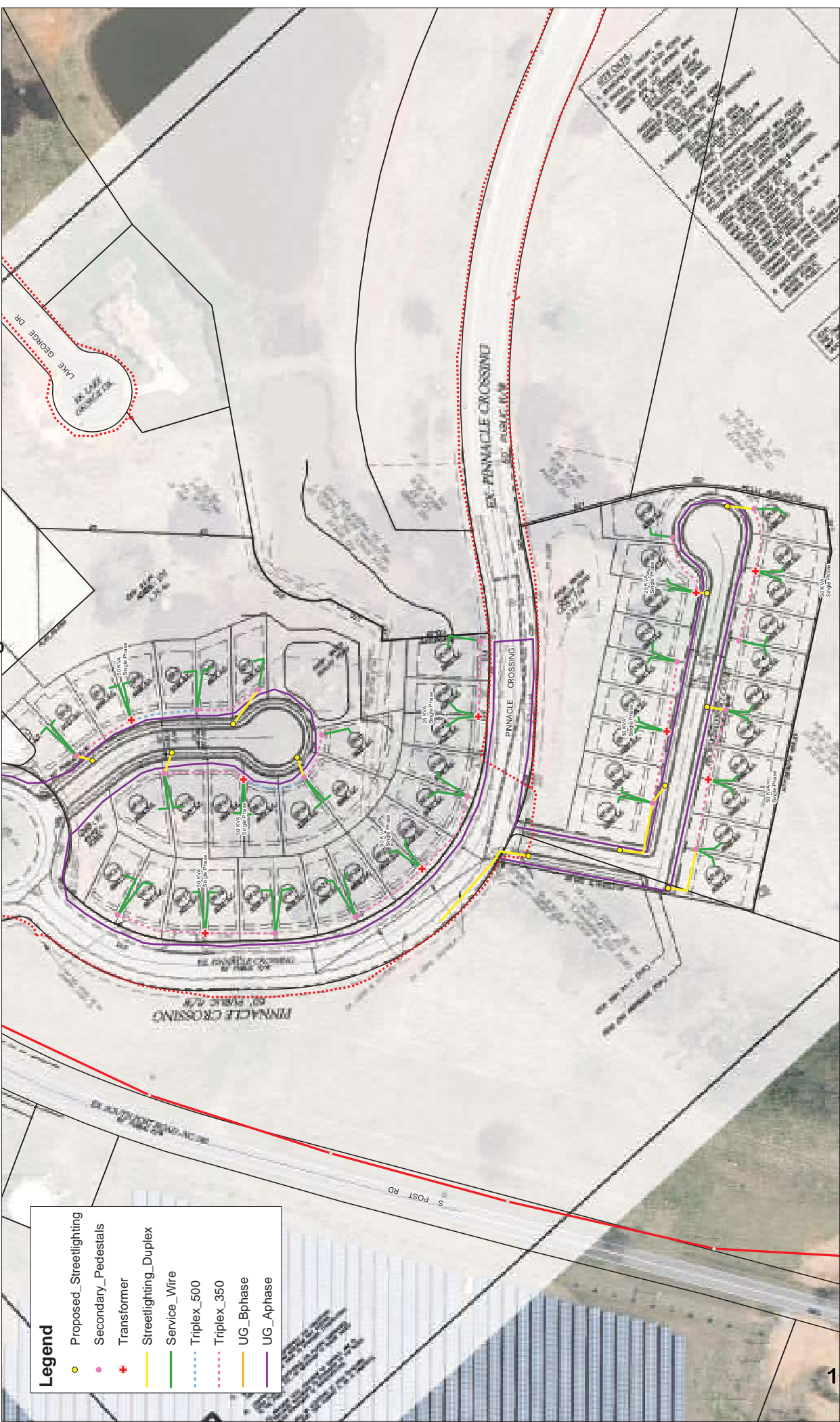
City Staff recommends that the Shelby City Council approve the resolution awarding the bid for the construction of the Villas of Kingsview Underground Electric Project to the lowest responsive bidder Carl Grigg Electric & Supply, for the bid price of \$76,172.50.

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

Attachments:

- Electric Design
- Bid Tabulation
- Engineer's Recommendation

# Parcel 60930 - Villas of Kings View Phase 1

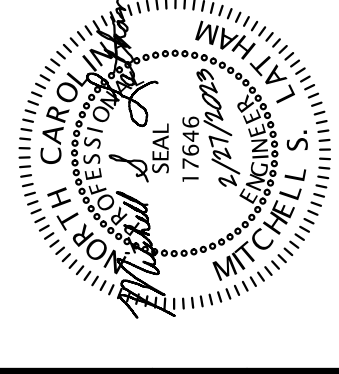


Legend	
●	Proposed_Streetlighting
●	Secondary_Pedestals
★	Transformer
—	Streetlighting_Duplex
—	Service_Wire
—	Triplex_500
—	Triplex_350
—	UG_Bphase
—	UG_Aphase

●	Gravity Sewer Main
■	Force Sewer Main
●	Manhole
■	Lift Station
—	Water Main
—	Gas Main
—	Primary Overhead Electric Line
—	Primary Underground Electric Line
—	Stormwater Line
★	Transformer
—	UG_Bphase
—	UG_Aphase







ISSUED FOR  
CONSTRUCTION

JDSI, LLC

3515 DOVEWOOD DRIVE  
CHARLOTTE, NC 28226  
PHONE: (704) 361-7777  
jdsjstringfellow@gmail.com

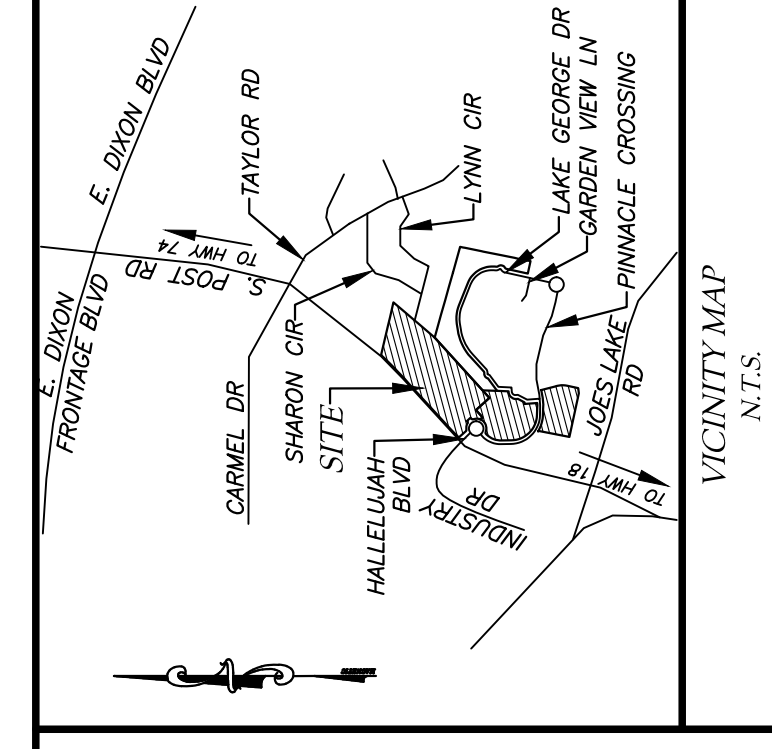
VILLAS OF KINGS VIEW PHASE I  
S. POST ROAD SHELBY, NC 28152  
SITE PLAN

REVISIONS

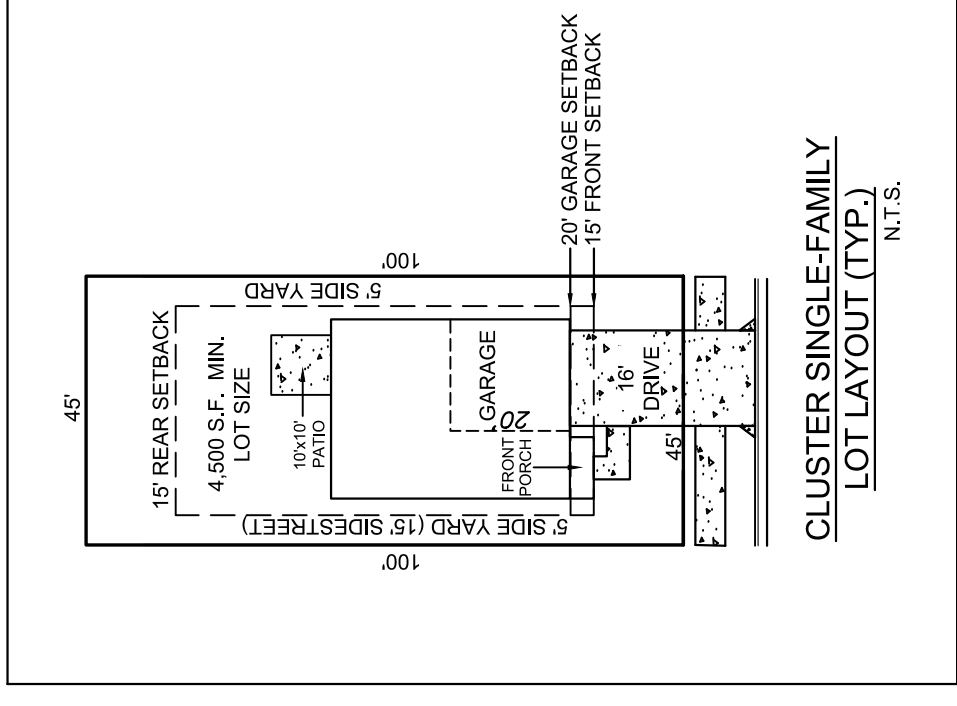
PROJECT NO. 2024-42  
SCALE: 1" = 50'  
DRAWN BY: CIA  
CHECKED BY: NSL  
DATE: 07/19/2022

SHEET NO.

C2.0



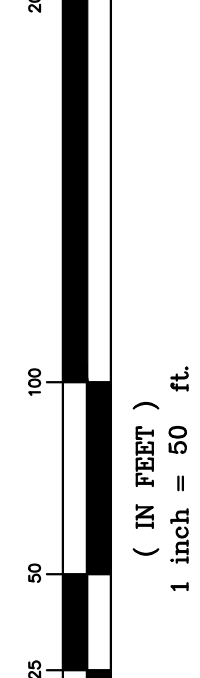
- SITE DATA:**
- DEVELOPER/OWNER: JDSI, LLC  
3515 DOVEWOOD DRIVE  
CHARLOTTE, NC 28226  
704-361-7777  
jdsjstringfellow@gmail.com
  - PARCEL # 58304  
PIN: 2555298725, DB: 1863 PG 0307  
ADDRESS: PINNACLE CROSSING  
CLEVELAND COUNTY  
PARCEL ACREAGE: 45.3850 ACRES  
EX. ZONING: GENERAL BUSINESS
  - PARCEL # 58304  
PIN: 2555298725, DB: 1743 PG 0004  
ADDRESS: PINNACLE CROSSING  
SHELBY, NC 28152  
CLEVELAND COUNTY  
PARCEL ACREAGE: 45.3850 ACRES  
EX. ZONING: RO-CU RESIDENTIAL
  - PROPOSED LOTS: 49 SINGLE-FAMILY RESIDENTIAL LOTS  
TO BE DEVELOPED FOLLOWING THE R-99 CLUSTER STANDARDS
  - SINGLE-FAMILY STANDARDS (R-99 CLUSTER):  
MINIMUM LOT AREA: 5,000 SF  
MINIMUM COMMON OPEN SPACE (COS): 15% OF TOTAL AREA  
FRONT YARD SETBACK: 15'  
REAR YARD SETBACK: 15'  
SIDE YARD SETBACK: 5'  
SIDE STREET SETBACK: 15'COMMON OPEN SPACE (COS) FOR SINGLE FAMILY CLUSTER:  
COMMON OPEN SPACE REQUIRED: 15% = #1.38 ACRES  
COMMON OPEN SPACE PROVIDED: 22% = #2.15 ACRES  
WYTHE COURT: 167' L.F.  
SAND FILTER #1: 173' L.F.  
SAND FILTER #2: 285' L.F.  
KINGS CROFT COURT: 285' L.F.
  - WATERSHED: PROPERTY IS NOT LOCATED IN A WATERSHED ZONE
  - INFRASTRUCTURE:  
PUBLIC WATER  
PUBLIC SEWER
  - SURVEY AND TOPO INFORMATION PROVIDED BY:  
KINGDOM SURVEYING & MAPPING, INC.  
501 FORNIE AVENUE  
LINCOLTON, NC 28092  
704-739-5026



CLUSTER SINGLE-FAMILY  
LOT LAYOUT (TYP.)  
N.T.S.

- NOTES:**
- RESIDENTIAL HOMES TO BE PLACED SUCH THAT VEHICLES CAN PARK IN DRIVEWAYS WITHOUT BLOCKING OVERHANGING ON THE SIDEWALKS AND HAVE ADA RAMPS AT CROSSINGS.
  - CITY OF SHELBY WILL NOT OPERATE OR MAINTAIN ANY INFRASTRUCTURE PROVIDED BY THE COMMUNITY. THE COMMUNITY WILL BE RESPONSIBLE FOR ANY/APPLICABLE STORM & SANITARY SEWER INFRASTRUCTURE.

GRAPHIC SCALE



PARCEL #65127  
DUSTY & SUSAN BEAVER  
DB: 1533 PG 0327  
BLK 1 LOT 98, MAP 3-27  
EX. ZONING: RO-CU RESIDENTIAL

COS: 2  
1.36 AC.

SAND FILTER #1

PROP. ROXANNA COURT  
50' PUBLIC R/W

COS: 1  
0.13 AC.

PARCEL #6931  
DOW PEELER REALTY, INC.  
BLK 1 LOT 98, MAP 3-27  
EX. ZONING: GE-GENERAL BUSINESS

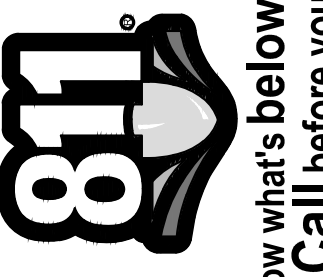
EX. SOUTH POST ROAD - NC 180  
60' PUBLIC R/W

DEED LINE & ROAD R/W  
PER DB 1695-874

LINE	BEARING	LENGTH
L1	S47°34'03"W	105.80
L2	S47°35'14"W	91.96
L3	N42°24'46"W	9.06
L4	N47°33'39"E	14.40
L5	N42°26'22"W	50.00
L6	S47°33'58"W	14.39
L7	N42°25'32"W	141.25
L8	S02°33'52"W	153.74
L9	S02°32'31"W	118.68
L10	S27°41'09"W	75.53
L11	N85°14'09"W	17.11
L12	N87°25'32"W	83.14
L13	N01°09'55"W	101.21
L14	S87°27'50"E	83.14
L15	S14°48'50"E	170.50
L16	S63°03'30"W	52.96
L17	S40°10'46"W	127.83
L18	S39°57'19"W	136.82
L19	S39°51'29"W	66.51
L20	S39°51'29"W	228.70

CURVE	RADIUS	LENGTH	CHORD BEARING	CHORD DISTANCE
C1	10.00	15.70	N87°24'46"W	14.14
C2	20.00	19.56	N14°24'05"W	18.79
C3	100.00	62.94	N02°22'42"W	61.91
C4	20.00	23.73	M13°34'31"E	22.36
C5	20.00	23.73	S81°33'03"W	22.36
C6	100.00	59.77	N81°34'50"W	58.88
C7	20.00	19.60	N70°33'09"W	18.82
C8	860.00	19.36	N45°03'36"E	19.36
C9	7210.00	240.02	N46°39'31"E	240.01
C10	16000.00	165.78	N47°19'35"E	165.78
C11	16000.00	232.40	N44°28'57"E	232.19
C12	80.00	143.32	S39°00'20"W	124.91
C13	470.00	45.97	S89°46'21"W	45.95
C14	270.00	406.49	N44°17'44"W	369.17
C15	220.00	181.11	N22°24'29"E	176.04
C16	20.00	23.41	N79°22'04"E	22.10
C17	100.00	169.32	N64°18'26"E	149.81
C18	10.00	12.01	N23°12'51"W	11.30
C19	330.00	171.08	S72°36'22"E	169.17
C20	530.00	140.99	N84°55'16"E	140.57
C21	970.00	44.71	N78°37'16"E	44.71
C22	225.00	106.51	S01°12'45"E	105.52

- CONTRACTOR IS FULLY RESPONSIBLE FOR CONTACTING ALL UTILITIES TO LOCATE PRIOR TO BEGINNING CONSTRUCTION.
- CONTRACTOR IS RESPONSIBLE FOR PLACING BARRICADES UPON THE JOB SITE, AS NECESSARY TO INSURE SAFETY.
- ALL EXISTING CURB, CONCRETE OR ASPHALT ARE TO BE REPLACED ACCORDING TO STANDARDS OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION.
- STANDARDS THAT TOOK SURVEY FOR AS AMENDED.



## City of Shelby, North Carolina

Villas at Kings View Underground Electric

Bid Date: December 14, 2023 @ 2:30 p.m.

Bidder	Carl Grigg Electric & Supply	Lee Electrical Construction	Williams Electric Company	River City Electric
Bid Bond	5%	5%	5%	5%
<b><u>Underground Construction Installation Units</u></b>				
UG Conductor Units	\$8,362.50	\$7,706.25	\$9,098.00	\$23,012.50
Transformer Pad	\$10,750.00	\$13,035.54	\$11,325.00	\$14,700.00
UG Miscellaneous Units	\$19,125.00	\$16,511.56	\$36,866.00	\$27,610.00
Underground Trenching Units / 1,000 ft.	\$24,160.00	\$51,189.00	\$38,052.00	\$37,750.00
Conduit Installation Units	\$12,775.00	\$6,079.50	\$8,567.50	\$31,137.50
<b>TOTAL INSTALLATION UNITS</b>	<b>\$75,172.50</b>	<b>\$94,521.85</b>	<b>\$103,908.50</b>	<b>\$134,210.00</b>
<b><u>Underground Construction Removal Units</u></b>				
Transformer Units	\$1,000.00	\$572.63	\$650.00	\$900.00
<b>TOTAL REMOVAL UNITS</b>	<b>\$1,000.00</b>	<b>\$572.63</b>	<b>\$650.00</b>	<b>\$900.00</b>
<b>TOTAL UNITS</b>	<b>\$76,172.50</b>	<b>\$95,094.48</b>	<b>\$104,558.50</b>	<b>\$135,110.00</b>
Experience Rate Modifier	1.0	0.66	0.72	1.05

No Bid  
 Sumter Utilities  
 Carolina Power & Signalization

December 20, 2023

City of Shelby  
P.O. Box 207  
Shelby, NC 28151-0207  
Attn: Marcus Kennedy

Subject: Award Recommendation  
Villas at Kings View Underground Electric

Dear Marcus,

Requests for proposals were sent to eleven (11) electrical contractors on November 9, 2023, for the above subject project. Sealed bids were received, publicly opened, and read on Thursday, December 14, 2023.

As shown by the attached bid tabulation of four (4) bids and two (2) no-bids received, Carl Grigg Electric & Supply of Shelby, North Carolina, submitted the most attractive cost proposal in the amount of \$76,172.50.

We have reviewed the proposal and find it to be in compliance with the specifications and therefore recommend the City accept this proposal as submitted.

Please notify us of your decision in order that we may prepare the necessary contract documents for execution. If you have any questions or comments, please feel free to call.

Best regards,

PROGRESSIVE ENGINEERING CONSULTANTS, INC.

*Michael A. Dawson*

Michael A. Dawson

Enclosures



ORDINANCE NO. 4-2024  
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY’S  
 UNDERGROUND ELECTRIC PROJECTS FY24

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 Underground Electric Projects FY24; 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. 52-2023, the City’s Underground Electric Projects FY24, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

**Underground Electric Projects FY24 - Kingsview**

(1) Appropriating Fund Balance:

Fund Balance Appropriated	63006000-39900	\$ 85,000
Transfer to Electric Capital Projects	630731-49631	\$ 85,000

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

Increase:		
Transferred from Electric Fund	63106000-39630-63881	\$ 85,000
Increase:		
Construction	631736-53000-63881	\$ 85,000

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. 1</u>
<b><u>Underground Electric Projects FY24 - Kingsview</u></b>		
<b>Revenues</b>		
Transferred from Electric Fund	\$ 651,000	\$ 736,000
<b>Expenditures</b>		
Construction	\$ 651,000	\$ 736,000

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

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

Adopted and Approved this the 8th day of January, 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

---

Jason Lunsford  
City Attorney

**RESOLUTION NO. 3 – 2024**

**A RESOLUTION AWARDING THE CONSTRUCTION CONTRACT FOR THE VILLAS OF KINGSVIEW SUBDIVISION UNDERGROUND ELECTRIC PROJECT**

**WHEREAS**, the City of Shelby operates an electric distribution system that has electric distribution lines located near the intersection of South Post Road and Pinnacle Crossing; and,

**WHEREAS**, a developer, JDSI, has requested that the City of Shelby provide electric service to their residential project, which is in the construction phase and consists of 49 single family homes; and,

**WHEREAS**, the City of Shelby is willing to provide safe and reliable electric service to properties where and when allowed by law; and,

**WHEREAS**, The City of Shelby and Progressive Engineering Consultants, Inc. have prepared complete construction documents and held a public bid opening on December 14, 2023, to accept bids from licensed contractors to perform the construction related to this project; and

**WHEREAS**, four (4) responsive bids were received from licensed contractors interested in completing this construction project and the apparent low bidder was Carl Grigg Electric & Supply, in the amount of \$76,172.50.

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

Section 1. The contract for the construction of the City of Shelby’s Villas of Kingsview Subdivision Underground Electric Project, as outlined in the bid specifications for this offering, is hereby awarded to Carl Grigg Electric & Supply, in the amount of \$76,172.50 as stated in their official proposal for this bidding, and in accordance with the City’s official bid specifications for this project.

Section 2. The City Manager of the City of Shelby or his designee is hereby authorized and directed to execute the applicable contracts and any change orders as specified in Section 1 of this resolution.

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

Adopted and Approved this the 8th day of January, 2024.

---

O. Stanhope Anthony III  
Mayor

ATTEST:

---

Carol Williams  
City Clerk

Agenda Item: D-5

- 5) Underground Electric Installation Projects FY24 (Willow Estates):
- a) Adoption of budget ordinance amendment for the City of Shelby's Underground Electric Projects FY24 – Amendment #2: Ordinance No. 5-2024
  - b) Approval of a resolution awarding the contract for the Willow Estates Subdivision Underground Electric Materials: Resolution No. 4-2024

**Consent Agenda Item: (Ben Yarboro, Assistant City Manager)**

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Summary of Available Information:

- Memorandum dated January 2, 2024, from Ben Yarboro, Assistant City Manager to Beth B. Beam, Director of Finance and Rick Howell, City Manager
- Bid Tabulation
- Memorandum dated December 27, 2023, from Marc Kennedy, Electric Systems Technician to Ben Yarboro, Assistant City Manager
- Supporting Documents
- Ordinance No. 5-2024
- Resolution No. 4-2024

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City Manager's Recommendation / Comments

Ordinance No. 5-2024 and Resolution No. 4-2024 are presented for City Council consideration via the Consent Agenda.

- c) If approved Ordinance 5-2024 would appropriate \$281,150 from the Electric Fund Net Retained Earnings for the purchase of the remaining electric materials necessary for the construction of an electric distribution system within the Willow Estates development located between Wyke Road and E. Marion Street. The \$281,150 represents the actual cost of a portion of the materials needed for the project.
- d) If approved Resolution No. 4-2024 would award a contract for the purchase of electric materials from two contractors. One for Border States in the amount of \$131,026.93 and another for Wesco in the amount of \$150,120.00 for a total of \$281,146.93. These materials are to be used in the construction of an electric distribution system for the Willow Estates residential development. This project was bid in accordance with the requirements of the NC General Statutes and City Purchasing Policy.

Note: This subdivision contains 78 single family lots and 168 townhome lots on approximately 51 +/- acres or 4.77 units per acre. It is served by City water, sewer, and electric services. City natural gas service is also available.

**It is recommended that Ordinance No. 5 -2024 and Resolution No. 4-2024 be adopted and approved at this time via the Consent Agenda.**



## *Memorandum*

**To:** Rick Howell, City Manager

**From:** Ben Yarboro, Assistant City Manager

**Cc:** Beth Beam, Finance Director  
Todd Frashier, Purchasing Manager

**RE:** Project Budget Ordinance and Resolution Awarding an  
Electric Material Purchase for the Willow Estates Subdivision

**Date:** December 28, 2023

### **Background**

As detailed in the attached memo from Marc Kennedy, Electric Systems Technician, the City of Shelby has completed the bidding process on site specific materials that are currently needed to meet the electrical system construction needs for the Willow Estates Subdivision project. These materials are based on the final design and construction plans that have been provided by the City's professional design consultant on this project, Progressive Engineering. These materials and the required quantities are listed on the attached quotes in the memo from Mr. Kennedy.

As a reminder, in November 2023, the City Council approved a separate electrical material order for five development projects, including this one, that purchased common materials that are not as project specific. Materials included in this prior order were items such as conduit and wire. This proposed order will provide the remainder of the items that are needed to serve this specific project.

Advertisements were sent to 3 vendors and the bid document was also publicly advertised. The City received bids from two vendors and both bids omitted items that were currently unavailable from the specific vendor. These two bids were received by the City's Finance Department and it was recommended that the purchase of the necessary materials be completed by contracting with both vendors on the items that they could provide at the lowest cost. Based on this approach, the total cost of the site specific electric materials for the Willow Estates Subdivision project is \$281,146.93 with the following breakdown:

- Border States - \$131,026.93
- Wesco - \$150,120.00

The developer has begun construction on this project and anticipates being ready for electrical installation to begin in the May – July 2024 timeframe. The installation of all materials associated with this project will be advertised within the next 2-3 months and will be brought to Council for consideration following a public bid opening.

**Recommendation**

City staff recommends approval of the Project Budget Ordinance that appropriates \$281,146.93 from the Electric Fund Balance to establish a budget for the purchase of the aforementioned electric system materials for the Willow Estates Subdivision Project.

Additionally, staff recommends approval of the attached Resolution that authorizes the award of the two (2) separate bids for these electric system materials to the following vendors:

- Border States Electric - \$131,026.93
- Wesco Distribution - \$150,120.00

Please advise if you have any questions or if additional information is needed.



## *Memorandum*

**To:** Ben Yarboro, Assistant City Manager

**From:** Marc Kennedy, Electric Systems Tech.

**RE:** Willow Estates Subdivision Underground Electric Project

**Date:**

### **Background**

In August of 2021 LGI Homes received the approval for the development of the Willow Estates Subdivision. The Subdivision will be located between Wyke Rd. and E. Marion St. near Mimosa Dr. which will include 168 townhomes and 78 single family homes. During the review process, the City Planning, Fire, and Utility departments reviewed plans to ensure development met city standards and ensure the city could provide the development with the utilities that would meet their needs.

With the City of Shelby having electric lines located on East Marion near Mimosa Dr, as well as on the property, the City ensures it could meet the developer's needs. With LGI Homes selecting the City of Shelby to provide its electric needs the City Electric Department contracted with Progressive Engineering Consultants Inc., a professional engineering services firm, to design the electric system for Willow Estates Subdivision.

### **Review**

Staff sent material lists from Progressive Engineering Consultants Inc. to 3 prospective bidders on November 15, 2023. Bids were to be received by December 5, 2023, two partial bids and one no bid letters were received. The low bid from Border States was in the amount of \$131,026.93. The missing items from the border states bid will be ordered from Wesco in the amount of \$ 150,120.00. These items include one switchgear and 2 fused cabinets with fuses. The bid tabulation for these bids is attached to this memorandum and depicts the bids for the material to be ordered.

Company Name	Submitted Bid
Wesco	\$150,120.00
Border States	\$131,026.93
State Electric	No Bid

**Recommendation**

City Staff recommends that the Shelby City Council approve the resolution awarding the bid for the Willow Estates subdivision Site Specific Material to the lowest responsive bidder, Border States in the amount of \$131,026.93. Also the omitted items from the Border States bid awarded to Wesco in the amount of \$150,120.00.

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

Attachments:

- Electric Design
- Bid Tabulation
- Bid Documents







**SITE NOTES:**

1. THE CONTRACTOR SHALL VERIFY LOCATION AND ELEVATION OF ALL UNDERGROUND UTILITIES. THE LOCATION OF ALL EXISTING UTILITIES ARE NOT NECESSARILY SHOWN ON THE PLANS AND WHERE SHOWN ARE ONLY APPROXIMATE. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES.
2. THE CONTRACTOR SHALL VERIFY THE LOCATION AND ELEVATION OF ALL EXISTING UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES.
3. PRIOR TO STARTING CONSTRUCTION, THE CONTRACTOR SHALL VERIFY THAT ALL REQUIRED PERMITS AND APPROVALS HAVE BEEN OBTAINED AND IN FULL FORCE AND EFFECT. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES.
4. THE GENERAL CONTRACTOR SHALL VERIFY THAT ALL REQUIRED PERMITS AND APPROVALS HAVE BEEN OBTAINED AND IN FULL FORCE AND EFFECT. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES.
5. CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES AND SHALL BE RESPONSIBLE FOR MAINTAINING ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
6. CONTRACTOR IS RESPONSIBLE FOR DAMAGE TO ANY EXISTING ITEM AND/OR MATERIAL, INSIDE OR OUTSIDE CONTRACT LIMITS DUE TO CONSTRUCTION OPERATIONS.
7. ALL LINEAR SITE DIMENSIONS ARE TO THE FACE OF CURB UNLESS OTHERWISE NOTED. ALL RADIAL SITE DIMENSIONS ARE TO THE FACE OF CURB UNLESS OTHERWISE NOTED.
8. THE GENERAL CONTRACTOR SHALL KEEP THE AREA OUTSIDE THE CONSTRUCTION LIMITS PROTECTED FROM ALL TRAFFIC AND REMOVE ALL TRAFFIC AND DEBRIS FROM THE SITE UPON COMPLETION OF THE PROJECT AND AT LEAST ONCE A WEEK DURING CONSTRUCTION.
9. BEFORE COMMENCEMENT OF WORK, THE CONTRACTOR SHALL REVIEW ALL PLANS AND SPECIFICATIONS AND THE JOB SITE. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES. THE CONTRACTOR SHALL OBTAIN THE UTILITY AND AT NO EXTRA CHARGE SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL UTILITIES.
10. ALL PERMITS RELATIVE TO THE PROJECT MUST BE OBTAINED PRIOR TO CONSTRUCTION. ALL CONSTRUCTION TO BE IN ACCORDANCE WITH PERMITS ASSUED AND APPLICABLE STATE, COUNTY AND LOCAL CODES.
11. ALL WORK IN RIGHT-OF-WAYS SHALL BE PERFORMED IN ACCORDANCE WITH THE CURRENT EDITION OF THE STATE DEPARTMENT OF TRANSPORTATION CONSTRUCTION AND MAINTENANCE SPECIFICATIONS.
12. CONTRACTOR AGREES THAT IN ACCORDANCE WITH GENERALLY ACCEPTED CONSTRUCTION PRACTICES, CONTRACTOR WILL BE REQUIRED TO ASSUME ALL RESPONSIBILITIES FOR THE PROTECTION OF ALL EXISTING UTILITIES, WHETHER OR NOT SHOWN ON THE PLANS AND SPECIFICATIONS. CONTRACTOR SHALL HOLD THE OWNER AND CONTRACTOR HARMLESS FROM ANY AND ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING ATTORNEY'S FEES, ARISING FROM THE PROTECTION OF ALL EXISTING UTILITIES. CONTRACTOR SHALL HOLD THE OWNER AND CONTRACTOR HARMLESS FROM ANY AND ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING ATTORNEY'S FEES, ARISING FROM THE PROTECTION OF ALL EXISTING UTILITIES.
13. SUBJECT PROPERTY IS NOT LOCATED WITHIN A SPECIAL FLOOD HAZARD ZONE. IT IS LOCATED IN ZONE "X", AS DENIED BY WFIP F.I.R.M. MAP NUMBER 570254700, EFFECTIVE DATE 02/28/2008.
14. THE DEVELOPMENT WILL COMPLY TO ALL TOWN ORDINANCES (ENHANCEMENT, BLASTING, DUST CONTROL, AND POST-CONSTRUCTION).

JURISDICTION	SHELBY
TAX PARCEL(S)	25879516, 25879482
WVNO DB	
NO. OF	19.04 AC
AREA IN LOTS	25.04 AC
COMMON AREA	7.14 AC
RIGHT-OF-WAY	51.57 AC
TOTAL AREA	108 UNITS
TOTAL TOWNHOUSES	78 UNITS
TOTAL SINGLE FAMILY HOMES	30 UNITS
DENSITY	4.7 UNITS/ACRE
MINIMUM FRONT SETBACK:	5' / 5' TOWNSHIP END UNITS
MINIMUM SIDE SETBACK:	10' / 10' TOWNSHIP END UNITS
MINIMUM REAR SETBACK:	

**NOTE:**  
 CONTRACT CITY OF SHELBY  
 ENGINEERING DEPARTMENT  
 JUSTIN WRIGHT @ (704-689-2025)  
 FOR PRE-CONSTRUCTION MEETING

**NOTE:**  
 CONTRACT CITY OF SHELBY  
 ENGINEERING DEPARTMENT  
 JUSTIN WRIGHT @ (704-689-2025)  
 FOR PRE-CONSTRUCTION MEETING

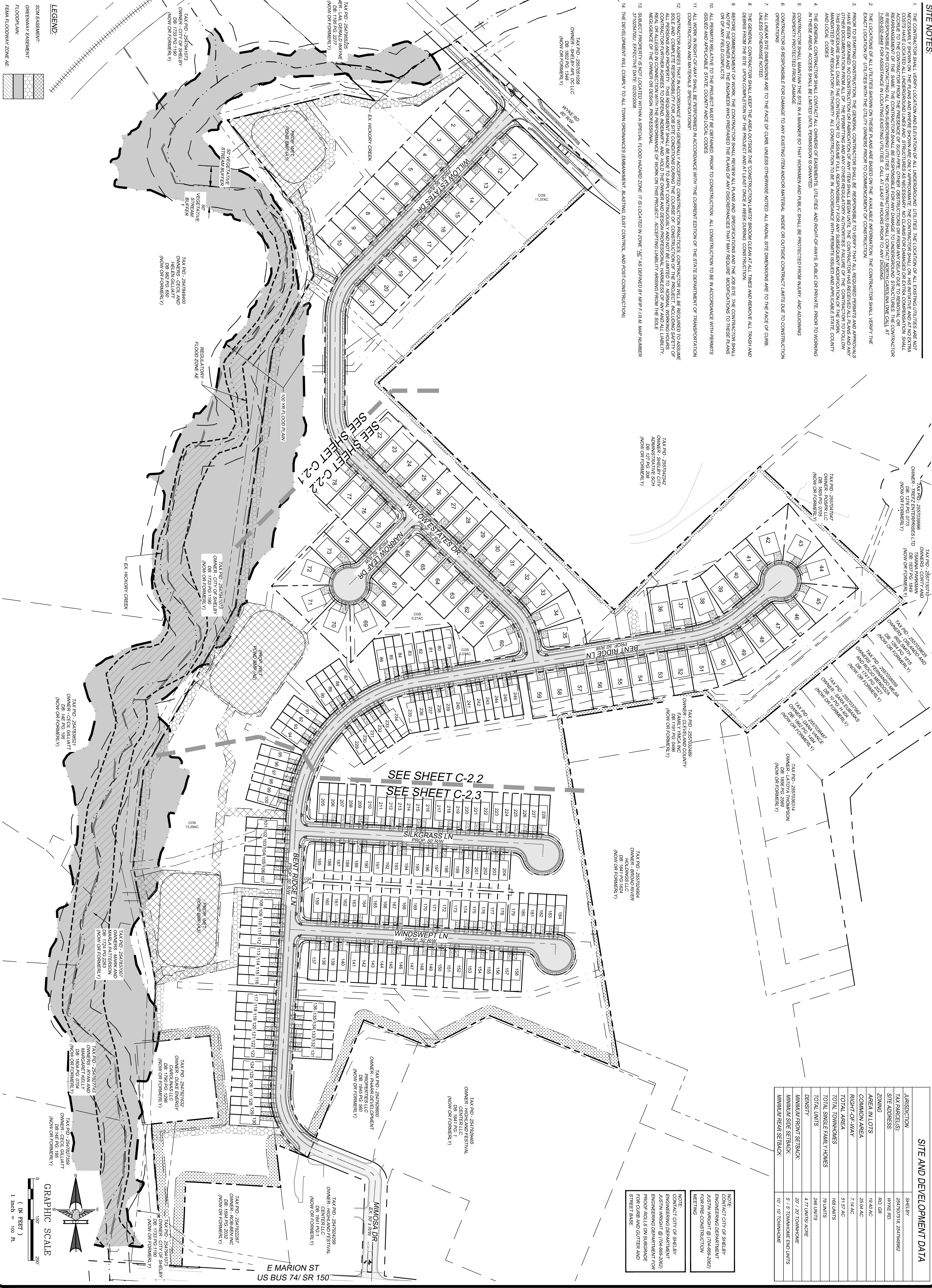
NO.	DATE	BY	ISSUE
1	09/19/2022	MDP	ADDRESS CITY OF SHELBY COMMENTS
2	12/08/2022	MDP	ADDRESS NCDEG COMMENTS / CITY OF SHELBY COMMENTS
3	02/10/2023	MDP	ADDRESS NCDEG COMMENTS / CITY OF SHELBY COMMENTS
4	03/10/2023	MDP	ADDRESS NCDEG COMMENTS / CITY OF SHELBY COMMENTS
6	10/13/2023	MDP	ADJUSTED SITE GRADING FOR EARTHWORK BALANCING

10/21/2023

**EAGLE ENGINEERING**

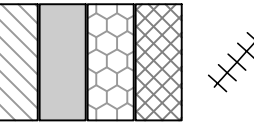


FIRM LICENSE # C-0873  
 2013A Van Buren Avenue  
 Indian Trail, NC 28079  
 (704) 882-4222  
 www.eagleonline.net



**LEGEND:**

- SOIL EASEMENT
- GREENWAY EASEMENT
- FLOODPLAIN
- FEMA FLOODWAY ZONE AE



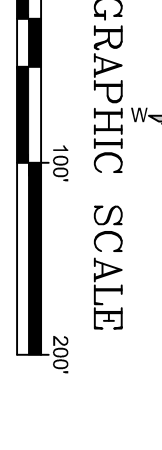
**OVERALL SITE PLAN**

DESIGNED BY	KEL	DRAWN BY	KEL	CHECKED BY	MCK
DATE					
AS SHOWN		05/26/2022			7519

**WILLOW ESTATES  
 SHELBY, CLEVELAND CO., NC**

**LGI HOMES NC, LLC.**  
 3037 SHERMAN DR.  
 LANCASTER, SC 29720

**GRAPHIC SCALE**



( IN FEET )  
 1 Inch = 100 Ft.

C-2.0





**List of Owner-Furnished Material City of Shelby, North Carolina Willow Estates Subdivision**

<u>Item</u>	<u>Qty.</u>	<u>Unit</u>	<u>Description</u>	<u>Mfg. &amp; Cat. # of Item Bid</u>	<u>Cat. No. &amp; Mfg. of Item Bid</u>	<u>Price Each</u>	<u>Extended Price</u>
5	1	ea.	Primary Enclosure, Direct Buried, Multi-phase	Nordic ND-430-MG101	Old Castle FSC5553RDGBJ	2743.12	\$2743.12
6	3	ea.	4 Point Molded Multi-Point Junction, 4-200A Bushing Interface without parking stands, "U" straps for mounting to back	Elastimold J4-2222-15	HUBBELL 215J4U	247.96	\$743.88
7	1	ea.	15kV Padmounted Switch 2-200A Source Ways with 3 each 200A Deepwell Bushings, 2-200A Protected Ways with 3 each 200A Deepwell Bushings and Trip Module with single and 3- phase trip	G&W, S&C, Federal Pacific, Eaton or Approved Equal			\$0.00
8	2	ea.	15kV Padmounted Fused Cabinet 2-200A Source Ways with 3 each 200A Deepwell Bushings, 2-200A Fused Ways with 3 each 200A Deepwell Bushings compatible with S&C SM-20 Fuses	Federal Pacific FTDF-115-42PF or Approved Equal			\$0.00
9	10	ea.	Fuse For Fused Cabinet, SMD-20, 65K	S&C 702065			\$0.00
10	4	ea.	Fuse For Fused Cabinet, SMD-20, 50K	S&C 702050			\$0.00
11	4	ea.	Fuse For Fused Cabinet, SMD-20, 40K	S&C 702040			\$0.00
13	10	ea.	Elbow Surge Arrester 15kV Class Loadbreak System	Elastimold 167ESA-10	EATON 3238018C10M	97.27	\$972.70
14	10	ea.	Elbow Stand Off Insulator 15kV Class Loadbreak System	Per City Specifications	HUBBELL 215SB	77.26	\$772.60
15	10	ea.	Fused Elbow Connector, 1/0 AL. AWG. 200A, 15kV	Elastimold 166FLR-FG1/0	EATON LFEP215TFECB06A T	592.03	\$5920.30
16	12	ea.	Fuse Kit for Fused Elbow, 12A	Elastimold 166PF8-12	EATON FEF083A012	404.54	\$4854.48
17	105	ea.	Transformer Connector Blocks w/cover	HOMAC ABW 6500 & SB 2157	CMC NSSM500-6/SLCC6-500	41.04	\$4309.20
18	35	ea.	Fault Indicators	City of Shelby Specifications	Smart Grid Solutions # FI-3C	257.03	\$8996.05
20	2	ea.	Hand Hole Cabinet, HDPE, 13"x24"x15" w/ Cover	Pencell DT132415HDHDI5 P3	PENCELL DT132415HDHDI 5P3	288	\$576.00
22	100	ea.	Pedestal Insulated Connector Blocks, #4-500, 8 Circuits	Homac CSB 500-8	CMC # NACC600-8SI	35.32	\$3532.00
24	500	ft.	#2 Bare Cu. Soft Drawn, 7 Strand, Class B3	Southwire	SOUTHWIRE 2 STR BARE CU SD	1.5	\$750.00
25	7000	ft.	Underground AL. Secondary Cable 500 URD Triplex(required 7 reels with a min. of 1,000 ft. ea.)	Southwire/Holyoke VIP/YES	**Quoting Rider, 500-500-350 triplex URD cable	5.11	\$35770.00
27	2000	ft.	Underground Al. Secondary Cable #4 URD Duplex(required 2 reels with a min. of 1,000 ft. ea.)	Southwire/Delgado VIP/YES	PRIORITY WIRE, DELGADO	1.02	\$2040.00
28	1,000	ft.	#12 Cu., THHN, Stranded, UG Conductor (black)	Per City Specifications	SOUTHWIRE 12 STR BLACK	0.18	\$180.00
29	1,000	ft.	#12 Cu., THHN, Stranded, UG Conductor (white)	Per City Specifications	SOUTHWIRE 12 STR WHITE	0.18	\$180.00
30	1,000	ft.	#12 Cu., THHN, Stranded, UG Conductor (green)	Per City Specifications	SOUTHWIRE 12 STR GREEN	0.18	\$180.00

31	10	ea.	Standoff Bracket	Aluma-Form 6-CSO-24	HUBBELL C6CSO24	83.9	\$839.00
32	40	ea.	Strap Kit	Aluma-Form STK-2	HUBBELL CSTK2	10.02	\$400.80
33	2	ea.	Three Phase Mounting Bracket	Aluma-Form FC3A- MV-A3613-C4-H	ALUMA-FORM F3CA-MV-H4813- D3-H	248	\$496.00
34	6	ea.	Bracket (Cable Support)	Aluma-Form CS-820 Product #51919	HUBBELL CCS820	60.79	\$364.74
35	6	ea.	Outdoor Terminator 1/0 AL Stranded 200A, 15kV	Elastimold 16THG-FG240-4	3M 7642-S-2-1/0	53.4	\$320.40
36	6	ea.	Fuse Cutout, 200amp	Per City Specifications	HUBBELL CP710143P	247.79	\$1486.74
37	2	ea.	6 Pin 10 ft. 0 in. Crossarm Fiber, Deadend 4 in. x 7½ in. x 10 ft.	Per City Specifications	SHAKESPEARE XDB120G12482	584.24	\$1168.48
38	3	ea.	Insulator: 15 kV Class Suspension, Polymer	Per City Specifications	MACLEAN DS15M	16.83	\$50.49
39	6	ea.	Insulator: 15 kV Class Pin Type, Polymer	Per City Specifications	HENDRIX HPI-55- 3	7.14	\$42.84
40	3	Qt s.	Cement (Nonmetallic Conduit)	Carlton VC9962	KRAYLOY CEMC20	13.65	\$40.95
41	3500	ft.	4 in. HDPE Roll Conduit, Solid Red in Color SDR-13.5(required 5 reels with a min. of 700 ft. ea.)	Dura-line Smoothwall SDR-13.5, Red	DURALINE 2039813410	2.94	\$10290.00
45	750	ft.	4 in. PVC, Sch 40	Carlton	CARLON	5.65	\$4237.50
46	75	ft.	4 in. PVC, Sch 40, 90 Elbows, 36 inch Radius, Belled End	Carlton UA9FNB	CANTEX	39.45	\$2958.75
47	75	ea.	E-LOCK Couplings 4" in. PVC	Dura-line 20001014	DURALINE 20001014	28.1	\$2107.50
48	500	ft.	3 in. PVC, Sch 40	Carlton	CARLON	4.38	\$2190.00
49	50	ft.	3 in. PVC, Sch 40, 90 Elbows, 30 inch Radius, Belled End	Carlton UA9ELB	IPEX	29.8	\$1490.00
50	50	ea.	E-LOCK Couplings 3" in. PVC	Dura-line 20001502	DURA-LINE	24.7	\$1235.00
51	4,000	ft.	2 in. PVC, Sch 40	Carlton	CARLON	2.3	\$9200.00
52	400	ft.	2 in. PVC, Sch 40, 90 Elbows, 24 inch Radius, Belled End	Carlton UA9DJB	IPEX	13.31	\$5324.00
53	150	ea.	E-LOCK Couplings 2" in. PVC	Dura-line 20001513	DURALINE 20001513	16.23	\$2434.50
54	200	ft.	2 in. Rigid Metal Conduit	Per City Specifications	ALLIED CONDUIT	10.95	\$2190.00
55	8	ft.	2 in. Rigid Metal Conduit, 90 Elbows	Per City Specifications	ALLIED CONDUIT	31.38	\$251.04
56	8	ea.	2 in. PVC, Male Adapters, Sch 40	Carlton	CANTEX	0.87	\$6.96
57	180	ea.	Cable Cleaner	Polywater NF-T369/S	POLYWATER T369/S	13.73	\$2471.40
58	150	ea.	Cable Preparation Kit	Polywater TR-P63	POLYWATER P63	15.68	\$2352.00
59	800	ea.	Cable Wipes	Polywater DT-69	POLYWATER DT- 69	80.62/per box of 100	\$644.96
60	15	ea.	Marker Tape, Color Red, Caution Electric Line Below	3M, Scotch Tape 368 6 in. x 1,000 ft.	3M 368	51.01	\$765.15
61	10	rolls	Rubber Mastic Tape, 600v, 2 in. x 10 ft.	3M, 2228	3M 2228	29.74	\$297.40
62	30	rolls	Vinyl Electric Tape, Black, 3/4 in. x 66 ft./can	3M, 33+ Scotch	3M 37	3.2	\$96.00
63	50	ea.	Compression Connector	Blackburn CF 1010-1	PENN-UNION CDT-303-8	1.68	\$84.00

64	50	ea.	Ground Rod	Joslyn J8338-13	ERICO 61588	21.39	\$1069.50
65	50	ea.	Ground Rod Clamp	Joslyn J8492	BURNDY GRC58	3.82	\$191.00
66	50	ea.	Split Bolt Copper Connector	Homac E 350	BURNDY KS31	28.19	\$1409.50
KIRK LAYTON/BORDER STATES						Total Bid Price	\$131026.93
						N.C. Sales Tax	\$8844.32



# S&C ELECTRIC COMPANY

Excellence Through Innovation

Robert W. Chapman & Co.  
1338 Hundred Oaks Drive  
Suite D  
Charlotte, NC 28217  
(704) 525-2421

## Quotation

**Quote #:** Q-109807-2  
**Date:** 27-NOV-2023  
**Expires On:** 27-DEC-2023

Inside Sales:

Herb Price  
hprice@rwchapman.com  
(704) 602-8202

**Project Reference** City of Shelby - Vista  
Manual Switchgear

WESCO - RALEIGH  
PO BOX 122038  
LITHIA SPRINGS, GA 30122  
US

WE ARE PLEASED TO SUBMIT THE FOLLOWING QUOTATION SUBJECT TO THE TERMS AND CONDITIONS AS LISTED BELOW

QUOTE PREPARED BY	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Herb Price	(704) 602-8202	hprice@rwchapman.com	Ground	1/2 1% 15, 30

LINE	QTY	CATALOG NUMBER	DESCRIPTION	UNIT PRICE	EXTENDED
01	1	934222R1-P4T2	934222R1-P4T2--VOLTS: 15.5 AMPERES: 600 COLOR: OLIVE GREEN --VISTA UNDERGROUND SWITCHGEAR-- OUTDOOR DISTRIBUTION-- MANUAL MODEL 422  P4 - R1 STYLE 3 / 4-WAY MILD STEEL PAD MOUNTED ENCLOSURE - OLIVE GREEN 15.5 KV 12.5 KA T2 - THREE POLE MANUAL FAULT INTERRUPTER ON TWO FAULT INTERRUPTING WAYS	USD 48,948.00	USD 48,948.00
02	2	934222R1-P4T0	934222R1-P4T0--VOLTS: 15.5 AMPERES: 600 COLOR: OLIVE GREEN --VISTA UNDERGROUND SWITCHGEAR-- OUTDOOR DISTRIBUTION-- MANUAL MODEL 422  P4 - R1 STYLE 3 / 4-WAY MILD STEEL PAD MOUNTED ENCLOSURE - OLIVE GREEN 15.5 KV 12.5 KA T0 - SINGLE POLE MANUAL FAULT INTERRUPTERS ON ALL FAULT INTERRUPTING WAYS	USD 48,957.00	USD 97,914.00
03	10	702065 -MEG	702065 -MEG --KILOVOLTS: 14.4 AMPERES: 65 SPEED: 165-2 (K) SMU-20 POWER FUSE UNIT	USD 181.00	USD 1,810.00
04	4	702050 -MEG	702050 -MEG --KILOVOLTS: 14.4 AMPERES: 50 SPEED: 165-2 (K) SMU-20 POWER FUSE UNIT	USD 181.00	USD 724.00
05	4	702040 -MEG	702040 -MEG --KILOVOLTS: 14.4 AMPERES: 40 SPEED: 165-2 (K) SMU-20 POWER FUSE UNIT	USD 181.00	USD 724.00
<b>TOTAL:</b>					USD 150,120.00

### Ship Schedule

Lead-time for the quoted material is approximately 80-84 weeks after receipt of your formal purchase order. All shipping estimates are subject to prior sales of material and/or manufacturing capacity.

### Terms and Conditions of Sale

ORDINANCE NO. 5-2024  
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S  
 UNDERGROUND ELECTRIC PROJECTS FY24

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 Underground Electric Projects FY24; 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. 52-2023, the City's Underground Electric Projects FY24, is hereby amended as follows to provide for Budget Amendment No. 2 for said project:

**Underground Electric Projects FY24 – Willow Estates**

(1) Appropriating Fund Balance:

Fund Balance Appropriated	63006000-39900	\$281,150
Transfer to Electric Capital Projects	630731-49631	\$281,150

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

Increase:		
Transferred from Electric Fund	63106000-39630-63881	\$281,150
Increase:		
Construction	631736-53000-63881	\$281,150

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. 2</u>
<b><u>Underground Electric Projects FY24 – Willow Estates</u></b>		
<b>Revenues</b>		
Transferred from Electric Fund	\$ 736,000	\$1,017,150
<b>Expenditures</b>		
Construction	\$ 736,000	\$1,017,150



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 8th day of January, 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

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Jason Lunsford  
City Attorney

**RESOLUTION NO. 4 – 2024**

**A RESOLUTION AWARDING THE CONTRACT FOR THE WILLOW ESTATES  
SUBDIVISION UNDERGROUND ELECTRIC MATERIALS**

**WHEREAS**, the City of Shelby operates an electric distribution system that has electric distribution lines located between East Marion Street and Wyke Road Near Mimosa Drive; and,

**WHEREAS**, a developer, LGI Homes, has requested that the City of Shelby provide electric service to their residential project, which is in the construction phase and consists of 168 townhomes and 78 single family homes; and,

**WHEREAS**, the City of Shelby is willing to provide safe and reliable electric service to properties where and when allowed by law; and,

**WHEREAS**, The City of Shelby and Progressive Engineering Consultants, Inc. have prepared complete construction documents, material documents that were provided to three (3) bidders on November 15, 2023, with a due date of December 5, 2023; and

**WHEREAS**, two (2) bids were received, with the lowest bidder, Border States, submitting a bid in the amount of \$131,026.93 for a portion of the specified items, and a bid from Wesco Distribution for the remaining items in the amount of \$150,120.00, for a total of \$281,146.93; and,

**WHEREAS**, the bids have been reviewed by the City of Shelby Finance Department and a recommendation of award to the two aforementioned bidders has been made.

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

Section 1. The contract for the City of Shelby’s Willow Estates Subdivision Underground Electric materials, as outlined in the bid specifications for this offering, is hereby awarded to Border States, in the amount of \$131,026.93 for the materials they have available, and a second contract awarded to Wesco, in the amount of \$150,120.00, for the materials that they have available, for a combined total of \$281,146.93 as stated in their official proposal for this bidding, and in accordance with the City’s official bid specifications for this project.

Section 2. The City Manager of the City of Shelby or his designee is hereby authorized and directed to execute the applicable contracts and any change orders as specified in Section 1 of this resolution.

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

Adopted and Approved this the 8th day of January, 2024.

Resolution No. 4-2024  
January 8, 2024  
Page 2

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

Agenda Item: D-6

6) Seattle Crossing Subdivision Underground Electric Installation Project:

- a) Adoption of budget ordinance amendment for the City of Shelby's Seattle Crossing Underground Electric Project – Amendment #1: Ordinance No. 6-2024
- b) Approval of a resolution awarding the construction contract for the Seattle Crossing Subdivision Underground Electric Project: Resolution No. 5-2024

**Consent Agenda Item: (Ben Yarboro, Assistant City Manager)**

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Summary of Available Information:

- Memorandum dated December 27, 2023, from Ben Yarboro, Assistant City Manager to Beth B. Beam, Director of Finance and Rick Howell, City Manager
- Bid Tabulation
- Memorandum dated December 27, 2023, from Marc Kennedy, Electric Systems Technician to Ben Yarboro, Assistant City Manager
- Seattle Crossing Subdivision Electric Utility Layout Map
- Bid Tabulation
- Award Recommendation
- Ordinance No. 6-2024
- Resolution No. 5-2024

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City Manager's Recommendation / Comments

Ordinance No. 6-2024 and Resolution No. 5-2024 are presented for City Council consideration via the Consent Agenda.

- c) If approved Ordinance 6-2024 would appropriate \$180,000 from the Electric Fund Net Retained Earnings for the purpose of constructing an electric distribution system within the Seattle Crossing residential development located just off Melrose Drive and Seattle Street. The \$180,000 represents the actual cost of construction and a 10% contingency to allow for unknown site conditions such as rock.
- d) If approved Resolution No. 5-2024 would award a construction contract for the Seattle Crossing electric distribution system within the subdivision to Carl Grigg Electric and Supply in the amount of \$\$164,525.00. This project was bid in accordance with the requirements of the NC General Statutes and City Purchasing Policy.

Note: This subdivision contains 78 single family lots on approximately 31 +/- acres or 2.49 units per acre. It is served by City water, sewer, and electric services. City natural gas service is also available.

**It is recommended that Ordinance No. 6-2024 and Resolution No. 5-2024 be adopted and approved at this time via the Consent Agenda.**



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***Memorandum***

**To:** Rick Howell, City Manager

**From:** Ben Yarboro, Assistant City Manager

**Copied:** Beth Beam, Director of Finance

**RE:** Seattle Crossing Subdivision Underground Electric Installation – Project Budget Ordinance and Construction Contract Award

**Date:** December 27, 2023

**Background**

As noted in the attached memorandum from Marcus Kennedy, Electric System Technician, the City of Shelby held a public bid opening for the labor contract associated with the installation of the underground electric system for the Seattle Crossing subdivision. This subdivision consists of approximately 81 single family houses and is located on Seattle St. just south of S. Dekalb St. near Shelby Middle School. The materials required for this project have been purchased and are awaiting delivery.

This project generally consists of installing the following:

- 7,100 feet of 1/0 primary underground wire
- 3,280 feet of triplex underground wire
- 6,750 feet of 2” conduit
- 2,730 feet of 3” conduit
- 16 transformers

At the public bid opening, the City received 4 responsive bids and 2 “No Bid” letters. As shown in the attached bid tabulation, Carl Grigg Electric & Supply was the low bidder with a bid of \$164,525.00. The original estimate from Progressive Engineering for this construction contract was \$225,000.00.

The City Finance Department has prepared a Project Budget Ordinance for this project for City Council consideration. This PBO totals \$180,000 which is based on the \$164,525.00 bid amount plus approximately a 10% contingency for unknown site conditions such as rock that may be encountered during trench excavation. If approved, funding for this project will be appropriated from the Electric fund balance.

The developer has begun the site grading and the electric installation is anticipated to begin in March 2024 and has a contract duration of 120 days.

City staff recommends Council approval of the Project Budget Ordinance in the amount of \$180,000.00 and approval of the resolution awarding this construction contract to Carl Grigg Electric & Supply for the low bid amount of \$164,525.00.

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





## *Memorandum*

**To:** Ben Yarboro, Assistant City Manager

**From:** Marc Kennedy, Electric Systems Technician

**RE:** Seattle Crossing Underground Electric

**Date:** Project December 27, 2023

### **Background**

On February 2, 2023, Don Peeler Realty received approval for the development of a Subdivision on Seattle Street, in the City of Shelby. During the review process, City of Shelby Planning, Fire, and Utility departments reviewed plans to ensure development met city standards and to ensure the City could provide the development with the utilities that would meet their needs.

With the City of Shelby having electric lines located on South Dekalb Street, with lines running across parcel 27816 to Seattle Street, the City of Shelby ensures it could meet the developer's needs. With Don Peeler Realty selecting the City of Shelby to provide its electric needs, the City Electric Department contracted with Progressive Engineering Inc., a professional engineering services firm, to design the electric system for the Seattle Crossing Subdivision. The City has already purchased materials for this project.

### **Review**

City Staff advertised the Seattle Crossing Subdivision Underground Electric Project on the City webpage and bid packages were provided to eleven (11) prospective bidders on November 9, 2023. At the bid opening on December 14, 2023, four (4) complete bids and two (2) no bid letters were received. The bid tabulation for this project is attached to this memorandum and depicts the bids and the unit prices that were received. The lowest responsive bidder was Carl Grigg Electric & Supply. The low bid by Carl Grigg Electric & Supply was a lump sum bid for the scope of work in the amount of \$164,525.00. The original estimate from Progressive Engineering Inc. for this project was \$225,000, so the lowest bid received is 26.8% below the estimated cost. Below is a breakdown of the bids submitted for this project.

<b>Company Name</b>	<b>Submitted Bid</b>
Carl Grigg Electric	\$164,525.00
Williams Electric	\$227,236.50
Lee Electrical Construction	\$227,610.67
River City Construction	\$294,471.00
Sumter Utilities	No Bid Letter
Carolina Power and Signalization	No Bid Letter

**Recommendation**

City Staff recommends that the Shelby City Council approve the resolution awarding the bid for the Seattle Crossing Underground Electric Project to the lowest responsive bidder Carl Grigg Electric & Supply, for the bid price of \$164,525.00.

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

Attachments:

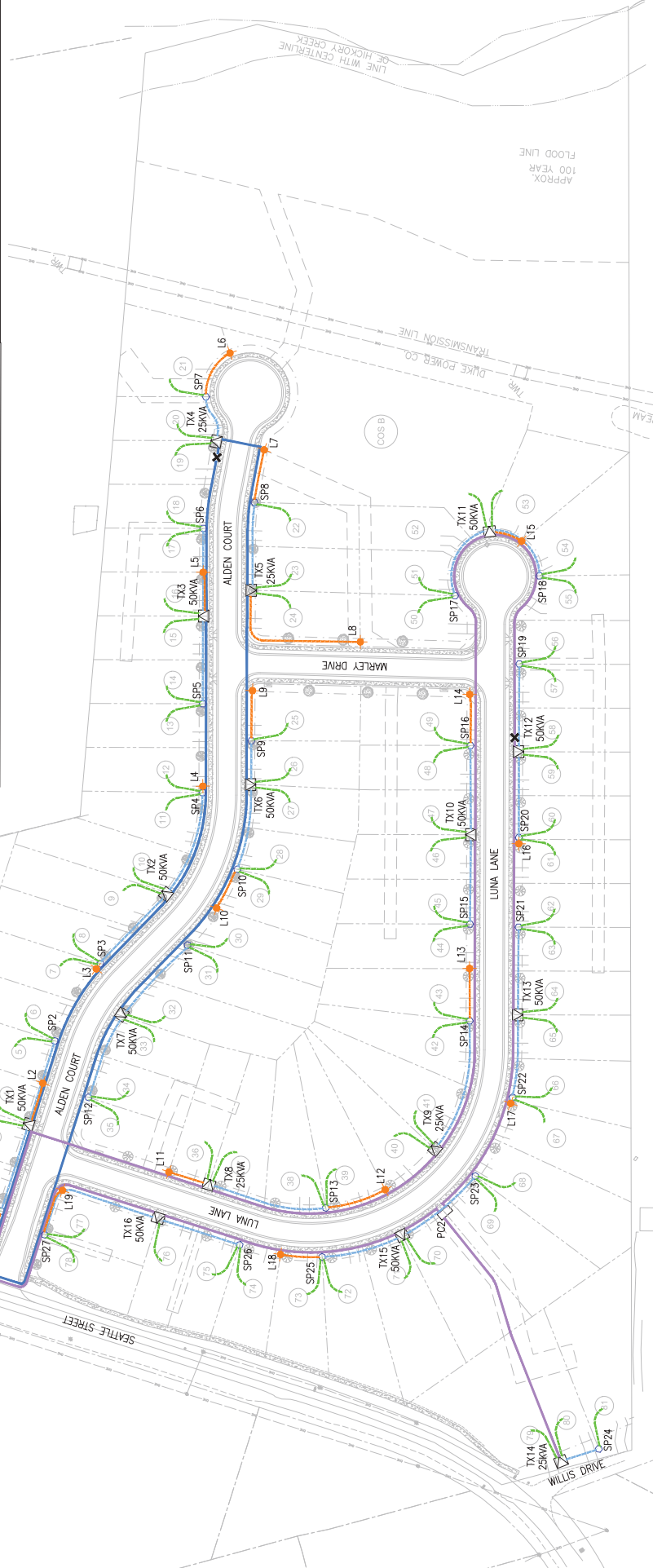
- Electric Design
- Bid Tabulation
- Engineer's Recommendation

- NOTES:
1. ALL EQUIPMENT LOCATIONS AND CONDUIT ROUTES ARE APPROXIMATE. FIELD VERIFY PRIOR TO CONSTRUCTION.
  2. ALL FOOTINGS ARE APPROXIMATE.
  3. ELECTRICAL SYMBOLS ARE NOT TO SCALE FOR CLARITY.
  4. ALL CONDUIT SHALL BE INSTALLED IN 4" HDPE CONDUIT UNLESS OTHERWISE NOTED.
  5. THE LIST OF OWNER FURNISHED MATERIAL.
  6. ALL CONDUIT ROAD CROSSINGS INSIDE THE SUBDIVISION SHALL BE INSTALLED BY THE CITY FOR 2" HDPE TO BE INSTALLED BY THE CONTRACTOR.
  7. ALL CONDUIT STUB OUTS FOR EQUIPMENT TO BE PVC ELBOWS AND TOP OF CONDUIT SHALL BE 6" ABOVE EQUIPMENT. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL FUTURE SERVICES. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL FUTURE SERVICES. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL FUTURE SERVICES. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL FUTURE SERVICES. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL FUTURE SERVICES.

BORE AND PULL BACK 4-2" HDPE CONDUIT FROM POLE #5485 ACROSS SEATTLE STREET. TRENCH ALONG SEATTLE STREET TO PCI FOR THE INSTALLATION OF 4-2" HDPE CONDUIT.

<b>PH#5485</b>	<b>PCI</b>	<b>EC2</b>	<b>TX</b>	<b>SP</b>	<b>L</b>	<b>PC2</b>
INST. 30UM6-21 30UM6-13 30UM6-2 20UM6-34 UM6-6 UM6-6 UM12-2	INST. 1-1B UM6-4 UM6-21 UM6-13 30UM6-2 20UM6-34 UM6-6 UM6-6 UM12-2	INST. 1-1B UM6-4 UM6-21 UM6-13 30UM6-2 20UM6-34 UM6-6 UM6-6 UM12-2	TX 1.2, 3.6, 7.10, 11, 13, 15, 16	INST. 1-1B UM6-4 UM6-21 UM6-13 30UM6-2 20UM6-34 UM6-6 UM6-6 UM12-2	INST. 1-1B UM6-4 UM6-21 UM6-13 30UM6-2 20UM6-34 UM6-6 UM6-6 UM12-2	INST. 1-1B UM6-4 UM6-21 UM6-13 30UM6-2 20UM6-34 UM6-6 UM6-6 UM12-2

- LEGEND**
- SPT SECONDARY PEDISTAL
  - ◻ TX1 PADMOUNTED TRANSFORMER, SINGLE PHASE
  - ◻ L1 STREETLIGHT AND POLE
  - ◻ PCI PRIMARY CABINET, MULTI-PHASE
  - ◻ PC2 PRIMARY CABINET, SINGLE-PHASE
  - EXISTING POLE
  - EXISTING THREPHASE OVERHEAD PRIMARY
  - THREE PHASE, 10 AL. URD IN 4-2" HDPE (U SPARED)
  - BLUE CIRCUIT, SINGLE PHASE, 10 AL. URD IN 2" HDPE
  - PURPLE CIRCUIT, SINGLE PHASE, 10 AL. URD IN 2" HDPE
  - STREETLIGHT CONDUCTOR, DUPLEX #4 AL. URD IN 1" IN HDPE
  - UG SERVICE, FUTURE, STUB OUT 2" PVC
  - UG SERVICE, TRIPLEX, 350 KCMIL AL. URD IN 3" HDPE
  - ✕ OPEN POINT



	<b>CITY OF SHELBY</b> SHELBY, NORTH CAROLINA	DRAWING NO. 170-95-001
	SEATTLE CROSSING SUBDIVISION ELECTRIC UTILITY LAYOUT	SHEET NO. 1 of 1
	<b>PROGRESSIVE ENGINEERING CONSULTANTS, INC.</b> Complete Power Engineering Services P.O. BOX 690638 CHARLOTTE, N.C. 28227	PAK (704) 546-3815

SCALE:	1" = 60'
DATE ISSUED:	5/20/23
DESIGNED BY:	MD
DRAWN BY:	MD
CHECKED BY:	MD
APPROVED BY:	MD

REVISIONS		REVISIONS	
NO.	DATE	NO.	DATE







# City of Shelby, North Carolina

**Seattle Crossing Subdivision Underground Electric**

**Bid Date: December 14, 2023 @ 2 p.m.**

Bidder	Carl Grigg Electric & Supply	Williams Electric Company	Lee Electrical Construction	River City Construction
Bid Bond	5%	5%	5%	5%
<b><u>Underground Construction Installation Units</u></b>				
UG Construction Installation Units	\$3,500.00	\$2,595.00	\$5,810.36	\$10,000.00
UG Conductor Units	\$21,605.00	\$23,892.00	\$19,586.10	\$60,935.00
Transformer Units	\$17,900.00	\$18,940.00	\$21,816.96	\$23,225.00
UG Miscellaneous Units	\$42,425.00	\$81,572.00	\$39,377.85	\$67,316.00
Underground Trenching Units / 1,000 ft.	\$45,600.00	\$71,820.00	\$96,615.00	\$74,100.00
Directional Boring	\$4,200.00	\$11,340.00	\$29,990.90	\$9,000.00
Conduit Installation Units	\$29,295.00	\$17,077.50	\$14,413.50	\$49,895.00
<b>TOTAL INSTALLATION UNITS</b>	<b>\$164,525.00</b>	<b>\$227,236.50</b>	<b>\$227,610.67</b>	<b>\$294,471.00</b>
Experience Rate Modifier	1	0.72	0.66	1.05

No Bid  
 Sumter Utilities  
 Carolina Power & Signalization

December 20, 2023

City of Shelby  
P.O. Box 207  
Shelby, NC 28151-0207  
Attn: Marcus Kennedy

Subject: Award Recommendation  
Seattle Crossing Subdivision Underground Electric

Dear Marcus,

Requests for proposals were sent to eleven (11) electrical contractors on November 9, 2023, for the above subject project. Sealed bids were received, publicly opened, and read on Thursday, December 14, 2023.

As shown by the attached bid tabulation of four (4) bids and two (2) no-bids received, Carl Grigg Electric & Supply of Shelby, North Carolina, submitted the most attractive cost proposal in the amount of \$164,525.00.

We have reviewed the proposal and find it to be in compliance with the specifications and therefore recommend the City accept this proposal as submitted.

Please notify us of your decision in order that we may prepare the necessary contract documents for execution. If you have any questions or comments, please feel free to call.

Best regards,

PROGRESSIVE ENGINEERING CONSULTANTS, INC.

Michael A. Dawson

Michael A. Dawson

Enclosures

ORDINANCE NO. 6 -2024  
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY’S  
 SEATTLE CROSSING UNDERGROUND ELECTRIC 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 Seattle Crossing Underground Electric 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. 51-2023, the City’s Seattle Crossing Underground Electric Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

**Seattle Crossing Underground Electric Project**

(1) Appropriating Fund Balance:

Fund Balance Appropriated	63006000-39900	\$180,000
Transfer to Electric Capital Projects	630731-49631	\$180,000

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

Increase:		
Transferred from Electric Fund	63106000-39630-63880	\$180,000
Increase:		
Construction	631736-53000-63880	\$180,000

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. 1</u>
<b><u>Seattle Crossing Underground Electric Project</u></b>		
<b>Revenues</b>		
Transferred from Electric Fund	\$ 55,100	\$ 235,100
<b>Expenditures</b>		
Construction	\$ 55,100	\$ 235,100



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 8th day of January, 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

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Jason Lunsford  
City Attorney

**RESOLUTION NO. 5 – 2024**

**A RESOLUTION AWARDING THE CONSTRUCTION CONTRACT FOR THE SEATTLE CROSSING SUBDIVISION UNDERGROUND ELECTRIC PROJECT**

**WHEREAS**, the City of Shelby operates an electric distribution system that has electric distribution lines located near the intersection of Seattle street and Melrose Drive; and,

**WHEREAS**, a developer, Don Peeler Realty, has requested that the City of Shelby provide electric service to their residential project, which is in the construction phase and consists of 81 single family homes; and,

**WHEREAS**, the City of Shelby is willing to provide safe and reliable electric service to properties where and when allowed by law; and,

**WHEREAS**, the City of Shelby and Progressive Engineering Consultants, Inc. have prepared complete construction documents and held a public bid opening on December 14, 2023 to accept bids from licensed contractors to perform the construction related to this project; and

**WHEREAS**, four (4) responsive bids were received from licensed contractors interested in completing this construction project and the apparent low bidder was Carl Grigg Electric & Supply, in the amount of \$164,525.00.

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

Section 1. The contract for the construction of the City of Shelby’s Seattle Crossing Subdivision Underground Electric Project, as outlined in the bid specifications for this offering, is hereby awarded to Carl Grigg Electric & Supply, in the amount of \$164,525.00 as stated in their official proposal for this bidding, and in accordance with the City’s official bid specifications for this project.

Section 2. The City Manager of the City of Shelby or his designee is hereby authorized and directed to execute the applicable contracts and any change orders as specified in Section 1 of this resolution.

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

Adopted and Approved this the 8th day of January, 2024.

Resolution No. 5-2024  
January 8, 2024  
Page 2

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

Agenda Item: D-7

- 7) Approval of a resolution approving a financing agreement authorized by North Carolina General Statute 160A-20: Resolution No. 6-2024

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

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Summary of Available Information:

- Memorandum dated January 3, 2024, from Beth B. Beam, Director of Finance to Rick Howell, City Manager
- Solicitation of Installment Contract Proposals
- Evaluation of Installment Financing – 2024 Equipment
- Loan Agreement
- Resolution No. 6-2024

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City Manager's Recommendation / Comments

Resolution No. 6-2024 is presented for City Council consideration at this time. As Council is aware the City annually finances the purchase of rolling stock equipment and vehicles through the issuance of a 59-month private placement financing agreement. Each year the total approved amount for rolling stock purchase is bid out to qualified financial institutions. This includes rolling stock for all City departments.

Mrs. Beam has solicited proposals and prepared the background material for the award of the financing for the current fiscal year (23-24) as included within your agenda packet. All of the equipment has been purchased or funds have been encumbered and once the award is made for the financing a closing date will be set. After this date the City will be able to reimburse itself from the proceeds from the financing. This year's principal is \$ 2,280,836. The recommended bidder is Bank of America from the rate of 3.8007%.

By comparison, financing amounts for fiscal year 22-23 were \$1,504,823 at a rate of 3.49% from United Financial (a division of HomeTrust Bank)

**It is recommended that Resolution No. 6-2024 be adopted and approved at this time via the Consent Agenda.**



To: Rick Howell, City Manager  
From: Beth B. Beam, Director of Finance  
Date: January 3, 2024  
Subject: FY 2023-2024 Equipment Financing

Please find attached to this memo a resolution approving a financing agreement with Banc of America Public Capital Corporation for the equipment and rolling stock to be purchased during the current fiscal year. The finance department sent requests for proposals to banks requesting that they submit proposals on our 2023-2024 equipment financing. The total amount of the request is \$2,280,836.00. We received five proposals. The banks request that this type of financing be awarded as soon as possible after the proposals are due, as a result of market volatility. I opened the proposals on Tuesday, December 19th, at 2:00 in the afternoon. After reviewing the proposals, it is my recommendation that Banc of America Public Capital Corporation be awarded this contract with a 3.8007% interest rate, for 59 1/2 months, with annual payments in arrears. I have also attached the evaluation of the proposals. This is how we have handled awarding these financing contracts in the past. I will attend the Council meeting Monday, January 8th to answer any questions.

**Solicitation Of  
Installment Contract Proposals  
CITY OF SHELBY, NORTH CAROLINA**

“City”: City of Shelby, North Carolina

“Bank”: Banking and/or financing corporation submitting response to the City of Shelby’s Request for Proposals.

Type of Contract: The Contract will be a net Contract whereby City will be responsible for all expenses related directly or indirectly to the use of the equipment including maintenance and repair, taxes, insurance coverage, etc.

Type of Equipment: See attached FY 2024 Proposed City of Shelby Installment Contract Equipment List.

Anticipated  
Equipment Cost: \$2,280,836.00. See attached proposed FY 2024 Equipment List.

Equipment Location: Shelby, North Carolina

Contract Term: 59 months

Rate Terms: The established rate will be as follows:

- a) A fixed annual percentage rate.

This transaction will be funded into an escrow account. When escrow is funded, the fund will earn the best prevailing market rate at the time investments are made. The cost to the City will be the cost of the funds in the escrow account at the established rate. The financial institution’s proposal should clearly state any management fees required of the City.

Rates shall be quoted for bank qualified and non-bank qualified status (see Determination of Taxability).

Funding requirement shall provide for reimbursement to the City of any advance payment to vendors, upon execution of the proper acceptance documentation.

Installment Payments: Installment payments will be annual. The principal and interest portions of each payment should be stated separately.

Assignment: The Bank may not at anytime during the period of this contract, assign all or part of its interest in the equipment and/or this contract.

Title: Where appropriate, title to the equipment will be in City's name. Upon acceptance of the equipment, the Bank will be assigned a security interest in the property purchased.

Non-Appropriation/  
Termination: The City of Shelby is not permitted to execute an installment contract that restricts its right to provide a service activity, replace or substitute for the equipment purchased. Additionally, no deficiency judgment may be rendered against the City in any action for breach of a contractual obligation under this contract and the taxing power of the City is not and may not be pledged directly or indirectly to secure any moneys due under this contract.

Determination of  
Taxability: City qualifies as a governmental entity within the meaning of Section 103(a) of the Internal Revenue Code of 1954, as amended.

The City reasonably anticipates being a "qualified" municipal entity under the Tax Reform Act of 1986, for the purpose of this funding request. The City reasonably anticipates that it will issue less than \$10,000,000.00 in aggregate debt during the calendar year 2024. However, in the event of a determination of taxability where the Bank is unable to deduct 80% of the interest paid, the City will accept installment payment adjustments designated to compensate the Bank for the higher after-tax yield.

The Bank's proposal must detail the calculation methodology in the event this transaction becomes a non-bank qualified installment contract.

Payment: City will have the option, exercisable at any time during the term of the contract agreement, upon at least thirty (30) days notice to the Bank, to prepay the installments designated as principal, in full, at the prepayment amount not greater than 100.0 percent (100.0%) of the principal amount outstanding, with accrued interest at the date of prepayment, and discharge its obligations with respect to the contract.

North Carolina  
General Statutes: This contract is an installment contract and security agreement pursuant to Section 160A-20 and Article 9 of Chapter 25 of the General Statutes of North Carolina.

Expenses: Additional costs expected to be associated with this transaction **MUST** be included in the proposal.

Documentation: Documentation will be in form and substance satisfactory to the Bank and City. The City's legal counsel will review the documentation and may correspond and detail proposed amendments to the documentation.



The bid proposals for the City will be received until **2:00 PM, E.S.T., December 19th, 2023**. At that time there will be a public opening of the proposals in the City Hall Conference Room, 300 South Washington Street, Shelby, NC 28150.

It is the City's intention to review the proposals received and make a recommendation to award the contract by January 8th, 2024.

It is the City's intention that upon award of contract by City Council that all contract documents be fully executed and funding placed into an escrow account in the City's name during the week of January 16th-19th, 2024.

The City reserves the right to reject any and/or all proposals received, or the right to waive minor irregularities or errors, or to select the proposal which, in our opinion, is in the best overall interest of the City.

City of Shelby  
 Evaluation of Installment Financing - FY24 Equipment  
 \$2,280,836

	<u>Banc of America</u>	<u>Flagstar Public Funding Corp.</u>	<u>MLC</u>	<u>Truist</u>	<u>United Financial/Hometrust</u>
Interest Rate	3.8007%	4.572%	4.426%	4.85%	4.46%
Fees			\$0.00	\$0.00	\$0.00
Annual Payment (Principal & Interest)	\$509,183.66	\$518,701.48	\$516,958.00		\$517,420.26
Total Cash Outlay (Principal & Interest)	\$2,545,918.30	\$2,593,507.40	\$2,584,791.90		\$2,587,181.04
Prepayment Penalty	\$0.00	101% of par	101.5% remaining balance	declining % based on years remaining - starting with 5%	\$0.00
Total Cash Outlay including fees	\$2,545,918.30	\$2,593,507.40	\$2,584,791.90	no amortization schedule included	\$2,587,181.04

Charles T. Maguire  
Senior Vice President

Government Finance Group  
1111 E. Main Street, 18<sup>th</sup> FL. VA2-300-18-02  
Richmond, VA 23219  
T 804.489.5044 F 804.262.8344 M 804.432.9572  
Charles.maguire@BofA.com

December 19, 2023

Beth Beam  
Director of Finance  
City of Shelby  
300 South Washington Street  
Shelby, NC 28150

Dear Ms. Beam,

Banc of America Public Capital Corporation ("BAPCC") on behalf of Bank of America, N.A. is pleased to submit to you ("Borrower") the Loan financing proposal (the "Proposed Transaction") described in the attached Summary of Terms and Conditions (the "Term Sheet").

This letter and the Term Sheet (collectively, the "Proposal" or "Proposal Letter") include only a brief description of the principal terms of the Proposed Transaction and are intended for discussion purposes only. This Proposal Letter is not intended to and does not create any binding legal obligation on the part of either party. THIS PROPOSAL LETTER IS NOT, AND IS NOT TO BE CONSTRUED AS, A COMMITMENT OR OFFER BY BAPCC OR ANY RELATED ENTITY TO ENTER INTO THE PROPOSED TRANSACTION. BAPCC will not be obligated to provide any financing until the satisfactory completion of its credit, legal and investment approval process. The terms and conditions of this Proposal Letter shall be superseded by and shall no longer be effective upon the execution and delivery of final legal documentation with respect to this Proposed Transaction.

This Proposal must be accepted on or before December 27, 2023, in order for BAPCC to proceed with its consideration of the Proposed Transaction. To accept this proposal, please sign the enclosed copy of this letter and return it, by no later than December 27th to:

**Banc of America Public Capital Corp**  
**1111 E. Main Street, 18<sup>th</sup> Floor**  
**Richmond, VA 23832**  
**P - 804-489-5044**

We appreciate this opportunity to present Bank of America.

Very truly yours,  
*Charles T. Maguire*  
Charles T. Maguire  
Senior Vice President

The undersigned, by its authorized representative below, accepts the above proposal, agrees to furnish Lender, its successors and assigns, any information relating to the business or financial condition of Borrower or its affiliates, and authorizes Lender, Bank of America N.A. and their affiliates to disclose to, discuss with and distribute such information (and any information they may already have) to any other affiliates or proposed assignees or successors of Lender.

**City of Shelby, NC**

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

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

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

Please provide Federal ID No.: \_\_\_\_\_

*This proposal is submitted in response to your Request for Proposal for a Lease Purchase agreement. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (240 CFR 15Ba1-1 et seq.).*

*The Staff of the SEC's Office of Municipal Securities has issued guidance which provides that, in order for a request for proposals to be consistent with this exemption, it must (a) identify a particular objective, (b) be open for not more than a reasonable period of time (up to six months being generally considered as reasonable), and (c) involve a competitive process (such as by being provided to at least three reasonably competitive market participants) or by being publicly posted to your official website. In submitting this proposal, we have relied upon your compliance with this guidance.*

*In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of the Rules. In connection with this proposal and the transactions described herein, we are not subject to, and we hereby disclaim, any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors as and to the extent you deem necessary in connection with your evaluation of this proposal and the transactions described herein.*

## SUMMARY OF TERMS AND CONDITIONS

**Date:** December 19, 2023

**Borrower:** City of Shelby, NC. ("Borrower")

**Lender:** Banc of America Public Capital Corp (BAPCC), or its designee ("Lender")

**Project:** City Vehicles and general equipment, subject to essentiality and lessor's approval.

**Loan Structure:** Installment Financing Agreement (NC G.S. 160A-20) in an amount up to \$2,280,836. This financing is intended as a **NON-BANK QUALIFIED** secured transaction; all tax benefits will remain with Borrower; the installment financing will be a net financial agreement, and all expenses, including (but not limited to) insurance, maintenance, and taxes, will be for the account of Borrower.

**Security:** BAPCC will have a security interest in the equipment financed.

**Term:** 59 months.

**Maximum Funding:** \$2,280,836

**Rates:** 3.8007%

*The current rates are locked from the date of this Term Sheet until January 19, 2024 and will be honored so long as the transaction is funded before such date. January 19, 2024, Lender may adjust the rate upward depending on changes in interest rates between January 19, 2024 and the date the final pricing is determined.*

**In order to lock the rate, the Borrower must notify (email is fine) BAPCC of acceptance of the rates by December 27, 2023.**

**Payments:** See amortization schedule.

**Insurance:** Borrower may be required to provide, at its expense, casualty insurance (with such deductibles as Lender may approve) Lender has the ability, if necessary, to obtain and provide any insurance certificate required.

**Prepayment:** Borrower may prepay the Installment Agreement at par on any payment date (with 30 days' notice) after half the term has elapsed.

**Governmental Entity Loan:**

The Base Rent installments are calculated on the assumptions, and Borrower will represent, that Borrower is a state or political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code (the "Code"), that this transaction will constitute an obligation of Borrower within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code. Borrower shall provide Lender with such evidence as Lender may request to substantiate and maintain such tax status.

Borrower will indemnify Lender only as to the actions or omissions of the Borrower, on an after-tax basis, against any loss of Federal income tax exemption of the interest portion of the rentals and against any penalties and interest imposed by the Internal Revenue Service on Lender in connection therewith on a lump-sum basis.

## **Non-Appropriation**

**Termination:** Borrower affirms that funds are available for the current fiscal year and reasonably believes that sufficient funds can be obtained to make all rental payments during each subsequent fiscal year. Borrower will regularly budget for and otherwise use its best efforts to obtain funds for the continuation of the rentals in this transaction.

**Expenses:** Borrower and Lender will each be responsible for its own expenses incurred in connection with the preparation, negotiation and closing of the Loan documentation. There are no other fees or costs associated with this transaction.

## **Escrow**

**Account:** Lender will allow borrower to take control of funds and place them in an account with the NC Capital Management Trust (NCCMT). Lender will require its normal disbursement process as well as copies of monthly statements from the NCCMT.

**Documents:** Loan documents in form and substance satisfactory to Lender and its local counsel must be executed and delivered. If Lender requests, Borrower will also furnish duly executed landlord and mortgage waivers and supporting information. Borrower will also provide board resolutions, incumbency certificates and other documentation required by Lender.

## **Conditions**

**Precedent:** If the vendor is receiving advance payments from the loan proceeds prior to delivery, then BAPCC will receive a payment and performance bond; also, BAPCC will take assignment of the vendor contract which is to be reviewed by our legal department.

## **Private**

**Placement:** The proposed transaction is a private placement that will not require (i) any additional public ongoing disclosure requirements, (ii) any additional public offering document generation requirements, or (iii) any underwriting or related fees.

## **Market**

**Disruption:** Notwithstanding anything contained herein to the contrary, in the event any material change shall occur in the financial markets after the date of this Proposal Letter, including but not limited to any governmental action or other event which materially adversely affects the extension of credit by banks, leasing companies or other lending institutions, the Lessor may modify the indicative pricing described above.

**SEC Disclosure:** Lessee acknowledges and agrees that, if, in connection with its efforts to comply with the requirements of SEC Rule 15c2-12(b)(5) of the Securities and Exchange Act of 1934, Lessee decides to file any documentation related to the proposed transaction to EMMA (the "*Disclosed Documents*"), such Disclosed Documents shall be filed with redactions that will be mutually agreed upon by the parties to ensure that there is no confidential information of Lessor included in the posted documents (i.e. account information, names of signatories).

## **USA Patriot Act**

**Compliance:** The Lessee acknowledges that pursuant to the requirements of the USA Patriot Act, as amended from time to time (including as amended by the USA Freedom Act of 2015) (the "Patriot Act"), the Lessor is required to obtain, verify and record information that identifies the Lessee, which information includes the name and address of the Lessee and other information that will allow the Lessor to identify the Lessee in accordance with the Patriot Act.

## **Credit Due**

**Diligence:** In order to complete its credit due diligence, Banc of America Public Capital Corp Credit Administration will need you to provide:

1. Most recent fiscal year's Budget;
2. Last three years financial statements
3. Insurance Certificate

**Loan Amortization:**

Date	Funding	Payment	Interest @ 3.8007	Principal	Balance
-----	-----	-----	-----	-----	-----
1/19/2024	\$2,280,836.00				\$2,280,836.00
1/19/2025		\$ 509,183.66	\$ 86,687.74	\$ 422,495.92	\$1,858,340.08
1/19/2026		\$ 509,183.66	\$ 70,629.94	\$ 438,553.72	\$1,419,786.36
1/19/2027		\$ 509,183.66	\$ 53,961.82	\$ 455,221.84	\$ 964,564.52
1/19/2028		\$ 509,183.66	\$ 36,660.21	\$ 472,523.45	\$ 492,041.07
12/19/2028		\$ 509,183.66	\$ 17,142.59	\$ 492,041.07	\$ -
	-----	-----	-----	-----	
	\$2,280,836.00	\$2,545,918.30	\$265,082.30	\$2,280,836.00	



RESOLUTION NO. 6-2024  
A RESOLUTION APPROVING A FINANCING AGREEMENT AUTHORIZED  
BY NORTH CAROLINA GENERAL STATUTE 160A-20

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

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA, meeting in regular session on the 8th day of January 2024 makes the following findings of fact:

Section 1. The City hereby determines to finance the Project through Banc of America Public Capital Corporation, in accordance with the proposal dated December 19th, 2023. The amount of the financing shall not exceed \$2,280,836, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.8007%, and the financing term shall not exceed fifty-nine and a half (59 ½ ) months from closing.

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

Section 3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for delivery of the Financing Documents have

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

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

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

This resolution is effective upon its adoption the 8th day of January A. D. 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams, City Clerk

Agenda Item: D-8

8) City Of Shelby FY 2023-2024 Budget Ordinance Amendment (JAG grant):  
Ordinance No. 7-2024

**Consent Agenda Item: (Brad Fraser, Police Chief and Beth Beam, Finance Director)**

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Summary of Available Information:

- Memorandum dated November 27, 2023, from Brad Fraser, Chief of Police to Rick Howell, City Manager
- Grant Documents
- Ordinance No. 7-2024

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City Manager's Recommendation / Comments

Ordinance No. 7-2024 is presented for City Council consideration via the Consent Agenda. If approved this ordinance would recognize a grant awarded to the City by the U.S. Department of Justice – Edward Byrne Memorial Justice Assistance Grant program in the amount of \$14,329. It would further authorize appropriation of those funds for the authorized purposes noted in the grant application. There is no local match required. The proposed use of these funds is to replace a K9 dog and for some software upgrades.

**It is recommended that Ordinance No. 7-2024 be adopted and approved at this time via the Consent Agenda.**

# Shelby Police Department

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## Memorandum

To: Rick Howell, City Manager  
From: Brad Fraser, Chief of Police  
Date: November 27, 2023  
RE: Budget Amendment Request; Federal JAG Grant

### Background

The Edward Byrne Memorial Justice Assistance Grant (JAG) Program (42 U.S.C. 3751) is the primary provider of federal criminal justice funding to state and local jurisdictions. The JAG Program provides states and units of local governments with critical funding necessary to support a range of program areas including law enforcement, prosecution and court programs, prevention and education programs, corrections and community corrections, drug treatment and enforcement, crime victim and witness initiatives, and planning, evaluation, and technology improvement programs.

### Review

Recently, the US Department of Justice, Bureau of Justice Assistance (BJA) released the FY2023 Edward Byrne Memorial Justice Assistance Grant (JAG) grant solicitation for local law enforcement. After the approval of a resolution by Council at the September 18, 2023, regular meeting (Resolution 66-2023), the police department finalized the submission of a grant application and subsequently was awarded \$14,329.00 for the purchase of law enforcement related equipment. This equipment includes the purchase of a new patrol canine and software/hardware upgrades to our Records Management System. This grant program requires no local funding match.

### Recommendation

The Shelby Police Department is requesting a budget amendment to establish an expense line to make the approved purchases in the grant award. Funding in this grant is reimbursed after the expenditures occur. All expenditures in this grant award are eligible for reimbursement by the US Department of Justice.

Thanks for your consideration and please let us know if you need any further.



# Department of Justice (DOJ)

Office of Justice Programs

Bureau of Justice Assistance

Washington, D.C. 20531

<b>Name and Address of Recipient:</b>		CITY OF SHELBY 300 S WASHINGTON ST	
<b>City, State and Zip:</b>		SHELBY, NC 28150	
<b>Recipient UEI:</b>		L2J6LFPHD752	
<b>Project Title:</b> FY2023 Edward Byrne Memorial Justice Assistance Grant Program Equipment Project		<b>Award Number:</b> 15PBJA-23-GG-03588-JAGX	
<b>Solicitation Title:</b> BJA FY 23 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation			
<b>Federal Award Amount:</b> \$14,329.00		<b>Federal Award Date:</b> 9/25/23	
<b>Awarding Agency:</b>		Office of Justice Programs Bureau of Justice Assistance	
<b>Funding Instrument Type:</b>		Grant	
<b>Opportunity Category:</b> D			
<b>Assistance Listing:</b> 16.738 - Edward Byrne Memorial Justice Assistance Grant Program			
<b>Project Period Start Date:</b> 10/1/22		<b>Project Period End Date:</b> 9/30/24	
<b>Budget Period Start Date:</b> 10/1/22		<b>Budget Period End Date:</b> 9/30/24	
<b>Project Description:</b> The Shelby Police Department will use funds to assist with the purchase of officer equipment to expand their communications, community problem-solving capabilities, and officer safety capabilities.			

## Award Letter

September 25, 2023

Dear Scott Brown,

On behalf of Attorney General Merrick B. Garland, it is my pleasure to inform you the Office of Justice Programs (OJP) has approved the application submitted by CITY OF SHELBY for an award under the funding opportunity entitled 2023 BJA FY 23 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation. The approved award amount is \$14,329.

Review the Award Instrument below carefully and familiarize yourself with all conditions and requirements before accepting your award. The Award Instrument includes the Award Offer (Award Information, Project Information, Financial Information, and Award Conditions) and Award Acceptance. For COPS Office and OVW funding the Award Offer also includes any Other Award Documents.

Please note that award requirements include not only the conditions and limitations set forth in the Award Offer, but also compliance with assurances and certifications that relate to conduct during the period of performance for the award. These requirements encompass financial, administrative, and programmatic matters, as well as other important matters (e.g., specific restrictions on use of funds). Therefore, all key staff should receive the award conditions, the assurances and certifications, and the application as approved by OJP, so that they understand the award requirements. Information on all pertinent award requirements also must be provided to any subrecipient of the award.

Should you accept the award and then fail to comply with an award requirement, DOJ will pursue appropriate remedies for non-compliance, which may include termination of the award and/or a requirement to repay award funds.

Prior to accepting the award, your Entity Administrator must assign a Financial Manager, Grant Award Administrator, and Authorized Representative(s) in the Justice Grants System (JustGrants). The Entity Administrator will need to ensure the assigned Authorized Representative(s) is current and has the legal authority to accept awards and bind the entity to the award terms and conditions. To accept the award, the Authorized Representative(s) must accept all parts of the Award Offer in the Justice Grants System (JustGrants), including by executing the required declaration and certification, within 45 days from the award date.

To access your funds, you will need to enroll in the Automated Standard Application for Payments (ASAP) system, if you haven't already completed the enrollment process in ASAP. The Entity Administrator should have already received an email from ASAP to initiate this process.

Congratulations, and we look forward to working with you.

Maureen Henneberg  
Deputy Assistant Attorney General  
**Office for Civil Rights Notice for All Recipients**

The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ) has been delegated the responsibility for ensuring that recipients of federal financial assistance from the OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW) are not engaged in discrimination prohibited by law. Several federal civil rights laws, such as Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973, require recipients of federal financial assistance to give assurances that they will comply with those laws. Taken together, these civil rights laws prohibit recipients of federal financial assistance from DOJ from discriminating in services and employment because of race, color, national origin, religion, disability, sex, and, for grants authorized under the Violence Against Women Act, sexual orientation and gender identity. Recipients are also prohibited from discriminating in services because of age. For a complete review of these civil rights laws and nondiscrimination requirements, in connection with DOJ awards, see <https://ojp.gov/funding/Explore/LegalOverview/CivilRightsRequirements.htm>.

Under the delegation of authority, the OCR investigates allegations of discrimination against recipients from individuals, entities, or groups. In addition, the OCR conducts limited compliance reviews and audits based on regulatory criteria.

These reviews and audits permit the OCR to evaluate whether recipients of financial assistance from the Department are providing services in a nondiscriminatory manner to their service population or have employment practices that meet equal-opportunity standards.

If you are a recipient of grant awards under the Omnibus Crime Control and Safe Streets Act or the Juvenile Justice and Delinquency Prevention Act and your agency is part of a criminal justice system, there are two additional obligations that may apply in connection with the awards: (1) complying with the regulation relating to Equal Employment Opportunity Programs (EEOs); and (2) submitting findings of discrimination to OCR. For additional information regarding the EEO requirement, see 28 CFR Part 42, subpart E, and for additional information regarding requirements when there is an adverse finding, see 28 C.F.R. §§ 42.204(c), .205(c)(5).

The OCR is available to help you and your organization meet the civil rights requirements that are associated with DOJ grant funding. If you would like the OCR to assist you in fulfilling your organization's civil rights or nondiscrimination responsibilities as a recipient of federal financial assistance, please do not hesitate to contact the OCR at [askOCR@ojp.usdoj.gov](mailto:askOCR@ojp.usdoj.gov).

## **Memorandum Regarding NEPA**

### **NEPA Letter Type**

OJP - Ongoing NEPA Compliance Incorporated into Further Developmental Stages

### **NEPA Letter**

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) allows states and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system, some of which could have environmental impacts. All recipients of JAG funding must assist BJA in complying with NEPA and other related federal environmental impact analyses requirements in the use of grant funds, whether the funds are used directly by the grantee or by a subgrantee or third party. Accordingly, prior to obligating funds for any of the specified activities, the grantee must first determine if any of the specified activities will be funded by the grant.

?

The specified activities requiring environmental analysis are:

a. New construction;

b. Any renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;

c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;

d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and

e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

Complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. Further, for programs relating to methamphetamine laboratory operations, the preparation of a detailed Mitigation Plan will be required. For more information about Mitigation Plan requirements, please see <https://www.bja.gov/Funding/nepa.html> .

**NEPA Coordinator**

**First Name**

Orbin

**Middle Name**

**Last Name**

Terry

**Award Information**

This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.

**Recipient Information**

**Recipient Name**

CITY OF SHELBY

**UEI**

L2J6LFPHD752

**Street 1**

300 S WASHINGTON ST

**Street 2**

**City**

SHELBY

**State/U.S. Territory**

North Carolina

**Zip/Postal Code**

28150

**Country**

United States

**County/Parish**

**Province**

**Award Details**

**Federal Award Date**

9/25/23

**Award Type**

Initial

**Award Number**

15PBJA-23-GG-03588-JAGX

**Supplement Number**

00

**Federal Award Amount**

\$14,329.00

**Funding Instrument Type**

Grant



**Assistance Listing Number****Assistance Listings Program Title**

16.738

Edward Byrne Memorial Justice Assistance Grant Program

**Statutory Authority**

Title I of Public Law 90-351 (generally codified at 34 U.S.C. 10101-10726), including subpart 1 of part E (codified at 34 U.S.C. 10151-10158); see also 28 U.S.C. 530C(a)

[X]

*I have read and understand the information presented in this section of the Federal Award Instrument.*

**Project Information**

**This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.**

**Solicitation Title**

2023 BJA FY 23 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation

**Awarding Agency**

OJP

**Program Office**

BJA

**Application Number**

GRANT13962888

**Grant Manager Name**

Shaketta Cunningham

**Phone Number**[202-514-4493](tel:202-514-4493)**E-mail Address**

Shaketta.Cunningham@usdoj.gov

**Project Title**

FY2023 Edward Byrne Memorial Justice Assistance Grant Program Equipment Project

**Performance Period Start****Date**

10/01/2022

**Performance Period End Date**

09/30/2024

**Budget Period Start Date**

10/01/2022

**Budget Period End Date**

09/30/2024

**Project Description**

The Shelby Police Department will use funds to assist with the purchase of officer equipment to expand their communications, community problem-solving capabilities, and officer safety capabilities.

[X]

*I have read and understand the information presented in this section of the Federal Award Instrument.*

## Financial Information

**This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.**

[X]

*I have read and understand the information presented in this section of the Federal Award Instrument.*

## Award Conditions

**This award is offered subject to the conditions or limitations set forth in the Award Information, Project Information, Financial Information, and Award Conditions.**

1

Compliance with restrictions on the use of federal funds--prohibited and controlled equipment under OJP awards

Consistent with Executive Order 14074, "Advancing Effective, Accountable Policing and Criminal Justice Practices To Enhance Public Trust and Public Safety," OJP has prohibited the use of federal funds under this award for purchases or transfers of specified equipment by law enforcement agencies. In addition, OJP requires the recipient, and any subrecipient ("subgrantee") at any tier, to put in place specified controls prior to using federal funds under this award to acquire or transfer any property identified on the "controlled equipment" list. The details of the requirement are posted on the OJP web site at <https://www.ojp.gov/funding/explore/prohibited-and-controlled-equipment> (Award condition: Compliance with restrictions on the use of federal funds--prohibited and controlled equipment under OJP awards), and are incorporated by reference here.

2

Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

3

Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

4

Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements") apply to this FY 2022 award from OJP.

The Part 200 Uniform Requirements were first adopted by DOJ on December 26, 2014. If this FY 2022 award supplements funds previously awarded by OJP under the same award number (e.g., funds awarded during or before December 2014), the Part 200 Uniform Requirements apply with respect to all funds under that award number (regardless of the award date, and regardless of whether derived from the initial award or a supplemental award) that are obligated on or after the acceptance date of this FY 2022 award.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and subawards ("subgrants"), see the OJP website at <https://ojp.gov/funding/Part200UniformRequirements.htm>.

Record retention and access: Records pertinent to the award that the recipient (and any subrecipient ("subgrantee") at any tier) must retain -- typically for a period of 3 years from the date of submission of the final expenditure report (SF 425), unless a different retention period applies -- and to which the recipient (and any subrecipient ("subgrantee") at any tier) must provide access, include performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records indicated at 2 C.F.R. 200.334.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

## 5

Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "DOJ Grants Financial Guide").

## 6

Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

## 7

Compliance with DOJ Grants Financial Guide

References to the DOJ Grants Financial Guide are to the DOJ Grants Financial Guide as posted on the OJP website (currently, the "DOJ Grants Financial Guide" available at <https://ojp.gov/financialguide/DOJ/index.htm>), including any updated version that may be posted during the period of performance. The recipient agrees to comply with the DOJ Grants Financial Guide.

## 8

Compliance with general appropriations-law restrictions on the use of federal funds (FY 2022)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions, including from various "general provisions" in the Consolidated Appropriations Act, 2022, are set out at <https://www.ojp.gov/funding/Explore/FY22AppropriationsRestrictions.htm>, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not

proceed without the express prior written approval of OJP.

## 9

### Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38 (as may be applicable from time to time), specifically including any applicable requirements regarding written notice to program beneficiaries and prospective program beneficiaries.

Currently, among other things, 28 C.F.R. Part 38 includes rules that prohibit specific forms of discrimination on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38, currently, also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations.

The text of 28 C.F.R. Part 38 is available via the Electronic Code of Federal Regulations (currently accessible at <https://www.ecfr.gov/cgi-bin/ECFR?page=browse>), by browsing to Title 28-Judicial Administration, Chapter 1, Part 38, under e-CFR "current" data.

## 10

### Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

## 11

### Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award.

Limited Exceptions. In certain special circumstances, the U.S. Department of Justice ("DOJ") may determine that it will not enforce, or enforce only in part, one or more requirements otherwise applicable to the award. Any such exceptions regarding enforcement, including any such exceptions made during the period of performance, are (or will be during the period of performance) set out through the Office of Justice Programs ("OJP") webpage entitled "Legal Notices: Special circumstances as to particular award conditions" ([ojp.gov/funding/Explore/LegalNotices-AwardReqs.htm](http://ojp.gov/funding/Explore/LegalNotices-AwardReqs.htm)), and incorporated by reference into the award.

By signing and accepting this award on behalf of the recipient, the authorized recipient official accepts all material requirements of the award, and specifically adopts, as if personally executed by the authorized recipient official, all assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance.

Failure to comply with one or more award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or an assurance or certification related to conduct during the award period -- may result in OJP taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. DOJ, including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 34 U.S.C. 10271-10273), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.

## 12

Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including any applicable requirements in Subpart E of 28 C.F.R. Part 42 that relate to an equal employment opportunity program.

## 13

Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

## 14

Employment eligibility verification for hiring under the award

1. The recipient (and any subrecipient at any tier) must--

A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the recipient (or any subrecipient) properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1).

B. Notify all persons associated with the recipient (or any subrecipient) who are or will be involved in activities under this award of both--

(1) this award requirement for verification of employment eligibility, and

(2) the associated provisions in 8 U.S.C. 1324a(a)(1) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.

C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the award requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1).

D. As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

#### A. Staff involved in the hiring process

For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient (or any subrecipient) officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

#### B. Employment eligibility confirmation with E-Verify

For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient (or any subrecipient) may choose to participate in, and use, E-Verify ([www.e-verify.gov](http://www.e-verify.gov)), provided an appropriate person authorized to act on behalf of the recipient (or subrecipient) uses E-Verify (and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

D. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any recipient, any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1).

Questions about E-Verify should be directed to DHS. For more information about E-Verify visit the E-Verify website (<https://www.e-verify.gov/>) or email E-Verify at [E-Verify@dhs.gov](mailto:E-Verify@dhs.gov). E-Verify employer agents can email E-Verify at [E-VerifyEmployerAgent@dhs.gov](mailto:E-VerifyEmployerAgent@dhs.gov).

Questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

### 15

#### OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at <https://www.ojp.gov/funding/implement/training-guiding-principles-grantees-and-subgrantees>.

### 16

#### Determination of suitability to interact with participating minors

SCOPE. This condition applies to this award if it is indicated -- in the application for the award (as approved by DOJ)(or in the application for any subaward, at any tier), the DOJ funding announcement (solicitation), or an associated federal statute -- that a purpose of some or all of the activities to be carried out under the award (whether by the recipient, or a subrecipient at any tier) is to benefit a set of individuals under 18 years of age.

The recipient, and any subrecipient at any tier, must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP web site at <https://ojp.gov/funding/Explore/Interact-Minors.htm> (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

### 17

#### Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-



risk" for purposes of the DOJ high-risk grantee list.

## 18

### Required training for Grant Award Administrator and Financial Manager

The Grant Award Administrator and all Financial Managers for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after October 15, 2020, will satisfy this condition.

In the event that either the Grant Award Administrator or a Financial Manager for this award changes during the period of performance, the new Grant Award Administrator or Financial Manager must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after the date the Entity Administrator enters updated Grant Award Administrator or Financial Manager information in JustGrants. Successful completion of such a training on or after October 15, 2020, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at <https://onlinegfmt.training.ojp.gov/>. All trainings that satisfy this condition include a session on grant fraud prevention and detection.

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

## 19

### Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste,

fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

## 20

Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified (that is, moved and renumbered) to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.

## 21

Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient) -- (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "Personally Identifiable Information (PII)" (2 CFR 200.1) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

## 22

Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at [OJP.ComplianceReporting@ojp.usdoj.gov](mailto:OJP.ComplianceReporting@ojp.usdoj.gov). For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.

## 23

Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

## 24

All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP web site at <https://ojp.gov/funding/Explore/SubawardAuthorization.htm> (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

## 25

Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed \$250,000

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$250,000). This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP web site at <https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm> (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed \$250,000)), and are incorporated by reference here.

## 26

Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at <https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm> (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

## 27

Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope Grant Award Modification (GAM) to eliminate any inappropriate duplication of funding.

## 28

Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient, and any subrecipients ("subgrantees") at any tier, must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other

person has, in connection with funds under this award-- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by--(1) online submission accessible via the OIG webpage at <https://oig.justice.gov/hotline/contact-grants.htm> (select "Submit Report Online"); (2) mail directed to: U.S. Department of Justice, Office of the Inspector General, Investigations Division, ATTN: Grantee Reporting, 950 Pennsylvania Ave., NW, Washington, DC 20530; and/or (3) by facsimile directed to the DOJ OIG Investigations Division (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at <https://oig.justice.gov/hotline>.

## 29

### Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov/>. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at <https://ojp.gov/funding/Explore/SAM.htm> (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

## 30

### Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

## 31

### Justice Information Sharing

Information sharing projects funded under this award must comply with DOJ's Global Justice Information Sharing Initiative (Global) guidelines. The recipient (and any subrecipient at any tier) must conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: [https://it.ojp.gov/gsp\\_grantcondition](https://it.ojp.gov/gsp_grantcondition). The recipient (and any subrecipient at any tier) must document planned approaches to information sharing and

describe compliance with the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

## 32

### Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the recipient can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

## 33

### Law enforcement task forces - required training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online (internet-based) task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership ([www.ctfli.org](http://www.ctfli.org)). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership ([www.ctfli.org](http://www.ctfli.org)).

## 34

### Required monitoring of subawards

The recipient must monitor subawards under this award in accordance with all applicable statutes, regulations, award conditions, and the DOJ Grants Financial Guide, and must include the applicable conditions of this award in any subaward. Among other things, the recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to use of award funds by subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under this award.

## 35

Any written, visual, or audio publications funded in whole or in part under this award, with the exception of press releases, shall contain the following statements: "This project was supported by Grant No. <AWARD\_NUMBER> awarded by the Bureau of Justice Assistance. The Bureau of Justice Assistance is a component of the Department of Justice's Office of Justice Programs, which also includes the Bureau of Justice Statistics, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention, the Office for Victims of Crime, and the SMART Office. Points of view or opinions in this document are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice." The current edition of the DOJ Grants Financial Guide provides guidance on allowable printing and publication activities.

## 36

Any Web site that is funded in whole or in part under this award must include the following statement on the home page, on all major entry pages (i.e., pages (exclusive of documents) whose primary purpose is to navigate the user to interior content), and on any pages from which a visitor may access or use a Web-based service, including any pages that provide results or outputs from the service: "This Web site is funded in whole or in part through a grant from the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Neither the U.S. Department of Justice nor any of its components operate, control, are responsible for, or necessarily endorse, this Web site (including,



without limitation, its content, technical infrastructure, and policies, and any services or tools provided)." The full text of the foregoing statement must be clearly visible on the home page. On other pages, the statement may be included through a link, entitled "Notice of Federal Funding and Federal Disclaimer," to the full text of the statement.

## 37

### Verification and updating of recipient contact information

The recipient must verify its Grant Award Administrator, Financial Manager, and Authorized Representative contact information in JustGrants, including telephone number and e-mail address. If any information is incorrect or has changed, the award recipient's Entity Administrator must make changes to contact information through DIAMD. Instructions on how to update contact information in JustGrants can be found at <https://justicegrants.usdoj.gov/training/training-entity-management>.

## 38

### Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental impact analyses requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to first determine if any of the following activities will be funded by the grant, prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA.

The recipient understands that this condition applies to new activities as set out below, whether or not they are being specifically funded with these award funds. That is, as long as the activity is being conducted by the recipient, a subrecipient, or any third party, and the activity needs to be undertaken in order to use these award funds, this condition must first be met. The activities covered by this condition are:

- a. New construction;
- b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;
- c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;
- d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and
- e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. The recipient further understands and agrees to the requirements for implementation of a Mitigation Plan, as detailed at <https://bja.gov/Funding/nepa.html>, for programs relating to methamphetamine laboratory operations.

Application of This Condition to Recipient's Existing Programs or Activities: For any of the recipient's or its subrecipients' existing programs or activities that will be funded by these award funds, the recipient, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.

## 39

Recipients utilizing award funds for forensic genealogy testing must adhere to the United States Department of Justice Interim Policy Forensic Genealogical DNA Analysis and Searching (<https://www.justice.gov/olp/page/file/1204386/>)



download), and must collect and report the metrics identified in Section IX of that document to BJA.

## 40

### Establishment of trust fund

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish a trust fund account. Recipients (and subrecipients) must maintain advance payments of federal awards in interest-bearing accounts, unless regulatory exclusions apply (2 C.F.R. 200.305(b)(8)). The trust fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant Program (JAG). The recipient also agrees to obligate the award funds in the trust fund (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.

## 41

All State and Local JAG recipients must submit quarterly Federal Financial Reports (SF-425). Additionally, State JAG and Local JAG Category Two (\$25K or more) must submit semi-annual performance reports through JustGrants and Local JAG Category One (Less than \$25K) must submit annual performance reports through JustGrants. Consistent with the Department's responsibilities under the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, the recipient must provide data that measure the results of its work. The recipient must submit quarterly performance metrics reports through BJA's Performance Measurement Tool (PMT) website: <https://bjapmt.ojp.gov/>. For more detailed information on reporting and other JAG requirements, refer to the JAG reporting requirements webpage (<https://bjapmt.ojp.gov/help/jagdocs.html>). Failure to submit required JAG reports by established deadlines may result in the freezing of grant funds and future High Risk designation.

## 42

### Required data on law enforcement agency training

Any law enforcement agency receiving direct or sub-awarded funding from this JAG award must submit quarterly accountability metrics data related to training that officers have received on the use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public.

## 43

### Authorization to obligate (federal) award funds to reimburse certain project costs incurred on or after October 1, 2022

The recipient may obligate (federal) award funds only after the recipient makes a valid acceptance of the award. As of the first day of the period of performance for the award (October 1, 2022), however, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum - (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via an Award Condition Modification (ACM)). (A withholding condition is a condition in the award document that precludes the recipient from obligating, expending, or drawing down all or a portion of the award funds until the condition is removed.)

Except to the extent (if any) that an award condition expressly precludes reimbursement of project costs incurred "at-risk," if and when the recipient makes a valid acceptance of this award and OJP removes each applicable withholding condition through an Award Condition Modification (ACM), the recipient is authorized to obligate (federal) award funds to reimburse itself for project costs incurred "at-risk" earlier during the period of performance (such as project costs incurred prior to award acceptance or prior to removal of an applicable withholding condition), provided that those project costs otherwise are allowable costs under the award.

## 44

If award funds are used for DNA testing of evidentiary materials, any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS. With the exception of Forensic Genetic Genealogy, no profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA. Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA

profiles may be accepted for entry into CODIS. Booking agencies should work with their state CODIS agency to ensure all requirements are met for participation in Rapid DNA (see National Rapid DNA Booking Operational Procedures Manual).

## 45

### Submission of eligible records relevant to the National Instant Background Check System

Consonant with federal statutes that pertain to firearms and background checks -- including 18 U.S.C. 922 and 34 U.S.C. ch. 409 -- if the recipient (or any subrecipient at any tier) uses this award to fund (in whole or in part) a specific project or program (such as a law enforcement, prosecution, or court program) that results in any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the National Instant Background Check System (NICS), or that has as one of its purposes the establishment or improvement of records systems that contain any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS, the recipient (or subrecipient, if applicable) must ensure that all such court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS are promptly made available to the NICS or to the "State" repository/database that is electronically available to (and accessed by) the NICS, and -- when appropriate -- promptly must update, correct, modify, or remove such NICS-relevant "eligible records".

In the event of minor and transitory non-compliance, the recipient may submit evidence to demonstrate diligent monitoring of compliance with this condition (including subrecipient compliance). DOJ will give great weight to any such evidence in any express written determination regarding this condition.

## 46

### Prohibition on use of award funds for match under BVP program

JAG funds may not be used as the 50% match for purposes of the DOJ Bulletproof Vest Partnership (BVP) program.

## 47

### Certification of body armor "mandatory wear" policies, and compliance with NIJ standards

If recipient uses funds under this award to purchase body armor, the recipient must submit a signed certification that each law enforcement agency receiving body armor purchased with funds from this award has a written "mandatory wear" policy in effect. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any funds from this award may be used by an agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty.

Ballistic-resistant and stab-resistant body armor purchased with award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice ballistic or stab standards, and is listed on the NIJ Compliant Body Armor Model List. In addition, ballistic-resistant and stab-resistant body armor purchased must be made in the United States and must be uniquely fitted, as set forth in 34 U.S.C. 10202(c)(1)(A). The latest NIJ standard information and the NIJ Compliant Body Armor List may be found by following the links located on the NIJ Body Armor page: <https://nij.ojp.gov/topics/equipment-and-technology/body-armor>

## 48

Extreme risk protection programs funded by JAG must include, at a minimum: pre-deprivation and post-deprivation due process rights that prevent any violation or infringement of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive or procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). Such programs must include, at the appropriate phase to prevent any violation of constitutional rights, at minimum, notice, the right to an in-person hearing, an unbiased adjudicator, the right to know opposing evidence, the right to present evidence, and the right to confront adverse witnesses; the right to be represented by counsel at no expense to the government; pre-deprivation and post-deprivation heightened evidentiary standards and proof which mean not less than the protections afforded to

a similarly situated litigant in Federal court or promulgated by the State's evidentiary body, and sufficient to ensure the full protections of the Constitution of the United States, including but not limited to the Bill of Rights, and the substantive and procedural due process rights guaranteed under the Fifth and Fourteenth Amendments to the Constitution of the United States, as applied to the States, and as interpreted by State courts and United States courts (including the Supreme Court of the United States). The heightened evidentiary standards and proof under such programs must, at all appropriate phases to prevent any violation of any constitutional right, at minimum, prevent reliance upon evidence that is unsworn or unaffirmed, irrelevant, based on inadmissible hearsay, unreliable, vague, speculative, and lacking a foundation; and penalties for abuse of the program.

## 49

### Expenditures prohibited without waiver

No funds under this award may be expended on the purchase of items prohibited by the JAG program statute, unless, as set forth at 34 U.S.C. 10152, the BJA Director certifies that extraordinary and exigent circumstances exist, making such expenditures essential to the maintenance of public safety and good order.

## 50

### FFATA reporting: Subawards and executive compensation

The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of \$30,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the OJP web site at <https://ojp.gov/funding/Explore/FFATA.htm> (Award condition: Reporting Subawards and Executive Compensation), and are incorporated by reference here.

This condition, including its reporting requirement, does not apply to-- (1) an award of less than \$30,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

## 51

### Exceptions regarding Prohibited and Controlled Equipment under OJP awards

Notwithstanding any provision to the contrary in the other terms and conditions of this award, including in the condition regarding "Compliance with restrictions on the use of federal funds--prohibited and controlled equipment under OJP awards," the requirements for the "Transfer/Sale of Award-Funded Controlled Equipment to Other LEAs" and the requirements for the "Transfer/Sale of Award-Funded Controlled Equipment to NON-LEAs" do not apply to this award.

## 52

The recipient agrees that no funds under this grant award (including via subcontract or subaward, at any tier) may be used for unmanned aircraft systems (UAS), which includes unmanned aircraft vehicles (UAV), or for any accompanying accessories to support UAS.

## 53

### Initial period of performance; requests for extension.

The recipient understands that for award amounts of less than \$25,000 under JAG (Category 1), the initial period of performance of the award is two years. The recipient further understands that any requests for an extension of the period of performance for an award of less than \$25,000 will be approved automatically for up to a total of two additional years, pursuant to 34 U.S.C. 10152(f) and in accordance with the program solicitation associated with this award.

Any request for an extension of the period of performance beyond a four-year award period will require approval, and the approval (if any) will be at the discretion of the Director of BJA.

## 54

Applicants must ensure that Limited English Proficiency persons have meaningful access to the services under this program(s). National origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI and the Safe Streets Act, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation when necessary. The U.S. Department of Justice has issued guidance for grantees to help them comply with Title VI requirements. The guidance document can be accessed on the Internet at [www.lep.gov](http://www.lep.gov).

## 55

### Cooperating with OJP Monitoring

The recipient agrees to cooperate with OJP monitoring of this award pursuant to OJP's guidelines, protocols, and procedures, and to cooperate with OJP (including the grant manager for this award and the Office of Chief Financial Officer (OCFO)) requests related to such monitoring, including requests related to desk reviews and/or site visits. The recipient agrees to provide to OJP all documentation necessary for OJP to complete its monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by OJP for providing the requested documents. Failure to cooperate with OJP's monitoring activities may result in actions that affect the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to award funds; referral to the DOJ OIG for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

## 56

### Use of program income

Program income (as defined in the Part 200 Uniform Requirements) must be used in accordance with the provisions of the Part 200 Uniform Requirements. Program income earnings and expenditures both must be reported on the quarterly Federal Financial Report, SF 425.

## 57

### Compliance with 28 C.F.R. Part 23

With respect to any information technology system funded or supported by funds under this award, the recipient (and any subrecipient at any tier) must comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 34 U.S.C. 10231(c)-(d). The recipient may not satisfy such a fine with federal funds.

## 58

### Protection of human research subjects

The recipient (and any subrecipient at any tier) must comply with the requirements of 28 C.F.R. Part 46 and all OJP policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

## 59

### Confidentiality of data

The recipient (and any subrecipient at any tier) must comply with all confidentiality requirements of 34 U.S.C. 10231 and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. The recipient further agrees, as a condition of award approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, 28 C.F.R. 22.23.

## 60

The recipient agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any

activities within this project.

**61**

The recipient understands that, in accepting this award, the Authorized Representative declares and certifies, among other things, that he or she possesses the requisite legal authority to accept the award on behalf of the recipient entity and, in so doing, accepts (or adopts) all material requirements that relate to conduct throughout the period of performance under this award. The recipient further understands, and agrees, that it will not assign anyone to the role of Authorized Representative during the period of performance under the award without first ensuring that the individual has the requisite legal authority.

**62**

In accepting this award, the recipient agrees that grant funds cannot be used for Facial Recognition Technology (FRT) unless the recipient has policies and procedures in place to ensure that the FRT will be utilized in an appropriate and responsible manner that promotes public safety, and protects privacy, civil rights, and civil liberties and complies with all applicable provisions of the U.S. Constitution, including the Fourth Amendment's protection against unreasonable searches and seizures and the First Amendment's freedom of association and speech, as well as other laws and regulations. Recipients utilizing funds for FRT must make such policies and procedures available to DOJ upon request.

**63**

Withholding of funds for Required certification from the chief executive of the applicant government

The recipient may not expend or draw down any award funds until the recipient submits the required "Certifications and Assurances by the Chief Executive of the Applicant Government," properly-executed (as determined by OJP), and an Award Condition Modification has been issued to remove this condition.

[X]

*I have read and understand the information presented in this section of the Federal Award Instrument.*

---

## **Award Acceptance**

### **Declaration and Certification to the U.S. Department of Justice as to Acceptance**

By checking the declaration and certification box below, I--

- A. Declare to the U.S. Department of Justice (DOJ), under penalty of perjury, that I have authority to make this declaration and certification on behalf of the applicant.
- B. Certify to DOJ, under penalty of perjury, on behalf of myself and the applicant, to the best of my knowledge and belief, that the following are true as of the date of this award acceptance: (1) I have conducted or there was conducted (including by applicant's legal counsel as appropriate and made available to me) a diligent review of all terms and conditions of, and all supporting materials submitted in connection with, this award, including any assurances and certifications (including anything submitted in connection therewith by a person on behalf of the applicant before, after, or at the time of the application submission and any materials that accompany this acceptance and certification); and (2) I have the legal authority to accept this award on behalf of the applicant.
- C. Accept this award on behalf of the applicant.
- D. Declare the following to DOJ, under penalty of perjury, on behalf of myself and the applicant: (1) I understand that, in taking (or not taking) any action pursuant to this declaration and certification, DOJ will rely upon this declaration and certification as a material representation; and (2) I understand that any materially false, fictitious, or fraudulent information or statement in this declaration and certification (or concealment or omission of a material fact as to either) may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. §§ 10271-10273), and also may subject me and the applicant to civil penalties and administrative remedies under the federal False Claims Act (including under 31 U.S.C. §§ 3729-3730 and/or §§ 3801-3812) or otherwise.

**Agency Approval**

**Title of Approving Official**

Deputy Assistant Attorney General

**Name of Approving Official**

Maureen Henneberg

**Signed Date And Time**

9/20/23 8:54 PM

**Authorized Representative**

Declaration and Certification

**Entity Acceptance**

**Title of Authorized Entity Official**

Administration

**Name of Authorized Entity Official**

Scott Brown

**Signed Date And Time**

10/13/2023 4:37 PM





ORDINANCE NO. 7-2023  
 FY 2023-2024 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 2023-2024; 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. 28-2023, the City’s FY 2023-2024 Budget Ordinance, is hereby amended as follows to provide for Budget Amendment No. 3 for the year:

(A) The City of Shelby has been awarded a Federal Edward Byrne Memorial Justice Assistance Grant (JAG) to be used for the purchase of law enforcement related equipment to include a new patrol canine and software/hardware upgrades to the records management system. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

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

- |  |          |
|--|----------|
| (a) Increase 11003000-34214-JAG23<br>JAG Grant       | \$14,329 |
| (b) Increase 110431-51000-JAG23<br>Capital equipment | \$14,329 |

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. 3</u>
General Fund	\$ 32,661,053	\$ 32,675,382
Emergency Telephone System Fund	70,279	70,279
Powell Bill Fund	701,225	701,225
Economic Dev. Fund	728,300	728,300
Housing Fund	2,736,183	2,736,183
Cemetery Fund	36,000	36,000
Utilities-Water Fund	7,174,082	7,174,082
Utilities-Sewer Fund	7,697,269	7,697,269
Utilities-Electric Fund	24,501,726	24,501,726
Utilities-Gas Fund	25,607,712	25,607,712
Utilities – Stormwater Fund	<u>974,027</u>	<u>974,027</u>
FY 2023-2024 Budget Total	<u>\$102,887,856</u>	<u>\$102,902,185</u>

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

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

Adopted and approved this the 8th day of January A. D. 2024.

---

O. Stanhope Anthony, III  
Mayor

ATTEST:

---

Carol Williams  
City Clerk

APPROVED AS TO FORM:

---

Jason Lunsford  
City Attorney

Agenda Item: D-9

- 9) Approval of a resolution and order to accept a memorial commemorating the 50 Greatest Men's Basketball Players of Cleveland County at the Holly Oak Park Gymnasium: Resolution No. 7-2024

**Consent Agenda Item: (Rick Howell, City Manager)**

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Summary of Available Information:

- Resolution No. 7-2024

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City Manager's Recommendation / Comments

Resolution No. 7-2024 is presented for City Council consideration via the Consent Agenda. If approved this resolution would simply state the City's intention to host a display commemorating the 50 greatest men's high school basketball players of Cleveland County at the Holly Oak Park Gymnasium.

A couple things to note. This resolution was requested by Dennis Toms and the Alumni Basketball Association, LLC. The City's only role is to host the display. It should be made clear that the City did not initiate the display nor participate in any way in the selection process for the players recognized. ABA, LLC is simply looking for a place to host it. After consultation with the Mayor and Councilmember Hopper this matter is brought to the attention of City Council for consideration.

**It is recommended that Resolution No. 7-2024 be adopted and approved at this time via the Consent Agenda.**

**RESOLUTION NO. 7-2024**  
**A RESOLUTION AND ORDER TO ACCEPT A MEMORIAL COMMEMORATING**  
**THE 50 GREATEST MENS BASKETBALL PLAYERS OF CLEVELAND COUNTY**  
**AT THE HOLLY OAK PARK GYMNASIUM**

**WHEREAS**, Cleveland County has a rich history in athletic achievement and is the home of numerous basketball legends; and

**WHEREAS**, it is the goal of the Alumni Basketball Association to recognize these great players in creating “The 50 Greatest Players of Cleveland County” by creating and maintaining a memorial hosted by the City at the Clarence M. Palmer Center at Holly Oak Park; and

**WHEREAS**, the Alumni Basketball Association, LLC. in its independent efforts and planning developed a methodology in selecting these players from 1965 through 1999; and

**WHEREAS**, the City of Shelby is honored to host the memorial once the Alumni Basketball Association completes its independent process and dedication of the memorial to the City; and

**WHEREAS**, the City will display the “50 Greatest Players of Cleveland County” memorial within Clarence M. Palmer Center in recognition of the great accomplishments of the young men who grew up and achieved recognition for themselves and the County; and

**WHEREAS**, it is the hope of the City in displaying the memorial to encourage citizen engagement in sports within the community and;

**WHEREAS**, it is the further hope of the City that the youth of this City and within Cleveland County as a whole will continue to strive for greatness.

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

Section 1. The Alumni Basketball Association, LLC. will complete their review and present to the City a memorial for approval using the Association’s fees and independent selection methodology.

Section 2. The City will host the first ever memorial for the “50 Greatest Players of Cleveland County” within the Clarence M. Palmer Center at Holly Oak Park.

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

Adopted and approved this the 8<sup>th</sup> day of January, 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

---

Carol Williams  
City Clerk

**Agenda Item: D-10**

10) Recognition of Beth B. Beam, Finance Director, and the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the Fiscal Year ended June 30, 2022

**Consent Agenda Item: (Rick Howell, City Manager)**

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Summary of Available Information:

- Memorandum dated December 4, 2023 from Beth Beam, Director of Finance to Rick Howell, City Manager
- Certificate of Achievement

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City Manager's Recommendation / Comments

The City has achieved this award dating back more than 20 years and is a testament to the commitment of past and present management and finance directors to full public disclosure and communication of the financial condition of the City of Shelby. As I do every year, I urge you to pay close attention to the Annual Comprehensive Financial Report. A hard copy is routinely provided to Council at the time the audit is presented and an electronic pdf version of the CAFR is maintained on the City's website dating back three fiscal years. It can be found at [www.cityofshelby.com](http://www.cityofshelby.com) under the Finance Department heading. It is easily accessible to the public.

Please join me in congratulating Mrs. Beam and the Finance Department staff for their great work on behalf of the citizens of Shelby.





To: Rick Howell, City Manager

From: Beth B. Beam, Director of Finance

Date: December 4, 2023

Subject: FY22 GFOA Certificate of Achievement for Excellence in Financial Reporting

Background:

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The ultimate goal of the program is to ensure that users of the City's financial statements have the information they need to assess the financial health of the City.

Review:

In December 2022, the Director of Finance submitted application to the GFOA for the annual comprehensive financial report for Fiscal Year ending June 30, 2022. On October 24th 2023, the City was notified of the successful award for the annual financial report for FY22. The Certificate for Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. This is the twenty-sixth year that the award has been received by the City of Shelby.

Recommendation:

It is recommended that the Mayor recognize the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association for the Fiscal Year ended June 30, 2022.



Government Finance Officers Association  
203 North LaSalle Street, Suite 2700  
Chicago, Illinois 60601-1210  
312.977.9700 fax 312.977.4806

10/24/2023

O. Stanhope Anthony  
Mayor  
City of Shelby, North Carolina

Dear O. Stanhope:

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2022 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and give appropriate publicity to this notable achievement. A sample news release is included to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine  
Director, Technical Services



Government Finance Officers Association  
203 North LaSalle Street, Suite 2700  
Chicago, Illinois 60601-1210  
312.977.9700 fax: 312.977.4806

10/24/2023

Beth Beam  
Director of Finance  
City of Shelby, North Carolina

Dear Beth:

Congratulations!

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2022 has met the requirements to be awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting. The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Certificate Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. Congratulations, again, for having satisfied the high standards of the program.

Your electronic award packet contains the following:

- **A "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements.** We strongly encourage you to implement the recommended improvements in your next report. Certificate of Achievement Program policy requires that written responses to these comments and suggestions for improvement be included with your 2023 fiscal year end submission. If a comment is unclear or there appears to be a discrepancy, please contact the Technical Services Center at (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.
- **Certificate of Achievement.** A Certificate of Achievement is valid for a period of one year. A current holder of a Certificate of Achievement may reproduce the Certificate in its immediately subsequent annual comprehensive financial report. Please refer to the instructions for reproducing your Certificate in your next report.
- **Award of Financial Reporting Achievement.** When GFOA awards a government the Certificate of Achievement for Excellence in Financial Reporting, we also present an Award of Financial Reporting Achievement (AFRA) to the department identified in the application as primarily responsible for achievement of the Certificate.
- **Sample press release.** Attaining this award is a significant accomplishment. Attached is a sample news release that you may use to give appropriate publicity to this notable achievement.

In addition, award recipients will receive via mail either a plaque (if first-time recipients or if the government has received the Certificate ten times since it received its last plaque) or a brass medallion to affix to the plaque (if the government currently has a plaque with space to affix the medallion). Plaques and medallions will be mailed separately.

As an award-winning government, we would like to invite one or more appropriate members of the team that put together your annual comprehensive financial report to apply to join the Special Review Committee. As members of the Special Review Committee, peer reviewers get exposure to a variety of reports from around the country; gain insight into how to improve their own reports; achieve professional recognition; and provide valuable input that helps other local governments improve their reports. Please see our website for [eligibility requirements](#) and [information on completing an application](#).

Thank you for participating in and supporting the Certificate of Achievement Program. If we may be of any further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine  
Director, Technical Services



The Government Finance Officers Association of  
the United States and Canada

*presents this*

# AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Department**  
City of Shelby, North Carolina



*The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

Date: 10/24/2023



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Shelby  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrill*

Executive Director/CEO





GOVERNMENT FINANCE OFFICERS ASSOCIATION  
**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

10/24/2023

**For more information contact:**  
**Michele Mark Levine, Director/TSC**  
**Phone: (312) 977-9700**  
**Fax: (312) 977-4806**  
**Email: [mlevine@gfoa.org](mailto:mlevine@gfoa.org)**

(Chicago, Illinois)—Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to **City of Shelby** for its annual comprehensive financial report for the fiscal year ended June 30, 2022. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

*Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources, and practical research for more than 21,000 members and the communities they serve.*

**Agenda Item: D-11**

11) Management Reports:

- a) Monthly Financial Summary – November 2023
- b) Sanitary Sewer Overflow Report

**Consent Agenda Item: (Rick Howell, City Manager)**

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Summary of Available Information:

- Monthly Financial Summary – November 2023
- Press Release - Notification of Discharge of Untreated Wastewater

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City Manager's Recommendation / Comments

The preceding reports and information are included on the City Council agenda in an effort to provide you with regular updates on matters affecting the City. It is also an effort to continue to provide transparency to the public related to how business is being conducted on their behalf.

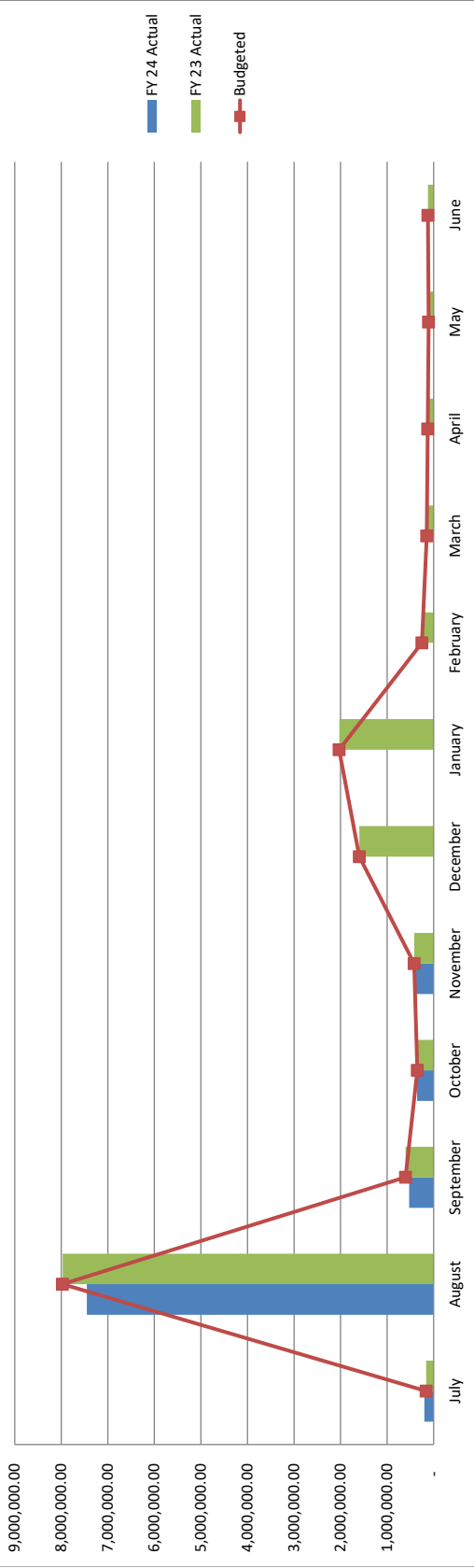


**Monthly Financial Summary  
November 2023**

City of Shelby  
 Current Property Tax Collections  
 FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	159,933.38	7,975,543.92	606,204.49	351,647.91	420,081.33	1,596,722.79	2,030,450.43	252,495.36	149,439.68	127,820.47	108,378.28	121,281.94	13,900,000.00
FY 2023	159,791.35	7,968,461.04	605,666.14	351,335.62	419,708.27	1,595,304.78	2,028,647.24	252,271.13	149,306.97	127,706.96	108,282.03	121,174.23	13,887,655.76
FY 2024	201,701.74	7,448,265.31	527,189.17	364,217.44	437,421.69								
% of Budget	1.45%	53.58%	3.79%	2.55%	3.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	64.52%
Variance	41,768.36	(527,278.61)	(79,015.32)	2,569.53	17,340.36	(1,596,722.79)	(2,030,450.43)	(252,495.36)	(149,439.68)	(127,820.47)	(108,378.28)	(121,281.94)	(4,931,204.65)

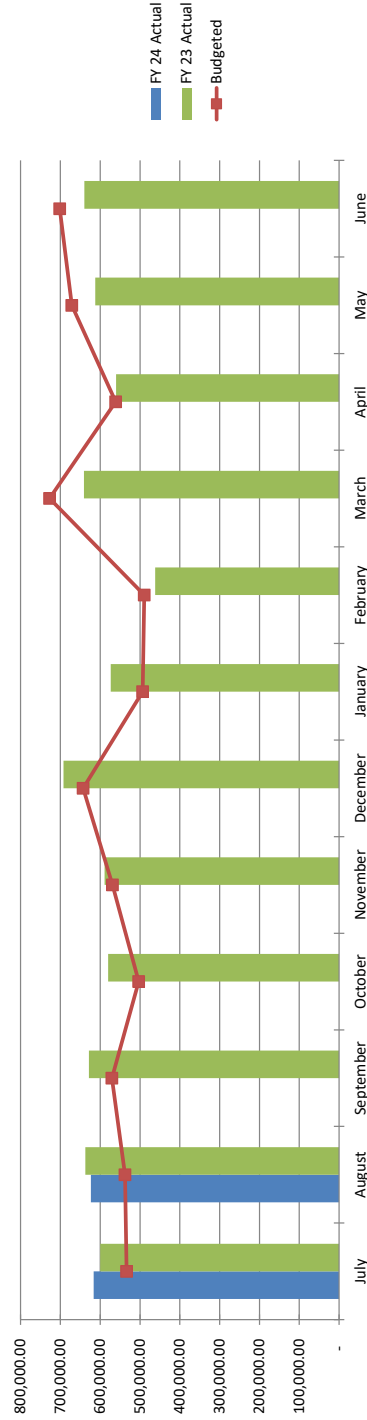
Current Property Tax Collections Budgeted and Collected



City of Shelby  
Sales Tax Collections  
FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	533,422.75	537,608.51	570,286.63	503,355.20	568,990.67	642,691.03	493,303.21	489,313.30	727,152.85	561,084.49	671,026.81	701,764.55	7,000,000.00
FY 2023	599,746.02	637,258.67	628,199.97	579,827.53	588,994.10	691,881.93	573,374.28	461,766.04	640,874.83	560,282.24	612,400.86	639,711.05	7,214,317.52
FY 2024	616,516.51	823,223.01											
% of Budget	8.81%	8.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.71%
Variance	83,093.76	85,614.50	(570,286.63)	(503,355.20)	(568,990.67)	(642,691.03)	(493,303.21)	(489,313.30)	(727,152.85)	(561,084.49)	(671,026.81)	(701,764.55)	(5,760,280.48)

### Sales Tax Collections Budgeted and Collected

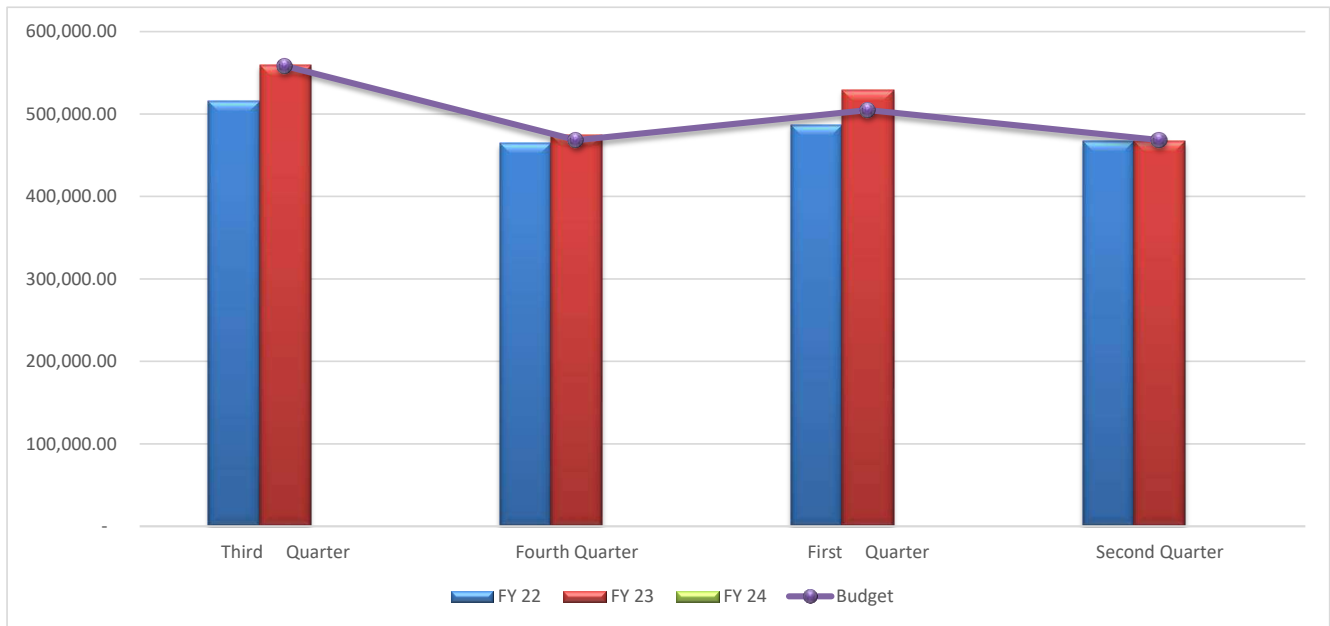


**Notes:**  
Sales Tax Expansion to include Service Contracts: NCGS §105-164.4(a)(11), effective January 2014, has expanded the NC Sales and Use Tax to include "the sales price of a service contract".  
A link to the NCDOR directive on this change is embedded here: <http://www.dor.state.nc.us/practitioner/sales/directives/SD-13-3.pdf>

**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](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

Collection Period:	Third Quarter (July-Sept.)	Fourth Quarter (Oct.-Dec.)	First Quarter (Jan.-Mar.)	Second Quarter (Apr.-June)	Totals
Received in:	December	March	June	September	
FY 22	515,722.31	464,401.65	486,627.19	466,918.19	1,933,669.34
FY 23	559,313.87	474,142.33	529,125.92	466,640.75	2,029,222.87
FY 24					
Budget	558,185.58	468,321.94	504,905.73	468,586.74	2,000,000.00
% of Budget	0.00%	0.00%	0.00%	0.00%	0.00%



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.

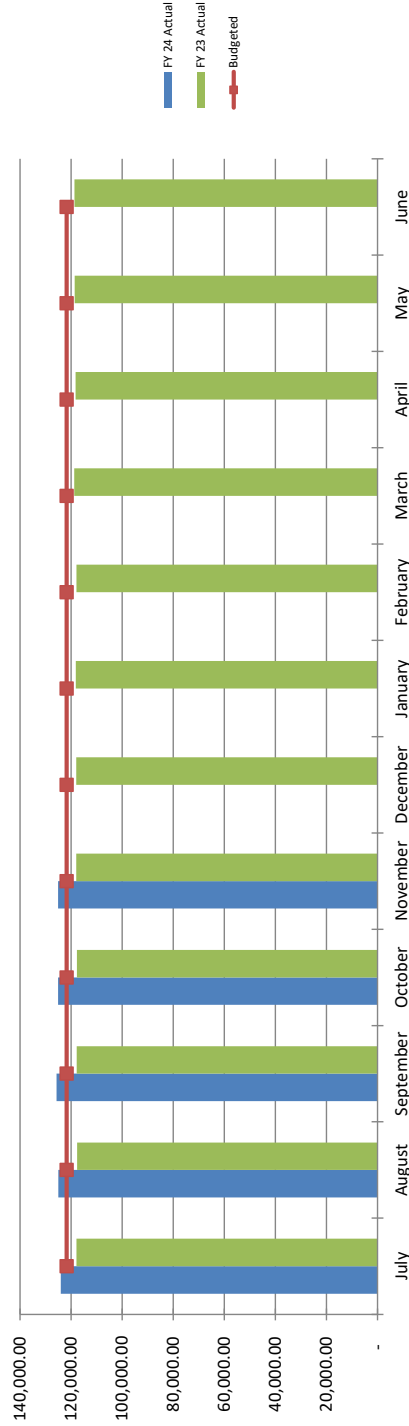


City of Shelby  
Solid Waste Fees  
FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	1,461,000.00
FY 2023	117,913.85	117,612.75	117,828.07	117,733.50	118,009.65	117,968.28	118,156.30	117,897.94	118,773.55	118,224.04	118,590.37	118,670.51	1,417,378.81
FY 2024	124,060.37	124,970.54	125,700.19	125,132.33	125,132.33								624,995.76
% of Budget	8.49%	8.55%	8.60%	8.56%	8.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.78%
Variance	2,310.37	3,220.54	3,950.19	3,382.33	3,382.33	(121,750.00)	(121,750.00)	(121,750.00)	(121,750.00)	(121,750.00)	(121,750.00)	(121,750.00)	(836,004.24)

Res. Accts: 7,782  
Comm. Accts: 680

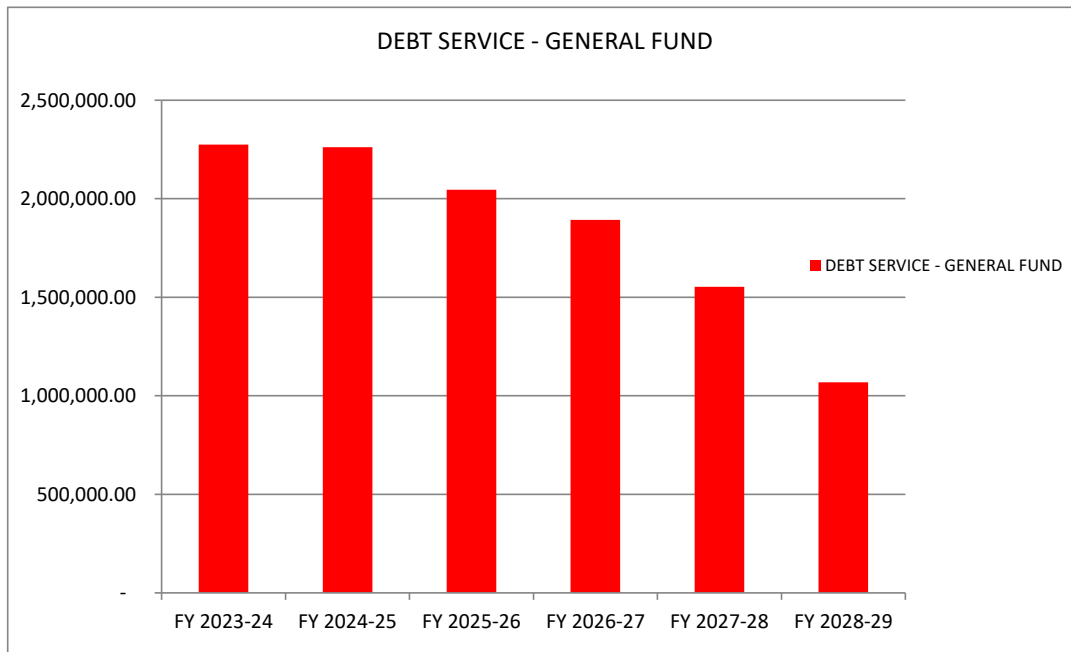
### Solid Waste Fees Budgeted and Collected



**DEBT SERVICE - GENERAL FUND**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b><u>General Obligation Bonds</u></b>						
Street & Sidewalk GO Bond (\$6mm) Debt Retired In 2037	551,200.00	540,400.00	529,600.00	518,800.00	508,000.00	497,200.00
<b><u>Installment Purchase Contracts</u></b>						
Hanna Park Recreation Complex Debt Retired In 2032	644,079.33	629,552.00	615,024.66	600,497.33	585,970.00	571,442.66
FY 19 Installment Purchase Debt Retired In 2024	104,354.77	-	-	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	189,692.00	189,692.00	-	-	-	-
FY 21 Installment Purchase Debt Retired In 2026	128,617.50	128,617.50	128,617.50	-	-	-
FY 22 Installment Purchase Debt Retired In 2027	313,175.08	313,175.08	313,175.08	313,175.08	-	-
FY 23 Installment Purchase - Radios Debt Retired in 2028	158,235.00	274,873.35	274,873.35	274,873.35	274,873.35	-
FY 23 Installment Purchase Debt Retired in 2028	185,002.10	185,002.10	185,002.10	185,002.10	185,002.08	-
<b>Total Debt Service - General Fund</b>	<b>2,274,355.78</b>	<b>2,261,312.03</b>	<b>2,046,292.69</b>	<b>1,892,347.86</b>	<b>1,553,845.43</b>	<b>1,068,642.66</b>

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



City of Shelby  
 For FY24 - November 2023 (41.67% of Fiscal Year)  
 General Fund Expenditures by Division

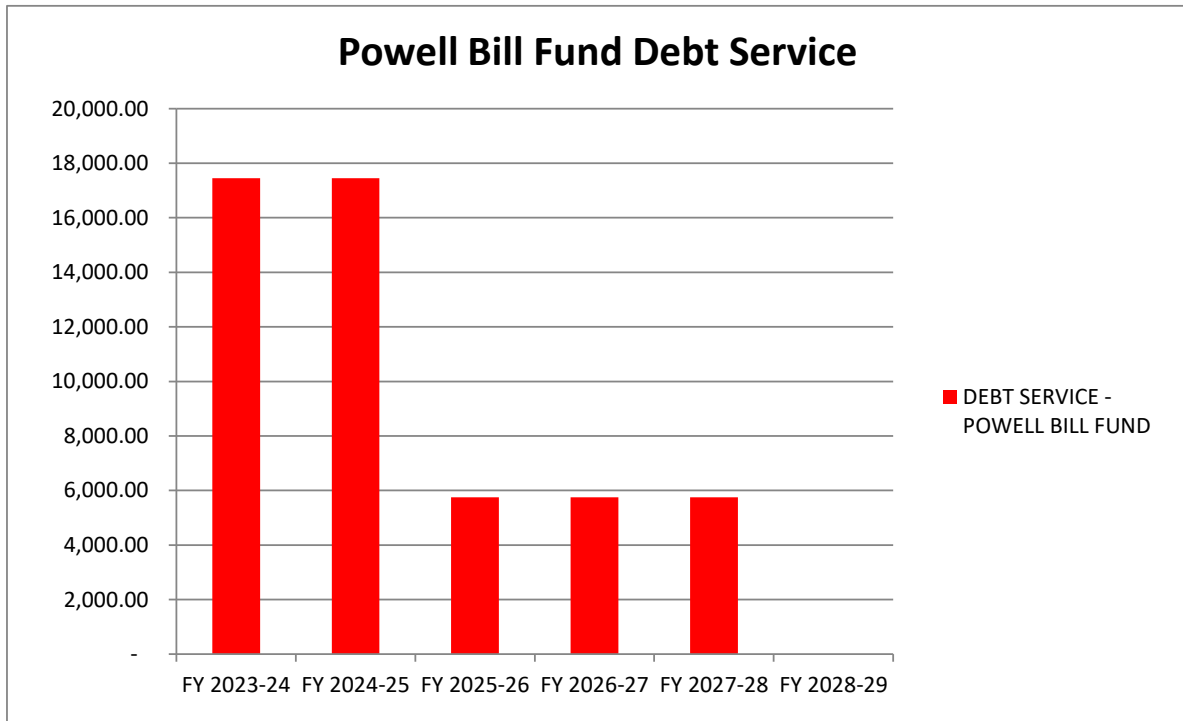
<u>ACCOUNT DESCRIPTION</u>	<u>ORIGINAL APPROP</u>	<u>REVISED BUDGET</u>	<u>YTD EXPENDED</u>	<u>ENCUMB</u>	<u>AVAIL BUDGET</u>	<u>% USED</u>
Total 110411 GOVERNING BOARD	81,200	81,737	38,502.02	536.94	42,698	47.80 %
Total 110412 ADMINISTRATION	793,199	794,199	245,921.32	1,000.00	547,278	31.10 %
Total 110413 FINANCE	838,107	838,107	448,970.06	0.00	389,137	53.60 %
Total 110414 PURCHASING	124,387	124,387	35,234.69	10,100.00	79,052	36.40 %
Total 110416 HUMAN RESOURCES	466,973	466,973	170,522.56	0.00	296,450	36.50 %
Total 110419 CUSTOMER SERVICE	83,044	98,572	114,969.29	8,440.00	-24,838	125.20 %
Total 110420 INFORMATION SERVICES	516,007	532,153	240,853.74	61,659.21	229,640	56.80 %
Total 110421 METER SERVICE	921	56,487	-8,336.04	55,566.00	9,257	83.60 %
Total 110425 GARAGE	924,726	924,726	345,110.28	34,500.00	545,116	41.10 %
Total 110427 CITY HALL	113,000	117,200	50,799.41	0.00	66,400	43.30 %
Total 110431 POLICE	9,103,400	9,393,829	3,790,551.76	154,970.34	5,448,307	42.00 %
Total 110433 COMMUNICATION	964,800	964,800	339,648.85	0.00	625,151	35.20 %
Total 110434 FIRE	7,563,440	5,649,246	2,731,981.71	110,684.66	2,806,580	50.30 %
Total 110435 BUILDING INSPECTIONS	543,850	543,850	244,571.09	0.00	299,279	45.00 %
Total 110451 STREETS	1,447,150	1,468,025	526,775.48	5,355.87	935,894	36.20 %
Total 110453 AIRPORT	517,225	517,225	225,288.28	3,301.25	288,635	44.20 %
Total 110471 SOLID WASTE	2,232,160	2,425,651	943,959.68	322,590.98	1,159,100	52.20 %
Total 110491 GIS	127,089	127,089	61,760.30	600.00	64,729	49.10 %
Total 110493 PLANNING SERVICES	629,050	683,707	309,924.46	17,156.55	356,626	47.80 %
Total 110495 SPECIAL APPROPRIATIONS	3,725,800	4,025,319	615,996.35	0.00	3,409,323	15.30 %
Total 110612 PARKS & RECREATION	2,185,025	2,256,082	984,894.88	4,220.00	1,266,967	43.80 %
Total 110613 MAINTENANCE GROUNDS &	1,784,200	1,855,339	658,229.78	102,706.82	1,094,402	41.00 %
Total 110 GENERAL FUND	34,764,753	33,944,701	13,116,129.95	893,388.62	19,935,183	41.30 %

City of Shelby  
 Powell Bill Fund Debt Service  
 Fiscal Year 2024

**DEBT SERVICE - POWELL BILL FUND**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b><u>Installment Purchase Contracts</u></b>						
FY 20 Installment Purchase Debt Retired in 2025	11,703.00	11,703.00	-	-	-	
FY 23 Installment Purchase Debt Retired in 2028	5,748.09	5,748.09	5,748.09	5,748.09	5,748.09	
<b>Total Debt Service - Powell Bill Fund</b>	<b>17,451.09</b>	<b>17,451.09</b>	<b>5,748.09</b>	<b>5,748.09</b>	<b>5,748.09</b>	<b>-</b>

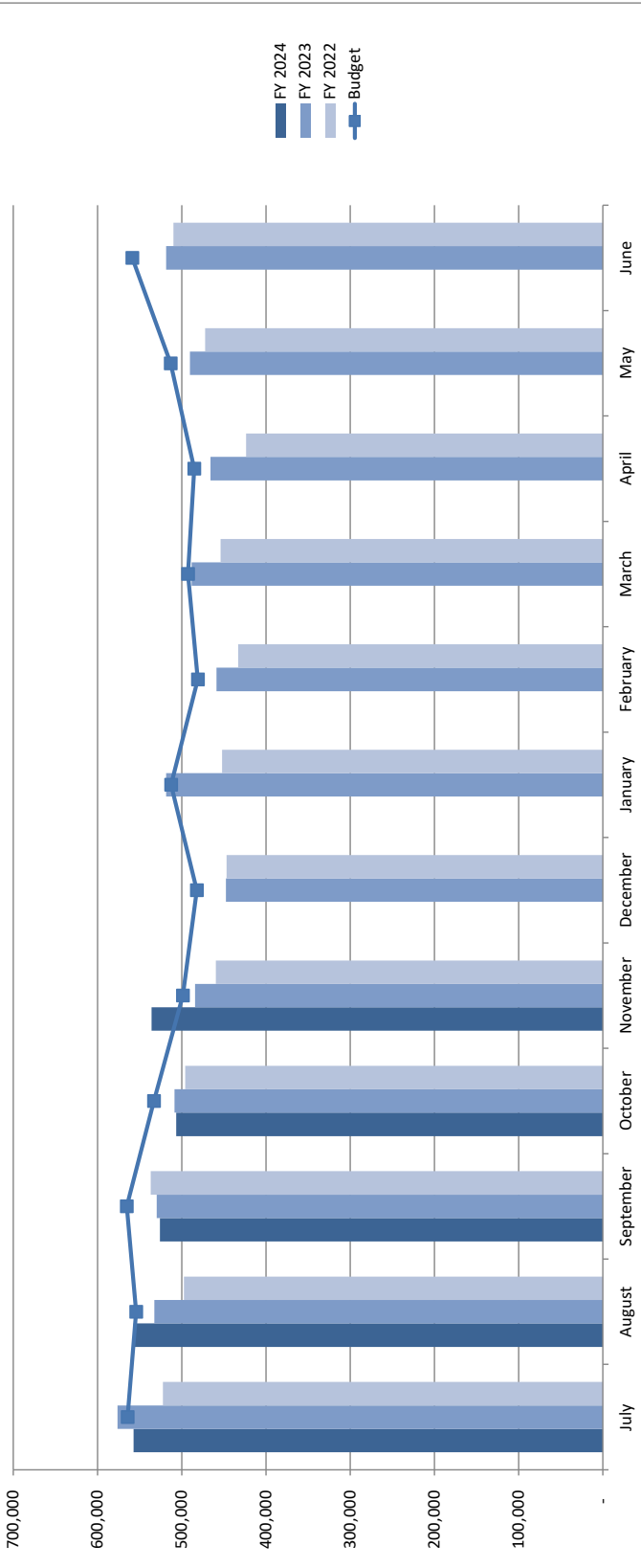
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment



City of Shelby  
Water Revenue Budget to Actual  
FY 2024

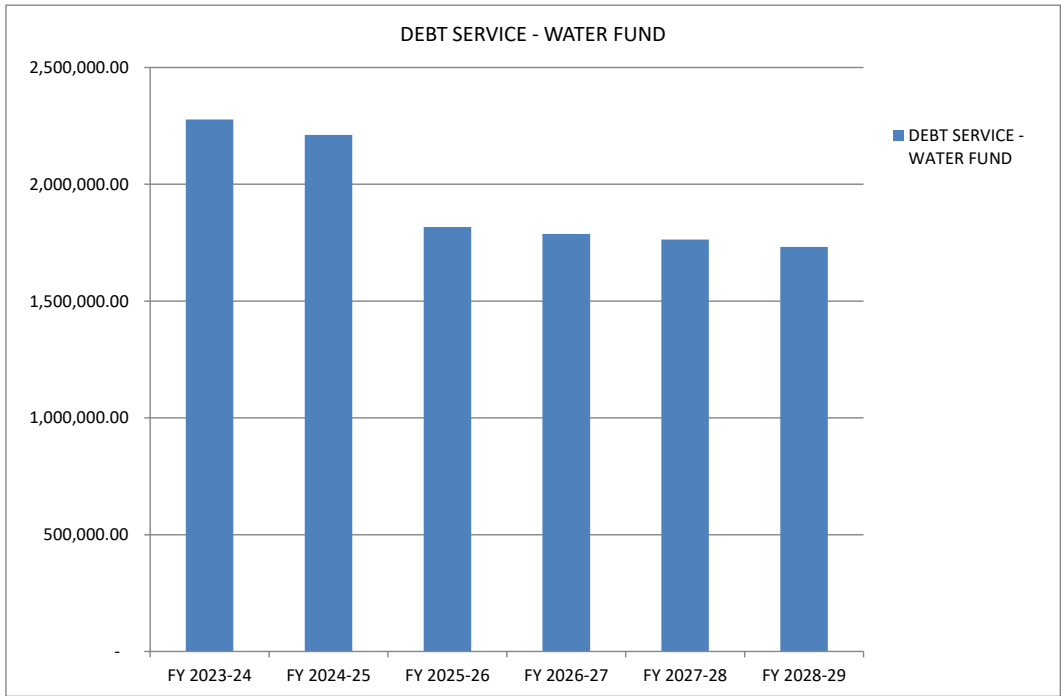
	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>FY 2024 Budget</b>													
Inside Water													
Useage	142,976	137,789	146,252	131,451	121,474	115,259	129,051	114,816	121,810	117,773	124,644	142,718	1,546,015
Dollars	502,957.37	489,948.04	502,991.50	474,886.45	446,554.24	429,674.28	458,920.10	427,215.95	442,656.03	433,077.07	454,475.65	497,967.23	5,561,323.91
Outside Water													
Useage	14,993	15,882	15,391	14,046	12,213	12,317	12,360	12,797	11,486	12,263	14,146	14,898	162,792
Dollars	61,370.21	64,049.81	62,203.41	58,057.27	52,049.02	52,397.84	53,641.82	53,735.83	49,806.90	52,038.62	58,623.69	60,701.67	678,676.09
Totals													
Useage	157,969	153,671	161,643	145,497	133,687	127,577	141,411	127,613	133,296	130,036	138,790	157,616	1,708,807
Dollars	564,327.57	553,997.85	565,194.91	532,943.72	498,603.26	482,072.12	512,561.92	480,951.78	492,462.93	485,115.69	513,099.35	558,668.90	6,240,000.00
<b>FY 2024 Actual</b>													
Inside Water													
Useage	141,317	139,654	126,617	119,697	129,348	-	-	-	-	-	-	-	656,633
Dollars	495,811	493,700	463,854	447,994	472,585	-	-	-	-	-	-	-	2,373,944.08
Outside Water													
Useage	15,021	15,899	15,309	14,281	15,768	-	-	-	-	-	-	-	76,278
Dollars	61,249	63,405	61,988	58,499	63,219	-	-	-	-	-	-	-	308,359
Totals													
Useage	156,338	155,553	141,926	133,978	145,116	-	-	-	-	-	-	-	732,911
Dollars	557,060	557,105	525,841	506,492	535,804	-	-	-	-	-	-	-	2,682,302.99
Variance													
Useage	(1,659)	1,865	(19,635)	(11,754)	7,874	(115,259)	(129,051)	(114,816)	(121,810)	(117,773)	(124,644)	(142,718)	(889,382)
Dollars	(7,146.10)	3,752.39	(39,137.54)	(26,892.53)	26,030.26	(429,674.28)	(458,920.10)	(427,215.95)	(442,656.03)	(433,077.07)	(454,475.65)	(497,967.23)	(3,187,379.83)
Outside Water													
Useage	28	17	(82)	235	3,555	(12,317)	(12,360)	(12,797)	(11,486)	(12,263)	(14,146)	(14,898)	(86,514)
Dollars	(121.69)	(644.94)	(215.91)	441.30	11,170.43	(52,397.84)	(53,641.82)	(53,735.83)	(49,806.90)	(52,038.62)	(58,623.69)	(60,701.67)	(370,317)
Totals													
Useage	(1,631)	1,882	(19,717)	(11,519)	11,429	(127,577)	(141,411)	(127,613)	(133,296)	(130,036)	(138,790)	(157,616)	(975,896)
Dollars	(7,267.78)	3,107.45	(39,353.45)	(26,451.23)	37,200.69	(482,072.12)	(512,561.92)	(480,951.78)	(492,462.93)	(485,115.69)	(513,099.35)	(558,668.90)	(3,557,697.01)

### Water Sales In Dollars - Budget to Actual FY 2023 - 2024



DEBT SERVICE - WATER FUND	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b><u>Revenue Bonds</u></b>						
Series 2021 Refunding Revenue Bonds Debt Retired In 2031	878,082.07	878,287.26	499,614.47	497,103.08	500,082.77	499,031.49
Series 2016 Revenue Bonds-Grover/Morgan 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-WTP Debt Retired In 2040	1,035,036.68	1,022,469.38	1,009,902.08	997,334.78	984,767.46	972,200.16
<b><u>Installment Purchase</u></b>						
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 19 Installment Purchase Debt Retired In 2024	54,380.79	-	-	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	2,561.50	2,561.50	-	-	-	-
FY 21 Installment Purchase Debt Retired In 2026	14,465.00	14,465.00	14,465.00	-	-	-
FY 22 Installment Purchase Debt Retired In 2027	14,680.83	14,680.83	14,680.83	14,680.83	-	-
FY 23 Installment Purchase Debt Retired in 2028	17,676.21	17,676.21	17,676.21	17,676.21	17,676.19	-
<b>Total Debt Service - Water Fund</b>	<b>2,277,533.08</b>	<b>2,210,790.18</b>	<b>1,816,988.59</b>	<b>1,787,444.90</b>	<b>1,763,176.42</b>	<b>1,731,881.65</b>

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

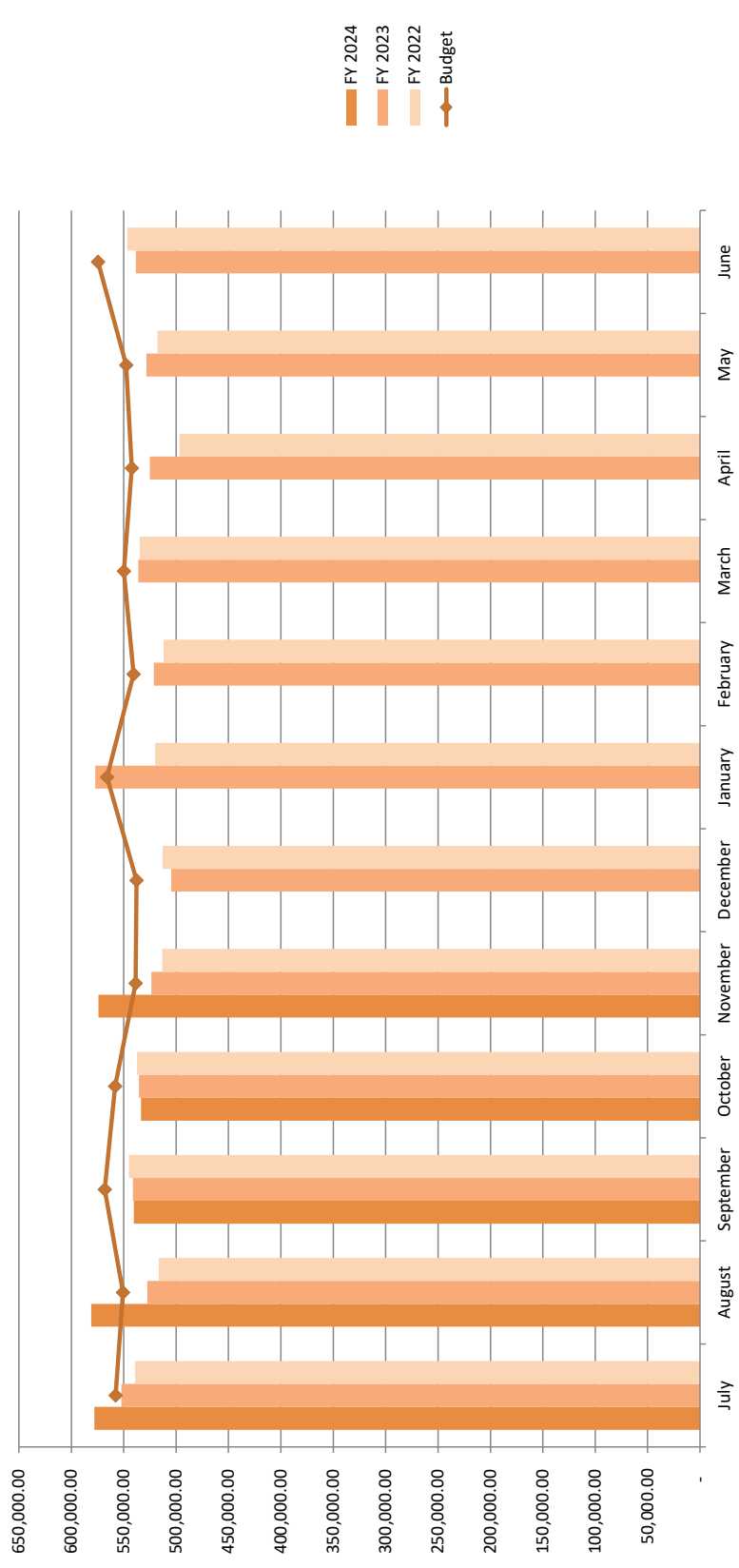




City of Shelby  
Sewer Revenue Budget to Actual  
FY 2024

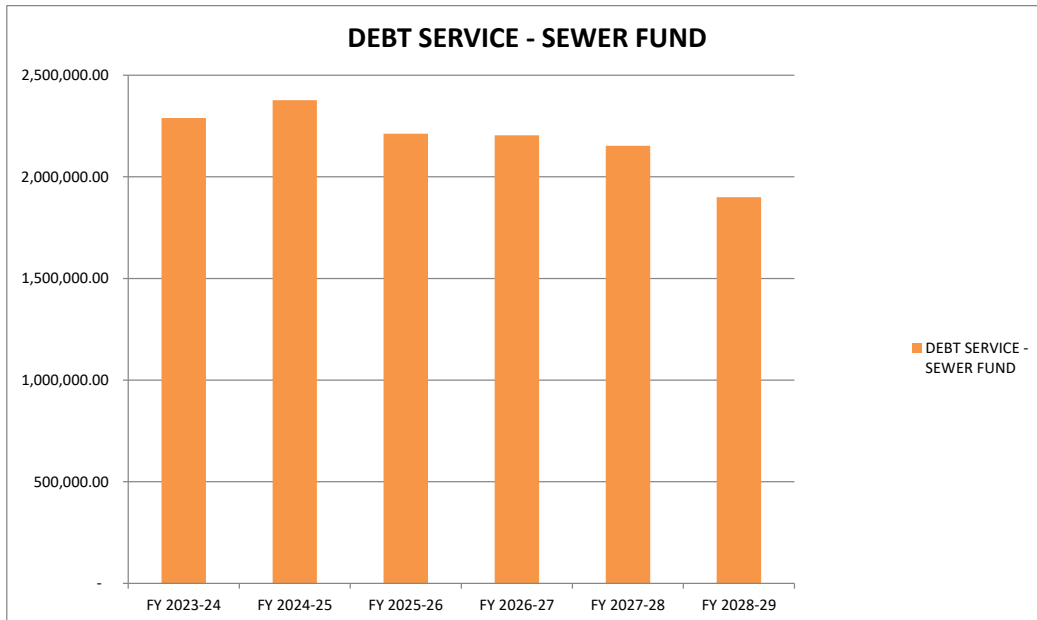
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
<b>FY 2024 Budget</b>													
Inside Sewer													
Useage	74,985	73,529	53,846	72,732	69,675	68,967	76,473	69,621	72,374	68,969	70,110	77,240	848,522
Dollars	519,453.28	512,329.41	525,830.10	513,414.01	494,883.42	493,310.48	520,087.93	495,415.06	503,970.41	493,522.38	499,802.31	527,410.04	6,099,428.81
Outside Sewer													
Useage	2,711	2,672	3,205	3,524	3,405	3,525	3,652	3,563	3,662	3,648	3,527	3,406	40,500
Dollars	38,354.51	38,280.19	42,242.38	44,771.59	43,767.83	44,441.15	45,832.64	45,076.15	45,894.00	48,675.97	47,929.54	47,074.23	532,340.19
Totals													
Useage	77,696	76,201	57,051	76,257	73,080	72,492	80,125	73,184	76,036	72,617	73,637	80,646	889,022
Dollars	557,807.79	550,609.60	568,072.48	558,185.60	538,651.25	537,751.63	565,920.57	540,491.21	549,864.41	542,198.35	547,731.85	574,484.26	6,631,769.00
<b>FY 2024 Actual</b>													
Inside Sewer													
Useage	78,990	79,272	66,902	66,238	75,363	-	-	-	-	-	-	-	366,765
Dollars	531,231.82	535,281.67	487,364.47	482,675.17	524,498.62	-	-	-	-	-	-	-	2,561,051.75
Outside Sewer													
Useage	3,420	3,245	4,208	3,928	3,743	-	-	-	-	-	-	-	18,544
Dollars	46,729.65	45,780.22	52,939.43	50,727.60	49,539.65	-	-	-	-	-	-	-	245,716.55
Totals													
Useage	82,410	82,517	71,110	70,166	79,106	-	-	-	-	-	-	-	385,309
Dollars	577,961.47	581,061.89	540,303.90	533,402.77	574,038.27	-	-	-	-	-	-	-	2,806,768.30
<b>Variance</b>													
Inside Sewer													
Useage	4,005	5,743	13,056	(6,494)	5,688	(68,967)	(76,473)	(69,621)	(72,374)	(68,969)	(70,110)	(77,240)	(481,757.00)
Dollars	11,778.54	22,952.26	(38,465.63)	(30,738.84)	29,615.20	(493,310.48)	(520,087.93)	(495,415.06)	(503,970.41)	(493,522.38)	(499,802.31)	(527,410.04)	(3,538,377.06)
Outside Sewer													
Useage	709	573	1,003	404	338	(3,525)	(3,652)	(3,563)	(3,662)	(3,648)	(3,527)	(3,406)	(21,956.00)
Dollars	8,375.14	7,500.03	10,697.05	5,956.01	5,771.82	(44,441.15)	(45,832.64)	(45,076.15)	(45,894.00)	(48,675.97)	(47,929.54)	(47,074.23)	(286,623.64)
Totals													
Useage	4,714	6,316	14,059	(6,091)	6,026	(72,492)	(80,125)	(73,184)	(76,036)	(72,617)	(73,637)	(80,646)	(503,713.00)
Dollars	20,153.68	30,452.29	(27,768.58)	(24,782.83)	35,387.02	(537,751.63)	(565,920.57)	(540,491.21)	(549,864.41)	(542,198.35)	(547,731.85)	(574,484.26)	(3,825,000.70)

### Sewer Sales in Dollars - Budget to Actual FY 2023 - 2024



DEBT SERVICE - SEWER FUND	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b><u>Revenue Bonds</u></b>						
Series 2021 Refunding Revenue Bonds Debt Retired In 2031	442,773.79	442,017.77	289,821.66	288,125.74	287,842.46	97,832.70
NC DENR-DWI SRF Loan-Mall Lift Station 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-Outfall Project 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-WWTP Upgrades Debt Retired in 2036	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90
NC DENR-DWI SRF Loan-Biosolids Debt Retired in 2041	967,046.85	967,046.85	967,046.85	967,046.85	967,046.85	967,046.85
<b><u>Installment Purchase</u></b>						
2010 - Loan from Natural Gas Fund Debt Retired in 2064	10,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
2019 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 19 Installment Purchase Debt Retired In 2024	1,408.74	-	-	-	-	-
FY 20 Installment Purchase Debt Retired In 2025	12,525.50	12,525.50	-	-	-	-
FY 21 Installment Purchase Debt Retired In 2026	6,215.00	6,215.00	6,215.00	-	-	-
FY 22 Installment Purchase Debt Retired In 2027	50,928.61	50,928.61	50,928.61	50,928.61	-	-
FY 23 Installment Purchase Debt Retired in 2028	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37	-
<b>Total Debt Service - Sewer Fund</b>	<b>2,289,000.75</b>	<b>2,376,836.00</b>	<b>2,212,114.39</b>	<b>2,204,203.47</b>	<b>2,152,991.58</b>	<b>1,900,284.45</b>

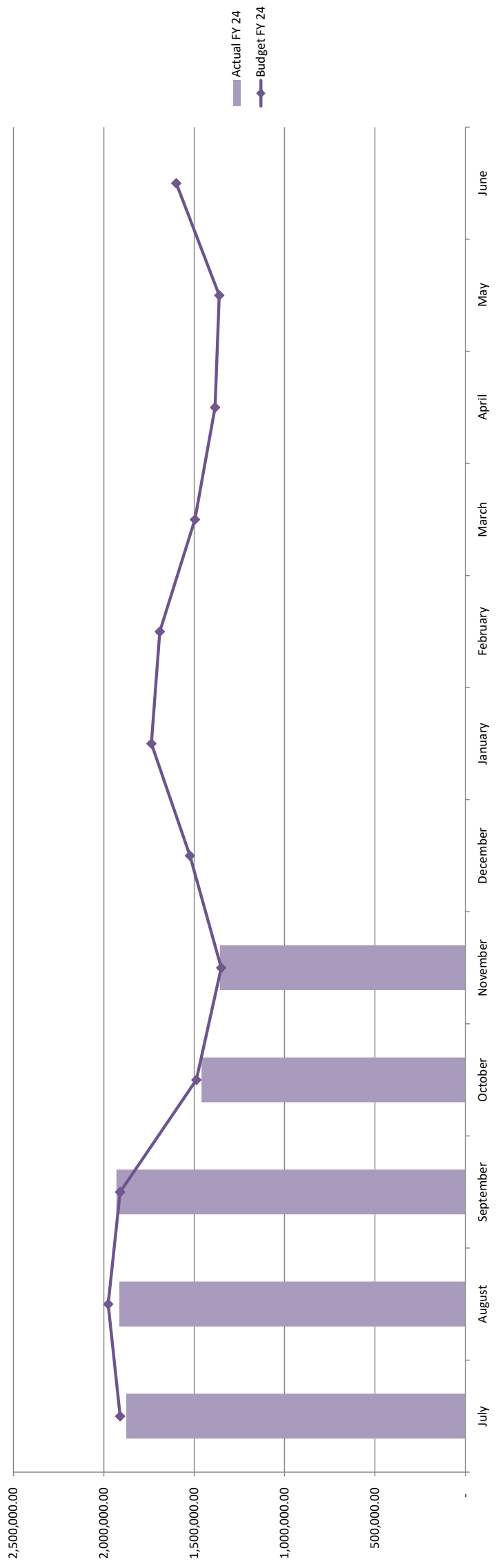
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



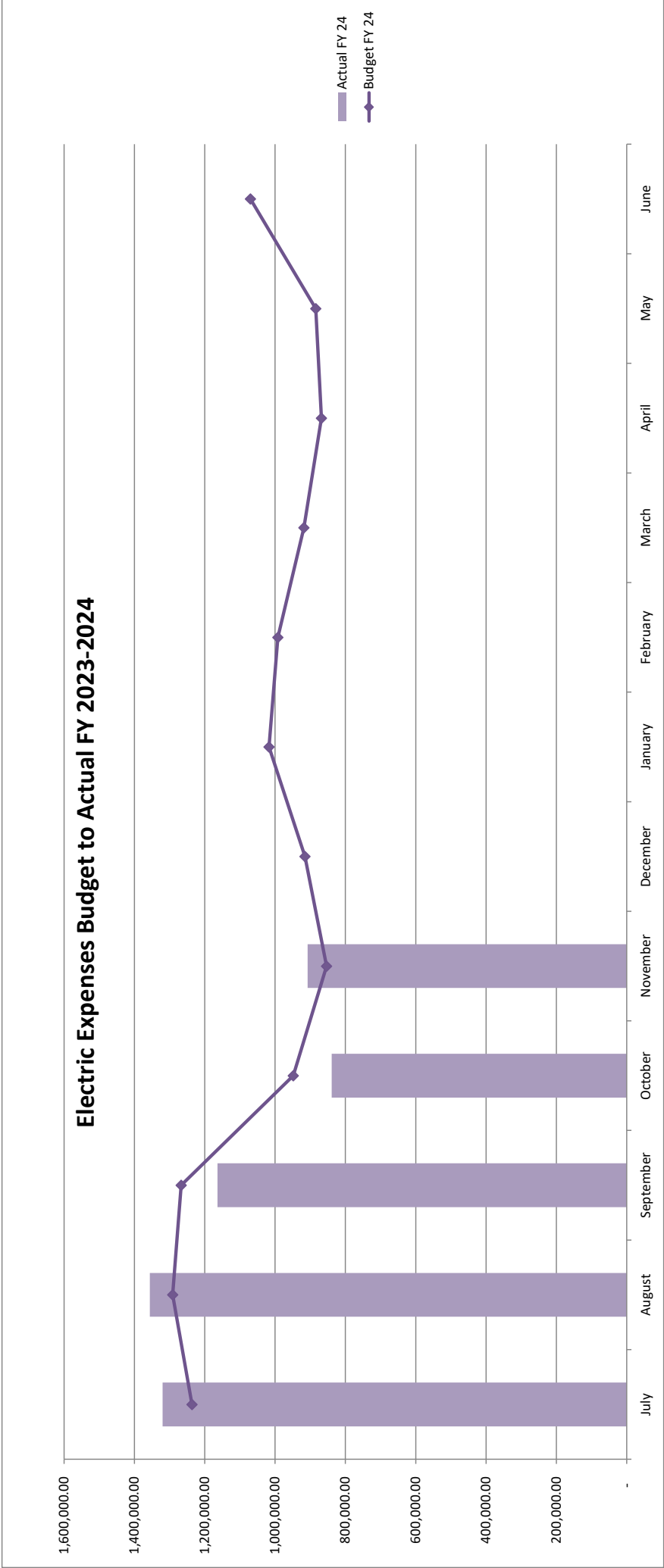
City of Shelby  
Electric Revenues Budget to Actual  
FY 2024

<b>Revenues Budget FY 24</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Totals</b>
Residential	829,227.70	866,313.51	791,706.78	569,923.67	552,629.57	719,791.80	876,304.88	855,655.09	682,324.61	583,065.41	544,188.82	669,742.72	8,540,874.57
Commercial/Industrial	1,080,230.90	1,109,615.15	1,118,103.43	917,680.91	797,858.83	804,318.62	860,318.30	834,580.37	813,338.81	801,817.48	816,822.53	929,440.11	10,884,125.43
<b>Totals</b>	<b>1,909,458.60</b>	<b>1,975,928.66</b>	<b>1,909,810.20</b>	<b>1,487,604.58</b>	<b>1,350,488.40</b>	<b>1,524,110.43</b>	<b>1,736,623.17</b>	<b>1,690,235.46</b>	<b>1,495,663.42</b>	<b>1,384,882.90</b>	<b>1,361,011.35</b>	<b>1,599,182.84</b>	<b>19,425,000.00</b>
<b>Actual FY 24</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Totals</b>
Residential	803,530.65	806,904.38	811,337.27	549,097.02	545,368.03								3,516,237.35
Commercial/Industrial	1,072,635.83	1,107,224.95	1,118,573.61	910,711.14	812,324.89								5,021,470.42
<b>Totals</b>	<b>1,876,166.48</b>	<b>1,914,129.33</b>	<b>1,929,910.88</b>	<b>1,459,808.16</b>	<b>1,357,692.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,537,707.77</b>
<b>Revenue Variance</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Totals</b>
Residential	(25,697.05)	(59,409.13)	19,630.49	(20,826.65)	(7,261.54)	(719,791.80)	(876,304.88)	(855,655.09)	(682,324.61)	(583,065.41)	(544,188.82)	(669,742.72)	(5,024,637.22)
Commercial/Industrial	(7,595.07)	(2,390.20)	470.18	(6,969.77)	14,466.06	(804,318.62)	(860,318.30)	(834,580.37)	(813,338.81)	(801,817.48)	(816,822.53)	(929,440.11)	(5,862,655.01)
<b>Totals</b>	<b>(33,292.12)</b>	<b>(61,799.33)</b>	<b>20,100.68</b>	<b>(27,796.42)</b>	<b>7,204.52</b>	<b>(1,524,110.43)</b>	<b>(1,736,623.17)</b>	<b>(1,690,235.46)</b>	<b>(1,495,663.42)</b>	<b>(1,384,882.90)</b>	<b>(1,361,011.35)</b>	<b>(1,599,182.84)</b>	<b>(10,887,292.23)</b>

### Electric Revenues Budget to Actual FY 2023-2024

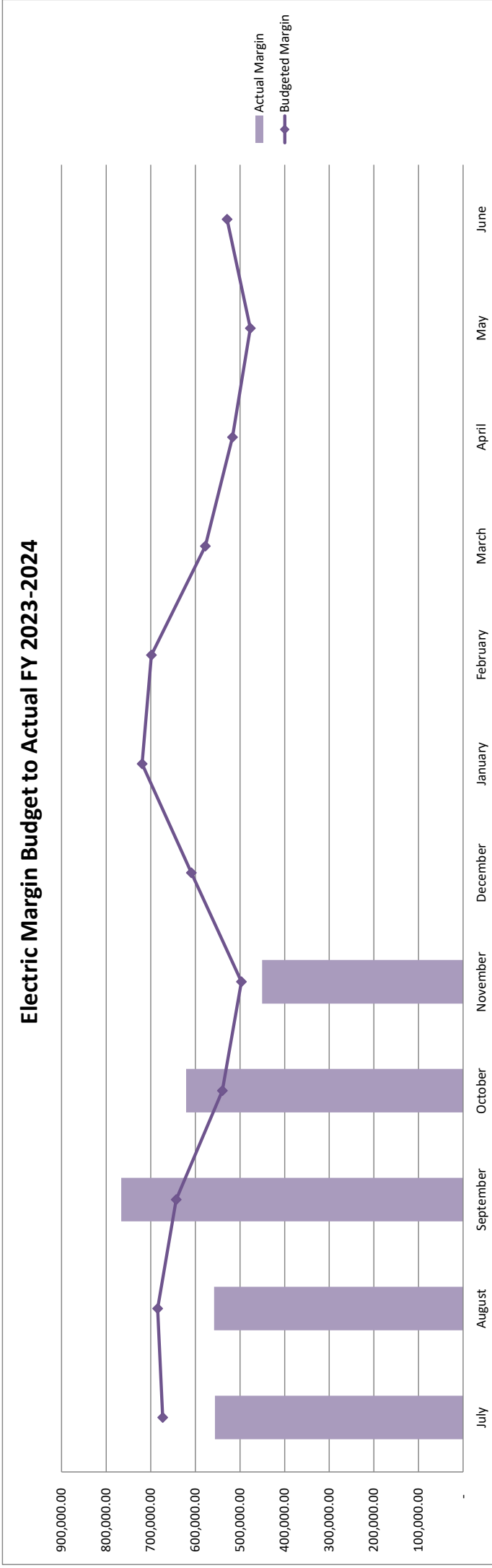


<b>Expenses</b>													
<b>Budget FY 24</b>													
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
NCMPA1	1,191,139.10	1,245,505.88	1,224,200.69	915,026.39	821,469.73	881,011.79	982,318.56	955,439.13	884,629.07	836,167.62	852,299.22	1,031,347.81	11,820,555.00
SEPA	45,008.68	45,752.43	42,651.96	33,111.34	32,101.77	33,961.59	34,856.92	36,394.40	33,458.70	31,998.50	31,796.70	38,907.01	440,000.00
<b>Totals</b>	<b>1,236,147.78</b>	<b>1,291,258.31</b>	<b>1,266,852.65</b>	<b>948,137.73</b>	<b>853,571.50</b>	<b>914,973.38</b>	<b>1,017,175.48</b>	<b>991,833.53</b>	<b>918,087.78</b>	<b>868,166.12</b>	<b>884,095.92</b>	<b>1,070,254.81</b>	<b>12,260,555.00</b>
<b>Actual FY 24</b>													
NCMPA1	1,285,497.02	1,319,307.36	1,127,638.57	801,495.69	868,387.68								5,402,326.32
SEPA	34,382.93	36,781.34	35,996.68	37,613.09	39,004.58								183,778.62
<b>Totals</b>	<b>1,319,879.95</b>	<b>1,356,088.70</b>	<b>1,163,635.25</b>	<b>839,108.78</b>	<b>907,392.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,586,104.94</b>
<b>Expense Variance</b>													
NCMPA1	(94,357.92)	(73,801.48)	96,562.12	113,530.70	(46,917.95)	881,011.79	982,318.56	955,439.13	884,629.07	836,167.62	852,299.22	1,031,347.81	6,418,228.68
SEPA	10,625.75	8,971.09	6,655.28	(4,501.75)	(6,902.81)	33,961.59	34,856.92	36,394.40	33,458.70	31,998.50	31,796.70	38,907.01	256,221.38
<b>Totals</b>	<b>(83,732.17)</b>	<b>(64,830.39)</b>	<b>103,217.40</b>	<b>109,028.95</b>	<b>(53,820.76)</b>	<b>914,973.38</b>	<b>1,017,175.48</b>	<b>991,833.53</b>	<b>918,087.78</b>	<b>868,166.12</b>	<b>884,095.92</b>	<b>1,070,254.81</b>	<b>6,674,450.06</b>





Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	1,909,458.60	1,975,928.66	1,909,810.20	1,487,604.58	1,350,488.40	1,524,110.43	1,736,623.17	1,690,235.46	1,495,663.42	1,384,882.90	1,361,011.35	1,599,182.84	19,425,000.00
Budgeted Expenses	(1,236,147.78)	(1,291,258.31)	(1,266,852.65)	(948,137.73)	(853,571.50)	(914,973.38)	(1,017,175.48)	(991,833.53)	(918,087.78)	(868,166.12)	(884,095.92)	(1,070,254.81)	(12,260,555.00)
Budgeted Margin	673,310.82	684,670.34	642,957.56	539,466.85	496,916.90	609,137.05	719,447.69	698,401.93	577,575.64	516,716.78	476,915.43	528,928.02	7,164,445.00
Actual Revenues	1,876,166.48	1,914,129.33	1,929,910.88	1,459,808.16	1,357,692.92	-	-	-	-	-	-	-	8,537,707.77
Actual Expenses	(1,319,879.95)	(1,356,088.70)	(1,163,635.25)	(839,108.78)	(907,392.26)	-	-	-	-	-	-	-	(5,586,104.94)
Actual Margin	556,286.53	558,040.63	766,275.63	620,699.38	450,300.66	-	-	-	-	-	-	-	2,951,602.83
Margin Variance	(117,024.29)	(126,629.71)	123,318.07	81,232.53	(46,616.24)	(609,137.05)	(719,447.69)	(698,401.93)	(577,575.64)	(516,716.78)	(476,915.43)	(528,928.02)	(4,212,842.17)



**DEBT SERVICE - ELECTRIC FUND**      **FY 2023-24**   **FY 2024-25**   **FY 2025-26**   **FY 2026-27**   **FY 2027-28**   **FY 2028-29**   **FY 2029-30**   **FY 2030-31**

**Revenue Bonds**

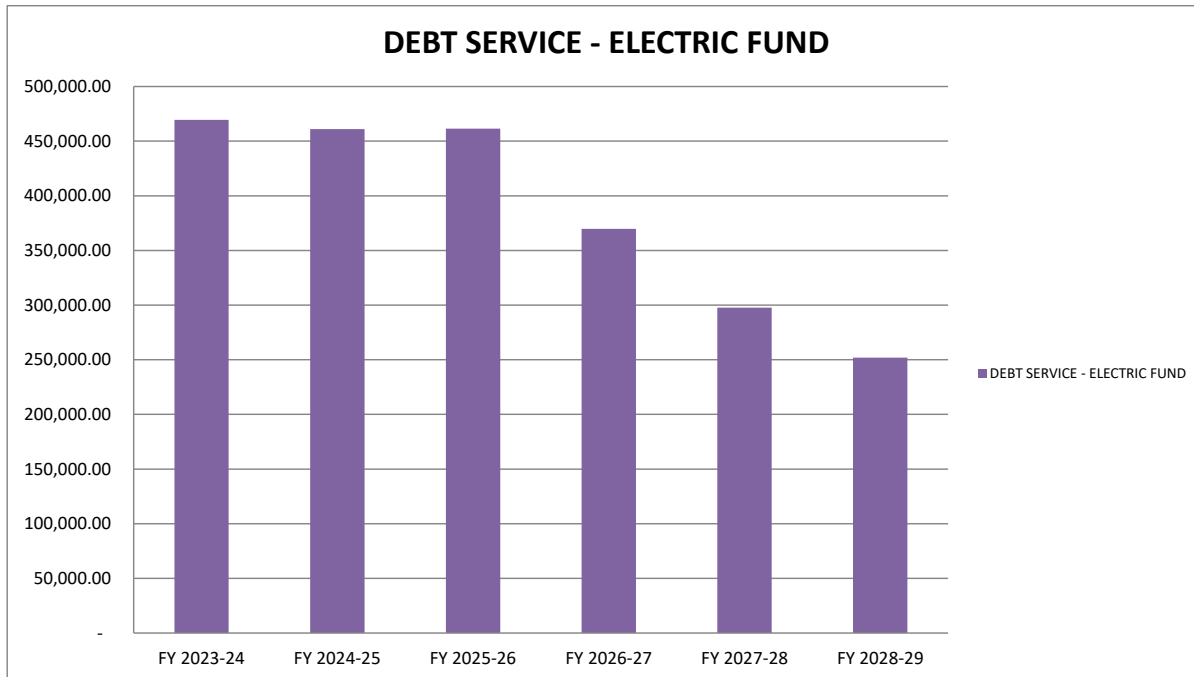
**Series 2021 Refunding Revenue Bonds**

<b>Debt Retired In 2031</b>	251,061.16	251,537.07	251,958.35	250,301.68	252,338.26	251,933.93
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**Installment Purchase Contracts**

<b>FY 19 Installment Purchase</b>						
<b>Debt Retired In 2024</b>	8,921.99					
<b>FY 21 Installment Purchase</b>						
<b>Debt Retired In 2026</b>	89,952.50	89,952.50	89,952.50			
<b>FY 22 Installment Purchase</b>						
<b>Debt Retired In 2027</b>	74,312.73	74,312.73	74,312.73	74,312.73		
<b>FY 23 Installment Purchase</b>						
<b>Debt Retired in 2028</b>	45,253.75	45,253.75	45,253.75	45,253.75	45,253.73	
<b>Total</b>	<b>469,502.13</b>	<b>461,056.05</b>	<b>461,477.33</b>	<b>369,868.16</b>	<b>297,591.99</b>	<b>251,933.93</b>

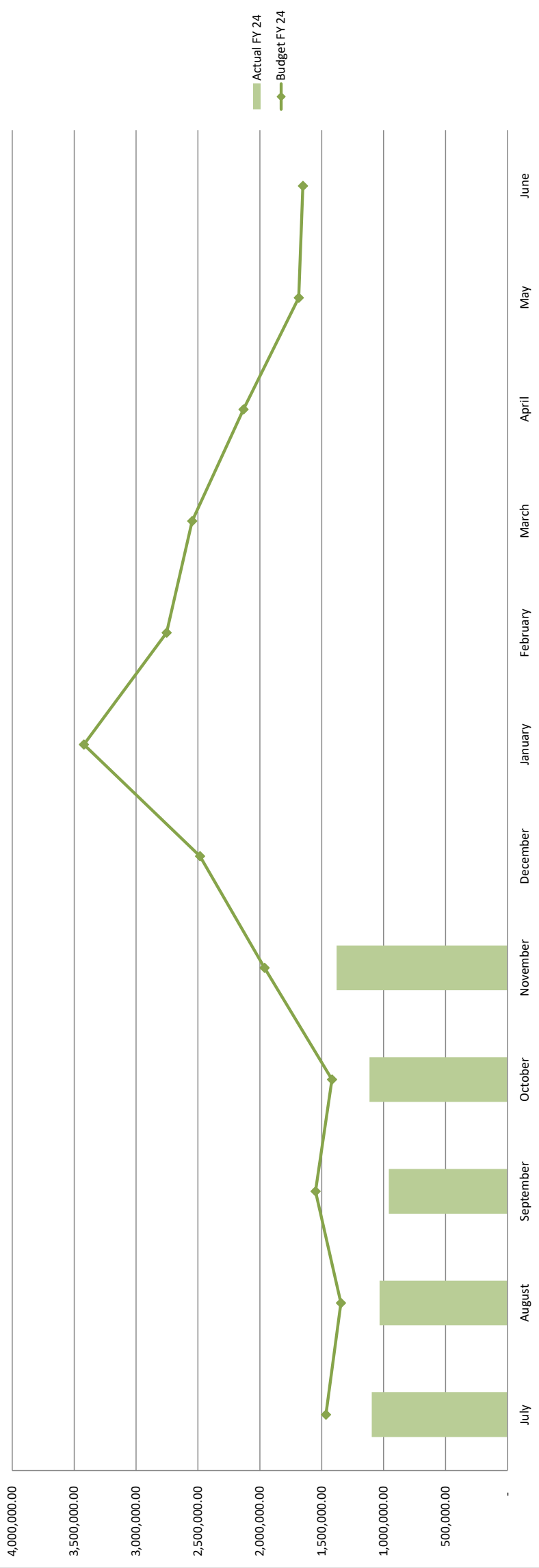
Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.



City of Shelby  
Gas Revenues Budget to Actual  
FY 2024

<b>Revenues Budget FY 24</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Totals</b>
Residential	146,451.99	142,477.46	144,911.67	155,057.81	293,884.14	700,054.66	945,769.94	761,897.08	602,242.21	439,213.97	220,217.83	167,855.56	4,720,034.31
Commercial	190,909.53	207,335.74	226,564.93	236,190.73	336,570.64	678,053.30	979,637.61	784,787.99	632,262.25	507,170.99	241,031.27	213,783.10	5,234,298.07
High Load Factor	28,841.56	23,470.89	17,948.35	14,332.79	60,413.53	67,594.53	70,645.11	77,441.29	68,350.67	72,903.25	68,661.43	68,634.66	639,238.09
Interruptibles	88,192.32	88,995.29	84,771.55	82,364.39	106,639.37	91,769.73	87,767.26	125,595.98	86,416.49	89,767.36	83,908.70	89,344.14	1,105,532.58
Special lnd Class	1,012,290.86	882,830.69	1,076,080.56	929,990.94	1,164,274.58	945,984.77	1,337,610.23	1,003,075.69	1,156,949.41	1,023,670.57	1,072,247.56	1,112,853.09	12,717,858.95
<b>Totals</b>	<b>1,466,686.27</b>	<b>1,345,110.07</b>	<b>1,550,277.06</b>	<b>1,417,936.66</b>	<b>1,961,782.26</b>	<b>2,483,456.98</b>	<b>3,421,430.15</b>	<b>2,752,798.02</b>	<b>2,546,221.04</b>	<b>2,132,726.13</b>	<b>1,686,066.79</b>	<b>1,652,470.55</b>	<b>24,416,962.00</b>
<b>Actual FY 24</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Totals</b>
Residential	129,689.00	123,830.82	114,888.37	138,732.48	270,826.74								777,967.41
Commercial	152,810.73	153,701.31	162,129.03	239,213.63	226,322.86								934,177.56
High Load Factor	17,530.83	18,138.51	17,539.21	15,615.95	18,010.55								86,835.05
Interruptibles	58,154.26	51,703.03	63,740.28	56,384.94	66,086.05								296,068.56
Special lnd Class	738,224.05	685,662.08	599,858.73	664,076.32	798,365.95								3,486,187.13
<b>Totals</b>	<b>1,096,408.87</b>	<b>1,033,035.75</b>	<b>958,155.62</b>	<b>1,114,023.32</b>	<b>1,379,612.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,581,235.71</b>
<b>Revenue Variance</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Totals</b>
Residential	(16,762.99)	(18,646.64)	(30,023.30)	(16,325.33)	(23,057.40)	(700,054.66)	(945,769.94)	(761,897.08)	(602,242.21)	(439,213.97)	(220,217.83)	(167,855.56)	(3,942,066.90)
Commercial	(38,098.80)	(53,634.43)	(64,435.90)	3,022.90	(110,247.78)	(678,053.30)	(979,637.61)	(784,787.99)	(632,262.25)	(507,170.99)	(241,031.27)	(213,783.10)	(4,300,120.51)
High Load Factor	(11,310.73)	(5,332.38)	(409.14)	1,283.16	(42,402.98)	(67,594.53)	(70,645.11)	(77,441.29)	(68,350.67)	(72,903.25)	(68,661.43)	(68,634.66)	(552,403.04)
Interruptibles	(30,038.06)	(37,292.26)	(21,031.27)	(25,979.45)	(40,553.32)	(91,769.73)	(87,767.26)	(125,595.98)	(86,416.49)	(89,767.36)	(83,908.70)	(89,344.14)	(809,464.02)
Special lnd Class	(274,066.81)	(197,168.61)	(476,221.83)	(265,914.62)	(365,908.63)	(945,984.77)	(1,337,610.23)	(1,003,075.69)	(1,156,949.41)	(1,023,670.57)	(1,072,247.56)	(1,112,853.09)	(9,231,671.82)
<b>Totals</b>	<b>(370,277.40)</b>	<b>(312,074.32)</b>	<b>(592,121.44)</b>	<b>(303,913.34)</b>	<b>(582,170.11)</b>	<b>(2,483,456.98)</b>	<b>(3,421,430.15)</b>	<b>(2,752,798.02)</b>	<b>(2,546,221.04)</b>	<b>(2,132,726.13)</b>	<b>(1,686,066.79)</b>	<b>(1,652,470.55)</b>	<b>(18,835,726.29)</b>

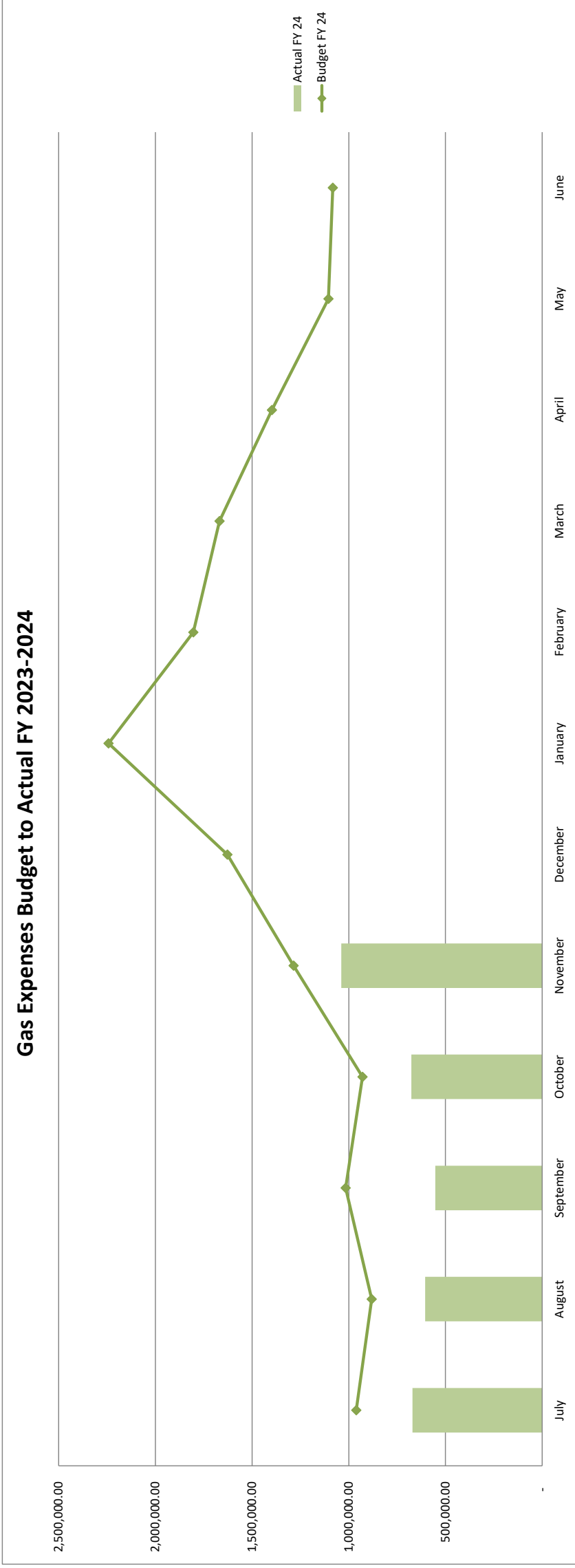
### Gas Revenues Budget to Actual FY 2023-2024



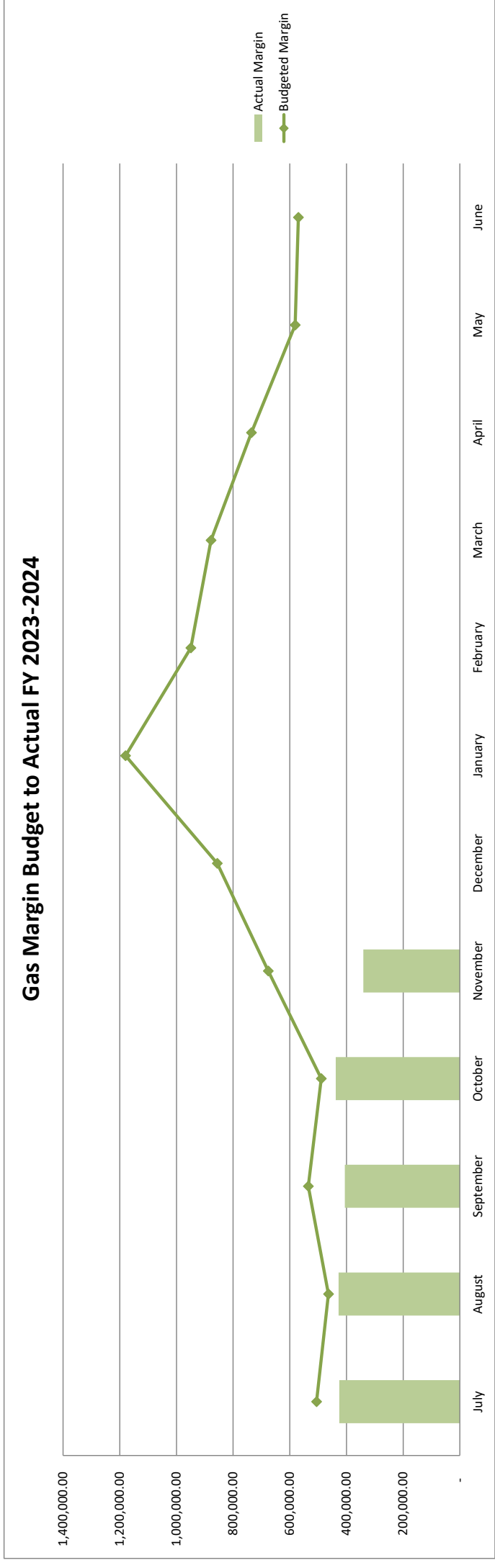
Expenses Budget FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
	961,093.37	881,426.65	1,015,868.93	929,148.62	1,285,520.95	1,627,365.10	2,242,002.20	1,803,859.48	1,668,493.26	1,397,537.42	1,104,849.52	1,082,834.50	16,000,000.00

**Actual FY 24** 670,914.51 605,246.61 552,368.38 676,065.61 1,039,073.00 3,543,668.11

Expense Variance	July	August	September	October	November	December	January	February	March	April	May	June	Totals
	290,178.86	276,180.04	463,500.55	253,083.01	246,447.95	1,627,365.10	2,242,002.20	1,803,859.48	1,668,493.26	1,397,537.42	1,104,849.52	1,082,834.50	12,456,331.89



Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	1,466,686.27	1,345,110.07	1,550,277.06	1,417,936.66	1,961,782.26	2,483,456.98	3,421,430.15	2,752,798.02	2,546,221.04	2,132,726.13	1,686,066.79	1,652,470.55	24,416,962.00
Budgeted Expenses	961,093.37	881,426.65	1,015,868.93	929,148.62	1,285,520.95	1,627,365.10	2,242,002.20	1,803,859.48	1,668,493.26	1,397,537.42	1,104,849.52	1,082,834.50	16,000,000.00
Budgeted Margin	505,592.90	463,683.42	534,408.14	488,788.04	676,261.31	856,091.89	1,179,427.96	948,938.54	877,727.78	735,188.71	581,217.28	569,636.05	8,416,962.00
Actual Revenues	1,096,408.87	1,033,035.75	958,155.62	1,114,023.32	1,379,612.15	-	-	-	-	-	-	-	5,581,235.71
Actual Expenses	670,914.51	605,246.61	552,368.38	676,065.61	1,039,073.00	-	-	-	-	-	-	-	3,543,668.11
Actual Margin	425,494.36	427,789.14	405,787.24	437,957.71	340,539.15	-	-	-	-	-	-	-	2,037,567.60
Margin Variance	(80,098.54)	(35,894.28)	(128,620.90)	(50,830.33)	(335,722.16)	(856,091.89)	(1,179,427.96)	(948,938.54)	(877,727.78)	(735,188.71)	(581,217.28)	(569,636.05)	(6,379,394.40)



**DEBT SERVICE - GAS FUND**      **FY 2023-24**   **FY 2024-25**   **FY 2025-26**   **FY 2026-27**   **FY 2027-28**   **FY 2028-29**

**Revenue Bonds**

**Series 2021 Refunding Revenue Bonds**

<b>Debt Retired In 2031</b>	184,264.98	184,141.90	141,085.52	140,220.50	140,576.51	83,732.88
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**Installment Purchase Contracts**

**FY 19 Installment Purchase  
Debt Retired In 2024**

7,621.62
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**FY 20 Installment Purchase  
Debt Retired In 2025**

18,518.00	18,518.00
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**FY 21 Installment Purchase  
Debt Retired In 2026**

24,392.50	24,392.50	24,392.50
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**FY 22 Installment Purchase  
Debt Retired In 2027**

25,105.65	25,105.65	25,105.65	25,105.65
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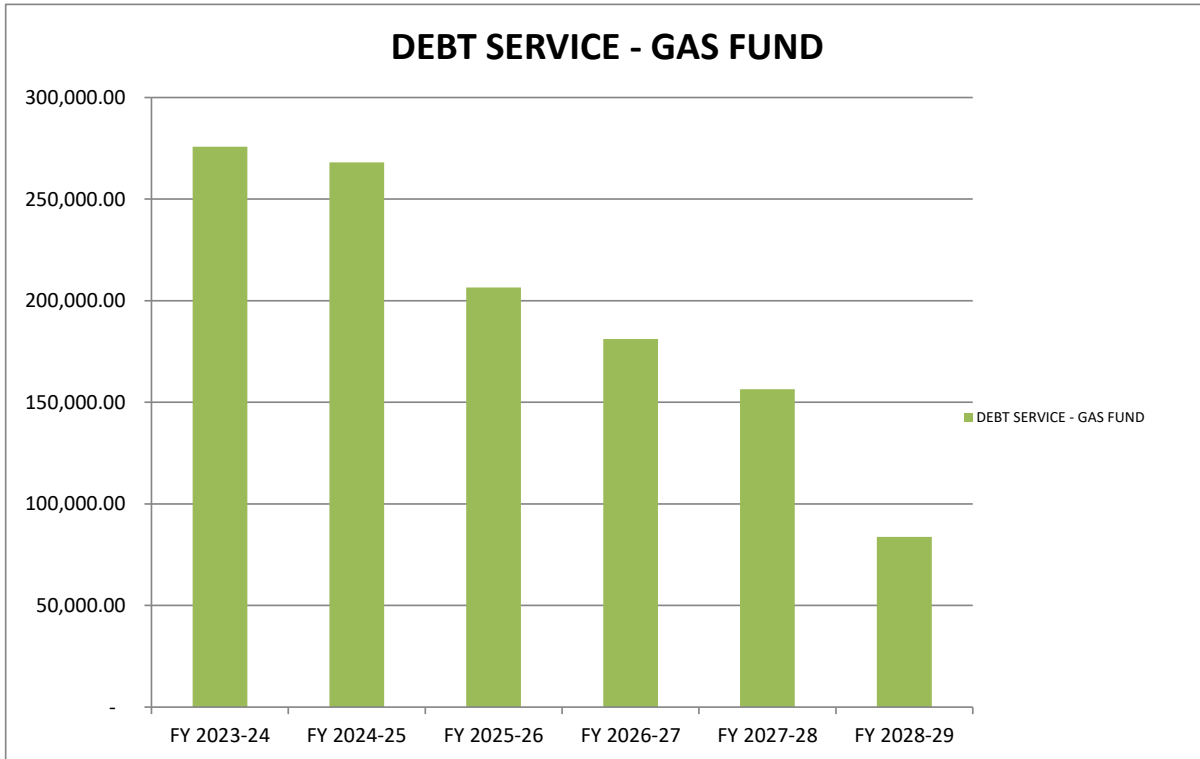
**FY 23 Installment Purchase  
Debt Retired In 2028**

15,882.00	15,882.00	15,882.00	15,882.00	15,882.02
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**Total Debt Service - Gas Fund**

275,784.76	268,040.06	206,465.68	181,208.16	156,458.53	83,732.88
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Installment Purchase Contracts are 59-month borrowings for purchase of items such as vehicles and capital equipment.





City of Shelby  
 For FY24 - November 2023 (41.67% of Fiscal Year)  
 Enterprise Funds Expenditures by Division

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	ENCUMB	AVAILABLE BUDGET	% USED
Total 610711 WATER ADMINSTRATION	3,376,526	3,390,460	1,102,135.41	16,147.84	2,272,177	33.00 %
Total 610713 WATER LINES OPERATIONS	937,390	996,302	459,846.04	11,930.88	524,525	47.40 %
Total 610714 WATER PLANT OPERATIONS	2,342,416	2,408,391	958,098.05	221,857.10	1,228,435	49.00 %
<b>Total 610 WATER FUND</b>	<b>6,656,332</b>	<b>6,795,153</b>	<b>2,520,079.50</b>	<b>249,935.82</b>	<b>4,025,138</b>	<b>40.76 %</b>
Total 620721 SEWER ADMINISTRATION	3,121,474	3,200,833	664,693.85	17,086.11	2,519,053	21.30 %
Total 620723 SEWER LINES OPERATIONS	1,108,930	1,270,864	395,793.20	115,882.33	759,189	40.30 %
Total 620724 SEWER PLANT OPERATIONS	2,758,365	2,843,741	1,049,513.96	397,373.05	1,396,854	50.90 %
<b>Total 620 SEWER FUND</b>	<b>6,988,769</b>	<b>7,315,438</b>	<b>2,110,001.01</b>	<b>530,341.49</b>	<b>4,675,096</b>	<b>36.10 %</b>
Total 630731 ELECTRIC ADMINISTRATIO	3,918,825	6,966,739	4,061,178.62	84,359.82	2,821,201	59.50 %
Total 630732 ELECTRIC PURCHASE	13,760,555	13,760,555	6,104,928.56	0.00	7,655,626	44.40 %
Total 630733 ELECTRIC LINES	3,582,620	4,916,848	2,124,066.05	1,012,214.92	1,780,567	63.80 %
<b>Total 630 ELECTRIC FUND</b>	<b>21,262,000</b>	<b>25,644,143</b>	<b>12,290,173.23</b>	<b>1,096,574.74</b>	<b>12,257,395</b>	<b>52.20 %</b>
Total 640741 NATURAL GAS ADMINISTRA	5,135,252	5,349,427	1,974,099.15	18,647.21	3,356,680	37.30 %
Total 640742 NATUTRAL GAS PURCHASE	17,010,000	17,010,000	2,651,248.51	0.00	14,358,751	15.60 %
Total 640743 NATURAL GAS LINES	2,999,210	3,199,867	1,225,994.03	100,670.20	1,873,203	41.50 %
<b>Total 640 NATURAL GAS FUND</b>	<b>25,144,462</b>	<b>25,559,294</b>	<b>5,851,341.69</b>	<b>119,317.41</b>	<b>19,588,635</b>	<b>23.40 %</b>
Total 650751 STORMWATER ADMINISTRAT	919,527	1,270,046	532,602.02	88,069.32	649,375	48.90 %
<b>Total 650 STORMWATER FUND</b>	<b>919,527</b>	<b>1,270,046</b>	<b>532,602.02</b>	<b>88,069.32</b>	<b>649,375</b>	<b>48.90 %</b>

City of Shelby  
Weather Variances  
Fiscal Year to Date at November 30, 2023

Month	Average Rain*	Actual Rain	Variance	Average CDD**	Actual CDD	Variance	Average HDD**	Actual HDD	Variance
July	4.30	5.10	0.80	388	484	96	0	0	0
August	4.40	4.70	0.30	563	436	-127	0	0	0
September	3.80	0.09	(3.71)	256	258	2	5	3	-2
October	3.80	0.70	(3.10)	109	64	-45	129	148	19
November	3.40	1.60	(1.80)	0	8	8	460	411	-49
December	4.00	0.00	(4.00)	1	0	-1	564	0	-564
January	3.90	0.00	(3.90)	0	0	0	810	0	-810
February	3.90	0.00	(3.90)	0	0	0	586	0	-586
March	4.70	0.00	(4.70)	24	0	-24	464	0	-464
April	3.30	0.00	(3.30)	23	0	-23	223	0	-223
May	4.40	0.00	(4.40)	116	0	-116	51	0	-51
June	4.30	0.00	(4.30)	337	0	-337	0	0	0
<b>Totals</b>	<b>48.20</b>	<b>12.19</b>	<b>(36.01)</b>	<b>1,817</b>	<b>1,250</b>	<b>(567)</b>	<b>3,292</b>	<b>562</b>	<b>(2,730)</b>

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](http://www.weather.com)

\*\* Source [www.climate.fizber.com](http://www.climate.fizber.com)



## ***Press Release***

FOR IMMEDIATE RELEASE:

### **Notification of Discharge of Untreated Wastewater**

General Statute 143-215.1C requires that the owner or operator of any wastewater collection or treatment works to issue a press release when an untreated wastewater discharge of 1,000 gallons or more reaches surface waters.

In accordance with that regulation, the following news release has been prepared and issued to media in the affected county: Cleveland and Cherokee

SHELBY, NC – The City of Shelby had a discharge of untreated wastewater on December 26 and 27, 2023, of an estimated 480,000 gallons at 1120 Ladell Lane; estimated 333,000 gallons on the right-of-way at 611 Ronald Drive; estimated 11,250 gallons on the right-of-way at 400 Johnsfield Road, and an estimated 5,250 gallons on the right-of-way at 3028 Charles Road. An estimated 829,500 gallons was discharged into the Broad River Basin. These spills are related to the heavy rainfall in the area that measured 4” to 5.5” depending on the exact location.

The Division of Water Resources was notified of the event on December 27, 2023, and is reviewing the matter. For more information, contact Brian Wilson, Director of Water Resources at 704-484-6840.

Form: UTIL-2001.001E  
Effective Date: 08/07/2009  
Revision Date: 1/4/2016  
Revision No.: 4

Agenda Item: E

Unfinished Business

None

Agenda Item: F-1

New Business

- 1) Approval of a resolution giving preliminary approval for the issuance of multifamily housing revenue bonds to finance the acquisition, rehabilitation and equipping of Laurel Hill Apartments: Resolution No. 8-2024

**Consent Agenda Item: (Rick Howell, City Manager and Jason Lunsford, City Attorney)**

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Summary of Available Information:

- Resolution No. 8-2024

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City Manager's Recommendation / Comments

Resolution No. 8-2024 is presented for City Council consideration at this time. If approved this resolution would provide preliminary approval for the issuance of multifamily housing revenue bonds to finance the acquisition, rehabilitation, and equipping of Laurel Hill Apartments.

A couple things to note. A developer, Standard Communities, an affordable housing developer is proposing to purchase the Laurel Hill apartment complex located at 1526 Eaves Road just south of Holly Oak Park. In addition to the acquisition, Standard Communities also intends to completely renovate all 100 units. The total investment including the purchase and renovation totals approximately \$10,000,000.

The City is being asked to act as a conduit for the issuance of \$10,000,000 in bonds. The City would according to the resolution and applicable statutes have no financial liability whatsoever. The City's participation in the process allows Standard Communities to take advantage of tax-exempt borrowing rates making the project much more affordable from a financial standpoint.

**It is recommended that Resolution No. 8-2024 be adopted and approved at this time.**

RESOLUTION NO. 8-2024

RESOLUTION GIVING PRELIMINARY APPROVAL FOR THE  
ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS TO  
FINANCE THE ACQUISITION, REHABILITATION AND  
EQUIPPING OF LAUREL HILL APARTMENTS

WHEREAS, the City Council (the “City Council”) of the City of Shelby, North Carolina (the “City”) met in Shelby, North Carolina at 6:00pm on the 8th day of January, 2024; and

WHEREAS, pursuant to Section 160D-1311(b) of the General Statutes of North Carolina, the City is granted the power to exercise directly the powers of a housing authority organized pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”); and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the City, exercising the powers of a housing authority, the power “to provide for the construction, reconstruction, improvement, alteration or repair of any housing project” and “to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues”; and

WHEREAS, an affiliated or related entity of Standard Communities (the “Company”), intends to provide affordable housing in the City; and

WHEREAS, the Company has requested that the City assist it in financing the acquisition, rehabilitation and equipping of a qualified residential rental project known as Laurel Hill Apartments, consisting of 100 units located in 16 residential buildings at 1526 Eaves Road in the City (the “Development”); and

WHEREAS, the Company has described to the City the benefits of the Development to the City and the State of North Carolina and has requested the City to agree to issue its multifamily housing revenue bonds in such amounts as may be necessary to finance the costs of acquiring, rehabilitating and equipping the Development; and

WHEREAS, the City would be acting as a “conduit” issuer for such bonds, and would have no liability whatsoever for any such bonds, which will not constitute a debt or a pledge of the faith and credit of the City, but will be payable solely from the revenues and other funds provided by the Company; and

WHEREAS, the City is of the opinion that the Development is a facility that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

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

1. It is hereby found and determined that the Development will involve the acquisition, rehabilitation and equipping of a multifamily housing facility, and that therefore,

pursuant to the terms and subject to the conditions hereinafter stated and the Act, the City agrees to assist the Company to issue bonds to finance the acquisition, rehabilitation and equipping of the Development, and, in particular, to undertake the issuance of the City's multifamily housing revenue bonds (the "Bonds") in an amount now estimated not to exceed Ten Million Dollars (\$10,000,000) to provide all or part of the cost of the Development.

2. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon between the City and the Company. The City and the Company shall enter into a "financing agreement" pursuant to the Act for a term and upon payments sufficient to pay the principal of, premium if any, and interest on the Bonds and to pay all of the expenses of the City in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the City and a trustee (the "Trustee") or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the City's rights to payments under the financing agreement, except the City's right to payment of fees and expenses and indemnification. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the City, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.

3. The City hereby authorizes the Company to proceed, upon the prior advice, consent and approval of bond counsel and the City's counsel, to obtain approvals in connection with the issuance and sale of the Bonds and to obtain an allocation of a sufficient amount of the State of North Carolina's "private activity bond limit", as required by Section 146 of the Code (the "Code") and as defined in Section 146 of the Code, for the Bonds.

4. The City intends that the adoption of this resolution be considered as "official action" toward the issuance of the Bonds within the meaning of the regulations issued by the Internal Revenue Service pursuant to Section 1.150-2 of the Treasury Regulations issued under the Internal Revenue Code of 1986, as amended.

5. In its application for and upon future approval of the Company's request for Bonds, the Company will provide notice to the City, the citizens of Shelby, and a public hearing will be held prior to final approval from City Council concerning issuance of the Bonds as required by Section 147(f) of the Code.

6. It having been represented to the City that it is desirable to proceed with the acquisition, rehabilitation and equipping of the Development, the City agrees that the Company may proceed with plans for such acquisition, rehabilitation and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Company to obligate the City. The City agrees that the Company may be reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred as permitted by Treasury Regulations Section 1.150-2.

7. All obligations hereunder of the City are subject to the further agreement of the City and the Company to terms for the issuance, sale and delivery of the Bonds and the execution of a financing agreement, indenture or security agreement and other documents and agreements



necessary or desirable for the issuance of the Bonds. The City has not authorized and does not authorize the expenditure of any funds or monies of the City from any source other than the proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, rehabilitation and equipping of the Development, including the reasonable fees and expenses of the City's counsel, bond counsel and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the City shall have no responsibility therefor. It is understood and agreed by the City and the Company that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or council members from time to time of the City.

8. The officers of the City are hereby authorized and directed to take all actions in furtherance of the resolution and the issuance of the Bonds.

9. The City hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

10. This resolution shall take effect immediately.

Adopted and Approved this the 8<sup>th</sup> day of January, 2024

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams, City Clerk  
City of Shelby, North Carolina

Agenda Item: F-2

- 2) Approval of a resolution authorizing execution of a pre-development agreement for the rehabilitation of historic Webbley: Resolution No. 9-2024

**Consent Agenda Item: (Rick Howell, City Manager)**

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Summary of Available Information:

- Letter and proposal from UNC SOG Development Finance Initiative to Rick Howell
- Resolution No. 9-2024

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City Manager's Recommendation / Comments

Resolution No. 9-2024 is presented for City Council consideration at this time. If approved this resolution would authorize the City Manager to execute an agreement with the Development Finance Initiative at UNC Chapel Hill School of Government for the provision of pre-development services for the redevelopment of historic Webbley.

As background the City has been awarded a \$3,995,000 directed grant included in the adopted state budget for the acquisition and restoration of the home of former Governor O. Max Gardner. However, the City at this time has not identified an end use for the property after its restoration. In order to fully engage the community stakeholders it is necessary for pre-development technical assistance work to be completed to support project and to determine the ultimate end use of the property. Be it a public space or one that can also attract private investment.

Council will recall that the City has contracted with DFI previously to conduct similar pre-development technical assistance on the Hotel Charles project. DFI has demonstrated a professional and thoughtful process and mindset with this project, and I believe they can assist the City with the historic Webbley project as well. The scope for these services is contained within the provided documentation. The proposed cost of services is \$48,600 and it is proposed to pay this using a portion of the directed grant proceeds.

**It is recommended that Resolution No. 9-2024 be adopted and approved at this time.**

## **MEMORANDUM**

**To:** Rick Howell, City Manager, City of Shelby  
**From:** Marcia Perritt, Director, Development Finance Initiative  
**Date:** December 18, 2023  
**Re:** Proposal to Provide Phase 1 Feasibility Analysis services

### **UNC-Chapel Hill Development Finance Initiative**

The UNC Chapel Hill School of Government (SOG) established the Development Finance Initiative (DFI) in 2011 to assist local governments and their partners in North Carolina and beyond with achieving their community economic development goals. The SOG is the largest university-based local government training, advisory, and research organization in the United States. DFI partners with communities to attract private investment for transformative projects by providing specialized finance and real estate development expertise.

### **Request for Technical Assistance**

The City of Shelby requested technical assistance from DFI in November 2023 in evaluating the redevelopment potential for a historic property, the Oliver Max Gardner House, also known as Webbley, located in downtown Shelby. The City of Shelby is set to receive an approximately \$3.995MM allocation from the State of North Carolina that would go towards the restoration of the property. City leaders are interested in understanding potential paths for restoration with an emphasis on how the building could be rehabilitated for private commercial uses, public uses, and/or a combination of public and private uses in alignment with the Shelby's goals for downtown revitalization. To that end, DFI is able to assist the City of Shelby by conducting high-level pre-development feasibility analysis—stakeholder engagement, oversight of third party architectural services, and financial feasibility analysis—in order to identify financially viable redevelopment and ownership scenarios for Webbley.

### **Scope of Services**

The following Scope of Services outlines the pre-development activities that DFI would conduct to support the City of Shelby in evaluating the redevelopment potential of the

Oliver Max Gardner House or Webbley, herein referred to as the “Project”, and its ability to attract private investment:

1. Conduct small group stakeholder engagement (up to eight one-on-one and small group conversations) and establish guiding public interests for the Project in collaboration with City leadership;
2. Support the City in engaging a third-party architecture firm and oversee that firm in conducting high-level site analysis, examining infrastructure, building layouts, etc., to gain a general understanding of development opportunities and constraints of the Project;
3. Conduct high-level financial feasibility analysis, preparing a financial model (i.e., development budget, operating cash flows, sources of capital, etc.) for the Project to determine financial feasibility for various redevelopment scenarios and the scale of public investment, if necessary;
4. Evaluate options for financing and structuring public participation in development or redevelopment, if necessary, including use of development finance tools (tax credits, district designations, etc.); and
5. Based on this analysis, evaluate the general redevelopment potential of the Project and make recommendations to the City regarding preferred redevelopment scenarios, ownership options, and next steps.

This Scope of Services does not include services that require a licensed broker, a licensed real estate appraiser, or licensed attorney to perform. In addition, the scope does not include tasks associated with site planning expertise from architects or engineers, nor does it include site preparation expenses such as land survey, soil samples, and environmental testing (if such services are required, DFI will advise the City to obtain such services from third parties).

### **Deliverables**

Deliverables include presentations, summaries, and other documentation intended by DFI to be delivered to the City regarding the above Scope of Services.

### **Timeline**

The timeline for completing the above Scope of Services is estimated to be four months.

### **Fee**

The flat fee for the above Scope of Services is \$48,600.

## **Potential for Future Phase 2**

Pending the outcome of this analysis and the City's interest, DFI is able to provide additional pre-development services for the Project, including further financial feasibility analysis and the identification of a private development partner. Phase 2 services would require a separate contract and fee, but pricing would reflect efficiencies gained from work already performed so long as DFI is engaged within one year following the completion of this Scope of Services.

RESOLUTION NO. 9-2024

A RESOLUTION AUTHORIZING EXECUTION OF A PRE-DEVELOPMENT AGREEMENT  
FOR THE REDEVELOPMENT OF HISTORIC WEBBLEY

WHEREAS, the City of Shelby, North Carolina is authorized by NC General Statute 160A-209(c)15 to undertake historic preservation projects and programs; and,

WHEREAS, the City Council for the City of Shelby has determined that redevelopment and preservation of the historic home of former Governor O. Max Gardner known as Webbley located at 403 S. Washington Street is important in preserving the history of Shelby and the economic viability of the central business district; and,

WHEREAS, the City of Shelby has been awarded a directed grant from the NC General Assembly within the adopted state budget in the amount of \$3,995,000 "for the purchase and restoration of the historic home of former Governor O. Max Gardner; and,

WHEREAS, the City Council of the City of Shelby recognizes the specific need to seek technical assistance for the pre-development phase of the Webbley project in order to evaluate the redevelopment potential of the historic home as well as the ability to attract private investment.

WHEREAS, the City of Shelby has received a proposal to provide a feasibility analysis for phase I of the project from the Development Finance Initiative of the UNC Chapel Hill School of Government; and,

WHEREAS, the funding for these services has been included in the project scope for the aforementioned directed grant from the State of North Carolina in the amount of \$48,600.

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

SECTION 1. The City Council does authorize the City Manager in consultation with the City Attorney enter into an agreement with the Development Finance Initiative of the UNC Chapel Hill School of Government for the described pre-development services noted in the proposal.

SECTION 2. The City Council further authorizes the City Manager to initiate a Request for Qualifications process in accordance with the NC General Statutes for the selection of a architect to provide services for the Webbley Project.

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

Adopted and approved this 8th day of January 2024.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

**Agenda Item: G**

**City Manager's Report**

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

**Agenda Item: H**

**Council Announcements and Remarks**

**I. Closed Session:**

- 1) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including on a tentative list of economic development incentives that may be offered by the public body in negotiations pursuant to North Carolina General Statute 143-318.11(a)(4).

**J. 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