

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 62692, 62694, and 32575 (925 Washburn Switch Road): Ordinance No. 20-2024 2-42
- 2) Consideration of an ordinance to extend the corporate limits of the City of Shelby, North Carolina (925 Washburn Switch Road): Ordinance No. 21-2024 43-53

D. Consent Agenda:

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

- | | |
|--|-------|
| 1) Approval of the Minutes of the Regular Meeting of March 4, 2024 | 54-61 |
| 2) City of Shelby FY 2023-2024 Budget Ordinance Amendment (JAG Grant): Ordinance No. 22-2024 | 62-67 |
| 3) Approval of a resolution authorizing an application for the North Carolina Department of Commerce Rural Downtown Economic Development Grant: Resolution No. 22-2024 | 68-69 |
| 4) Approval of a resolution establishing a public hearing date for the City of Shelby property on Artee Road: Resolution No. 23-2024 | 70-71 |
| 5) Approval of a joint cooperation agreement for the Foothills Home Consortium | 72-78 |
| 6) Approval of Special Event application: | |
| a) First Friday at Greenbrook Design, requested date: April 5, 2024 | 79-88 |
| 7) Management Reports: | 89-90 |
| a) Shelby Fire and Rescue Reinspection/Heavy Rescue Provider | |

E. Unfinished Business:

- | | |
|--|--------|
| 1) Adoption of an ordinance establishing capital project ordinance and budgets for the City of Shelby's First Broad Outfall Sewer Improvement Project: Ordinance No. 23-2024 | 91-116 |
|--|--------|

F. New Business:

- 1) Adoption of an ordinance amending the City Of Shelby's Schedule of Fees: Ordinance No. 24-2024 117-136

G. City Manager's Report 137

H. Council Announcements and Remarks 137

I. Adjournment: 137

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

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 62692, 62694, and 32575 (925 Washburn Switch Road): Ordinance No. 20-2024

Presenting: (Justin Longino, Assistant City Manager)

Summary of Available Information:

- Memorandum dated March 13, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
 - Location Map, Zoning Map, Future Land Use Map
 - Staff Report
 - Public Notice recipient names and addresses
 - Notice of Public Hearing
 - Ordinance No. 20-2024
-

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, and the Planning and Zoning Board recommend approving this amendment. 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. 20-2024

Possible actions:

Motion to approve Ordinance No. 20-2024 as presented.

OR

Motion to deny approval of Ordinance No. 20-2024 as presented.

MEMORANDUM

To: Mr. Rick Howell – City Manager

From: Justin Longino – Assistant City Manager

Date: March 13, 2024

Subject: 925 Washburn Switch Road – Zoning Assignment

Background

The subject property is the former Hanwha site, located at 925 Washburn Switch Road. The site has an area of approximately 12 acres and is currently located outside of the corporate limits and outside of our ETJ. The applicant has petitioned for annexation and subsequently, GI – General Industrial zoning.

The Comprehensive Land Use Plan identifies this property as being in a Commercial area. Parcels to the west, south, and east are zoned GI or LI with a variety of industrial uses.

Recommendation

This proposal is consistent with the Comprehensive Future Land Use Plan and is consistent with development patterns in the area.

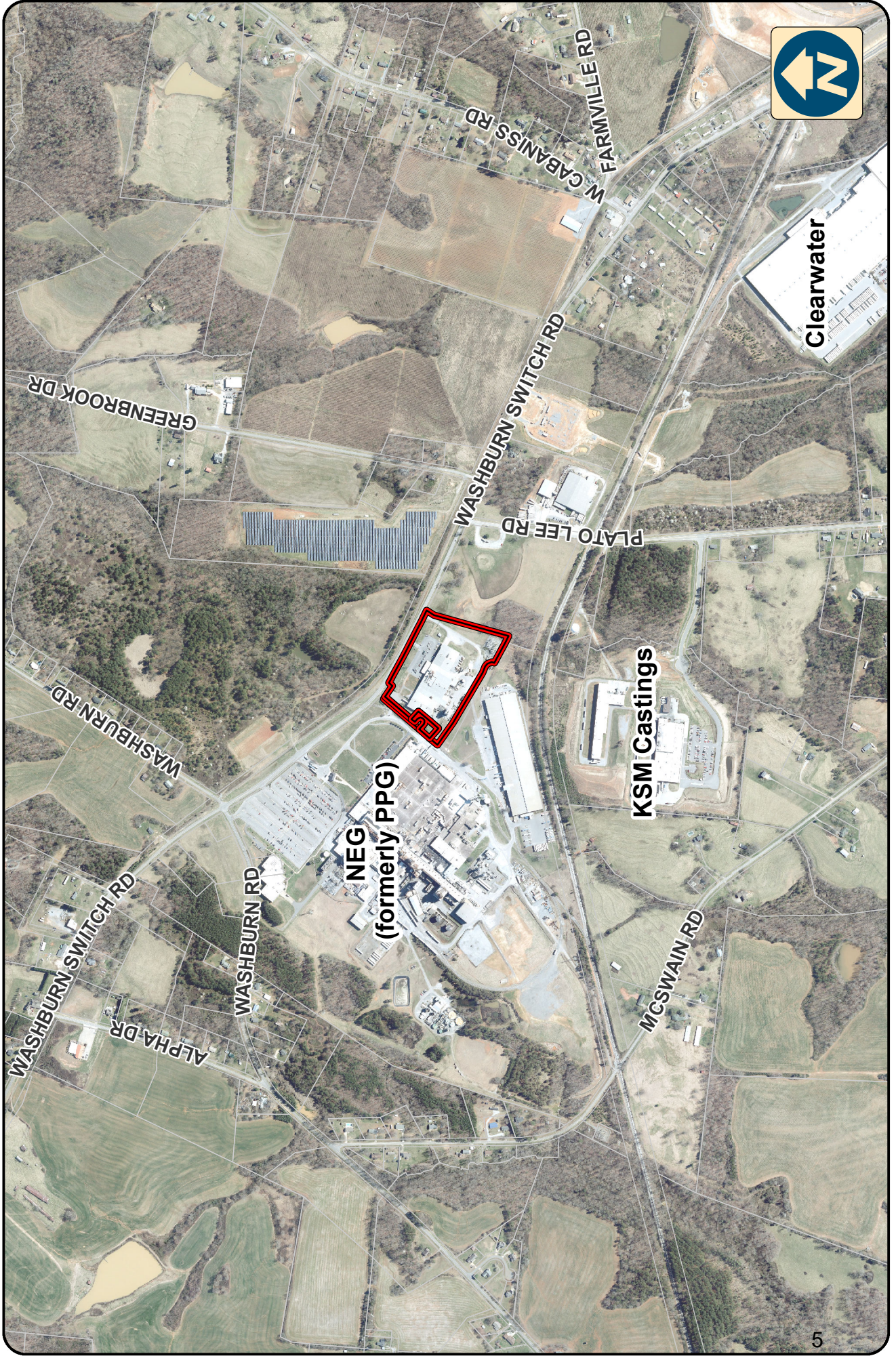
Staff and Planning Board recommend this proposed zoning designation.

If approved, the zoning would take effect on March 19th, 2024 and the next item on the agenda would be consideration of annexation, which would take effect tonight (March 18th, 2024). If zoning is denied, the applicant would like to withdraw their annexation petition.

Attachments

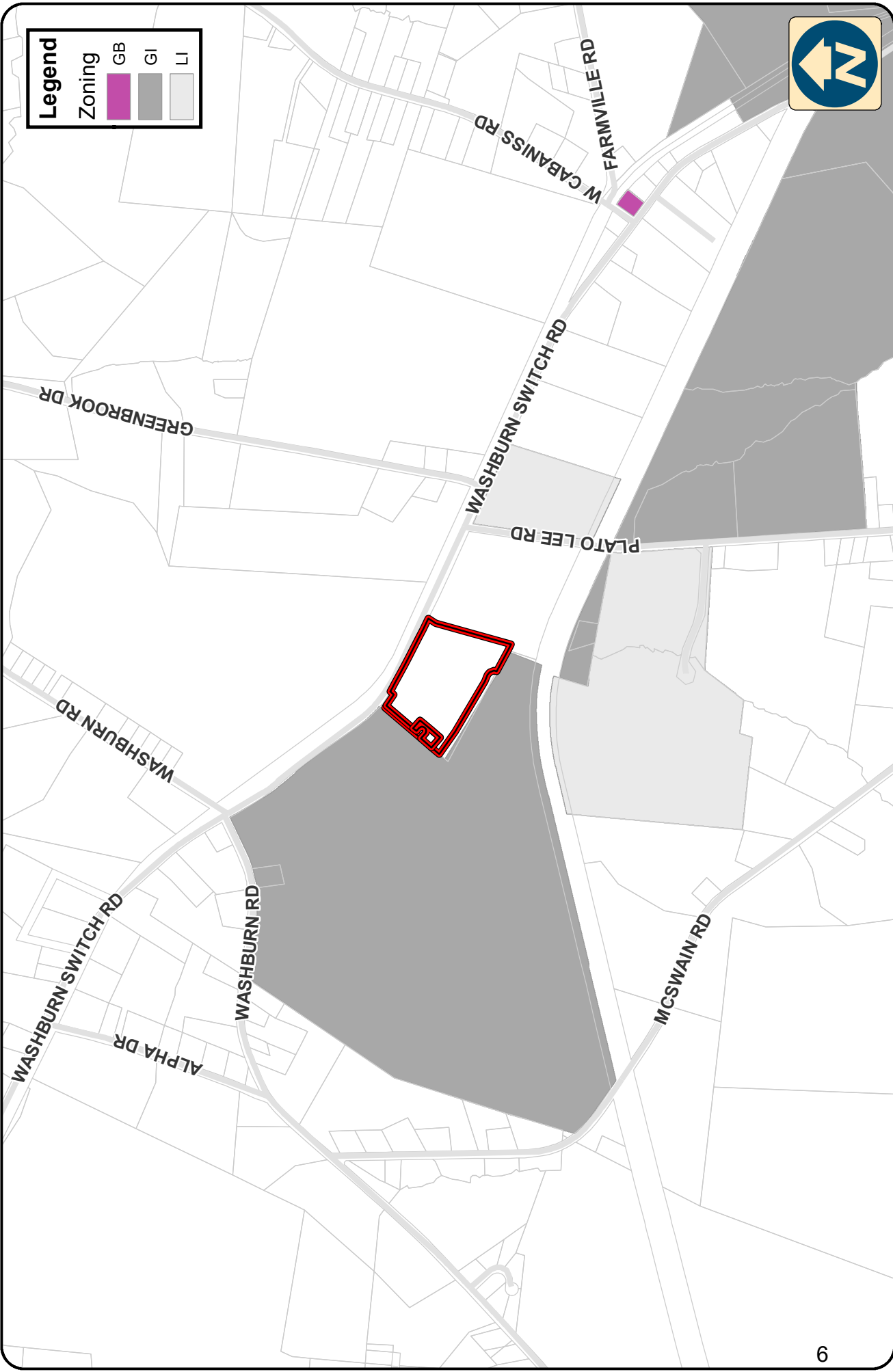
Location Map
Surrounding Zoning Map
Future Land Use Map
Planning Board Staff Report
Certified Recommendation from Planning Board
Mailed Letters to Adjacent Property Owners
Certified Mailing List
Notice of Public Hearing (newspaper ads)
Table of Permitted Uses

Location 925 Washburn Switch Rd





Zoning Map 925 Washburn Switch Rd



Legend	
Zoning	GB
	GI
	LI



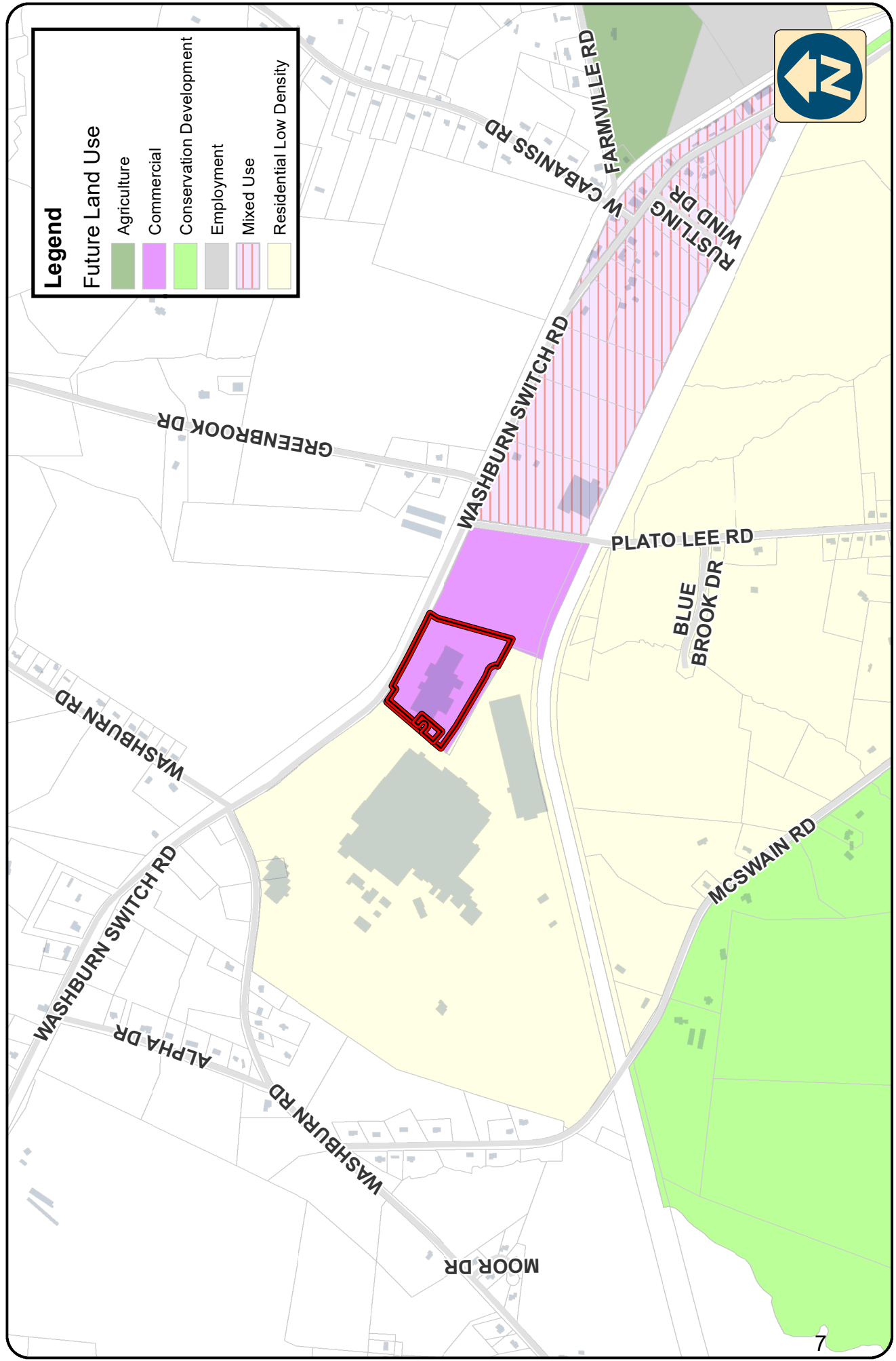
Date: 1/12/2024



Scale 1:12,000 1 inch = 1,000 feet



Future Land Use 925 Washburn Switch Rd



Staff Report



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

Date: January 11, 2024
Meeting: January 18, 2024
File: #1196

OWNER/APPLICANT: Dennis Beam, Piedmont Amistad LLC

LOCATION: 925 Washburn Switch Road **PARCEL ID #s:** 65692, 65694, 32575

PRESENT ZONING: Cleveland County zoning **REQUESTED ZONING:** GI

SURROUNDING ZONING: **North:** County zoning **South:** GI **East:** County zoning **West:** GI

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

ANALYSIS: The subject property is the former Hanwha site, located on Washburn Switch Road adjacent to NEG (formerly PPG). The site has an area of approximately 12 acres and is currently located outside of the City limits and ETJ. The applicant has petitioned for annexation of the property and is requesting a zoning designation of General Industrial (GI).

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.

STAFF COMMENTS: The Comprehensive Land Use Plan identifies this property as being in a Commercial area. This proposal is consistent with the Comprehensive Future Land Use Plan and is consistent with development patterns in the area. Parcels to the west, south, and east are zoned GI or LI with a variety of industrial uses. Staff recommends this proposed zoning designation.

Certified Recommendation

City of Shelby Planning & Zoning Board



Case File: # 1196

Amendment: A Zoning Map Amendment for property located at 925 Washburn Switch Road (having Cleveland County parcel numbers 65692, 32575, and 65694) from County zoning to General Industrial (GI) zoning district, if the annexation petition for the same parcels is approved.

Recommendation: The Planning and Zoning Board recommends approval of the proposed Zoning Map Amendment for property located at 925 Washburn Switch Road (having Cleveland County parcel numbers 65692, 32575, and 65694) from County zoning to General Industrial (GI) zoning district, if the annexation petition for the same parcels is approved.

Findings &

Reasons:

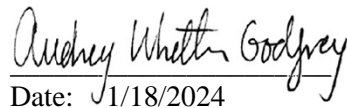
1. The proposed zoning map amendment is consistent with surrounding zoning.
2. The proposed zoning map amendment is consistent with surrounding uses.

Motion: Mr. Cabaniss made the motion to recommend approval of the proposed zoning designation of General Industrial (GI) on the basis that the proposal is consistent with surrounding zoning and uses.

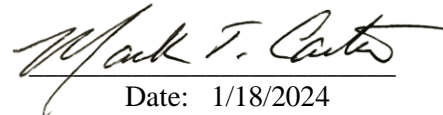
Second: Mr. Hamrick

Action: This motion passed unanimously.

Signatures: Audrey Whetten Godfrey
Senior Planner


Date: 1/18/2024

Mark Carter
Planning and Zoning Board Chair


Date: 1/18/2024



Post Office Box 207 • Shelby, NC 28151-0207

February 26, 2024

«Owner 1»
«Owner Address»
«Owner City», «Owner State» «Owner Zipcode»

RE: Parcels 65692, 32575, 65694 – 925 Washburn Switch Road – Proposed Zoning Designation

Dear «Owner 1»,

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on Monday, March 18, 2024, at 6:00 p.m. at 318 South Washington Street in the Don Gibson Theatre to consider a proposed zoning designation of General Industrial (GI) for three parcels at 925 Washburn Switch Road (parcels 65692, 32575, 65694). The property owner has petitioned for these parcels to be annexed into the City of Shelby and is requesting a zoning designation of General Industrial (GI) for all three parcels.

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

If you have any questions or require additional information, please contact me at audrey.godfrey@cityofshelby.com or 704-484-6829.

Sincerely,

Audrey Whetten Godfrey
Senior Planner

Enclosures

ELECTRIC GLASS FIBER AMERICA LLC
251 LITTLE FALLS DR
WILMINGTON, DE 19808

PIEDMONT AMISTAD LLC
280 EAST MAIN ST
FOREST CITY, NC 28043

CITY OF SHELBY
P O DRAWER 207
SHELBY, NC 28151

I certify that the letter to adjacent property owners was mailed to the above referenced addresses* on February 27, 2024.

**The City of Shelby's letter was hand-delivered to the City Attorney.*

A handwritten signature in cursive script that reads "Audrey Whelton Godfrey". The signature is written in black ink and is positioned below the text of the certification.

**NOTICE OF PUBLIC HEARING TO ANNEX
12 acres at 925 Washburn Switch Road**

The public will please take notice that the City Council of the City of Shelby will conduct a Public Hearing during its regular meeting on Monday, March 18, 2024, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby as required by North Carolina General Statutes (G.S.) Chapter 160A, Article 4A to consider the annexation of parcels 65692, 32575, and 65694 at 925 Washburn Switch Drive. A map of the proposed annexation is on file and available for inspection at the City of Shelby Planning & Development Services office, 315 South Lafayette Street, Shelby, North Carolina.

NOTICE OF PUBLIC HEARING FOR ZONING DESIGNATION

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on Monday, March 18, 2024, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina to consider a petition for zoning designation of the same three parcels at 925 Washburn Switch Road, if the aforementioned annexation is approved. The proposed area to be considered for the zoning designation is further described as Cleveland County Parcel Numbers 65692, 32575, and 65694, and approximately 12 acres in size.

A map of the property is on file and available for inspection at the City of Shelby Planning & Development Services office, 315 South Lafayette Street, Shelby, North Carolina.

Both Public Hearings will be held during the regular meeting of City Council on Monday, March 18, 2024 at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina.

Persons interested in being heard on the annexation and/or zoning designation are invited to comment on the proposed ordinance amendment 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.

Carol Williams
City Clerk

The Shelby Star:

Please publish this notice as a legal line ad on Monday, March 4, 2024 and the same ad again on Monday, March 11, 2024.

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

Sec. 9-3. - Permitted uses.

9-3.1. Permitted use table.

(A) *Table of permitted uses.* Within each zoning district indicated on the official zoning map and subject to all requirements and conditions specified in this ordinance, land, buildings, and structures shall only be used and buildings and structures shall only be erected which are intended or designed to be used for uses listed in the table of permitted uses, Table 9-3-1. In the appropriate columns of table 9-3-1 uses permitted by right in the various districts are indicated by a "Z", uses permitted by right subject to meeting additional development standards a set forth in article XI (Development standards) are indicated with a "D", uses requiring a special use permit from the board of adjustment are indicated by an "S2", and uses requiring a special use permit from the city council are indicated by a "S1". A blank space in the table indicates that the use is not permitted.

Table 9-3-1 Table of Permitted Uses														
	Ref.	Zoning Districts												
Use Type	SIC	R20	R10	R8	R6	RR	RO	NB	CB	GB	GB2	CPD	LI	GI
RESIDENTIAL USES														
Bed and breakfast or tourist home	7011	D			D	D	D							
Existing detached garage apartment	0000	S2	S2	S2	S2		S2							
Family care home	0000	Z	Z	Z	Z	Z	Z	Z		Z	Z	Z		
Modular home	0000	Z	Z	Z	Z	Z	Z	Z		Z	Z	Z		
Multifamily dwelling (including condominium)	0000				D		D	Z	Z	Z	Z	Z		
Planned unit development	0000		S2	S2	S2		S2							

Single-family detached dwelling	0000	Z	Z	Z	Z	Z	Z	Z		Z	Z	Z		
Temporary shelter	0000	S2			S2	S2	S2	S2	S2	S2	S2	S2	S2	S2
Townhouse dwelling	0000				D		D	Z	Z	Z	Z	Z		
Two-family dwelling (duplex)	0000	Z		Z	Z		Z	Z		Z	Z	Z		

ACCESSORY USES AND STRUCTURES

Accessory dwelling unit	0000	D	D	D	D	D	D							
Accessory uses and structures (customary)	0000	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
Caretaker dwelling	0000	D	D	D	D	D	D	D					D	D
Communication tower under 60 feet in height	0000	D			D	D	D	D	D	D	D	D	D	D
Emergency shelter	0000	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
Home occupation	0000	D	D	D	D	D	Z	Z		Z	Z	Z		
Satellite dish antenna	0000	D	D	D	D	D	D	D	D	D	D	D	D	D
Swimming pool	0000	D	D	D	D	D	D	D	D	D	D	D	D	D

RECREATIONAL USES

Athletic fields	0000	D	D	D	D	D	D	Z	Z	Z	Z	Z	Z	Z
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Civic, social and fraternal associations	8641	D			D	D	D	Z	Z	Z	Z	Z	Z	Z
Country club with golf course	7997	D	D	D	D	D	D			Z	Z	Z		
Dance school, music instruction	7911						Z	Z	Z	Z	Z			
Golf course	7992	D	D	D	D	D	D			Z	Z	Z		
Physical fitness center	7991						Z	Z	Z	Z	Z	Z	Z	Z
Private club or recreation facility, other	7997	D				D	D	Z	Z	Z	Z	Z		
Public park or recreational facility, other	7990	Z	D	D	D	Z	D	D	Z	Z	Z	Z	Z	Z
Sports and recreation club, indoor	7997						Z	Z	Z	Z	Z	Z	Z	Z
Swim and tennis club	7997	D	D	D	D	D	D	Z	Z	Z	Z	Z		
EDUCATIONAL AND INSTITUTIONAL USES														
Cemetery, columbarium or mausoleum	0000	D				D	D			Z	Z	Z		

Cemetery, columbarium or mausoleum on same property as church	0000	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z		
Church or other place of worship	8661	D	D	D	D	D	Z	Z	Z	Z	Z	Z		
College, university, technical institute	8220						S2					S2	S2	
Day care center, adult and child, 5 or less clients	8322	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
Day care center, adult and child, 6 or more clients	8322	D			D	D	D	Z	Z	Z	Z	Z	Z	Z
Elementary or secondary school	8211	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1
Fire station/emergency medical service	9224	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1
Government office	9000						Z	Z	Z	Z	Z	Z	Z	Z
Hospital	8062						Z			Z	Z	Z		
Library	8231	D	D	D	D	D	D	Z	Z	Z	Z	Z	Z	Z
Nursing and convalescent home	8050	D			D	D	D			Z	Z	Z		
Orphanage	8361	D				D	Z							

Police station	9221	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
Psychiatric hospital	8063						Z			Z	Z	Z		
Retreat/conference center	0000						S2			Z	Z	Z		
School administration facility	9411						Z			Z	Z	Z		
BUSINESS, PROFESSIONAL and PERSONAL SERVICES														
Accounting, auditing or bookkeeping	8721						Z	Z	Z	Z	Z	Z		
Administrative or management services	8740						Z	Z	Z	Z	Z	Z		
Bank, savings and loan, or credit union	6000						Z	Z	Z	Z	Z	Z	Z	Z
Employment agency, personnel agency	7360						Z	Z	Z	Z	Z	Z		
Engineering, architect or survey service	8710						Z	Z	Z	Z	Z	Z		
Finance or loan office	6100						Z	Z	Z	Z	Z	Z		
Funeral home	7261						Z	Z	Z	Z	Z	Z		
Landscape and horticulture services										Z	Z	D		

Insurance agency	6411							Z	Z	Z	Z	Z	Z		
Law office	8111							Z	Z	Z	Z	Z	Z		
Medical, dental or related office	8000							Z	Z	Z	Z	Z	Z		
Photography, commercial studio	7335							Z	Z	Z	Z	Z	Z		
Real estate office	6500							Z	Z	Z	Z	Z	Z		
Tattoo studio										S2	D	D			
Utility lines	0000							Z							
Utility related appurtenances, substation	0000							S1							
RETAIL TRADE															
ABC store (packaged liquor)	5921									Z	Z	Z	Z		
Antique store	5932								Z	Z	Z	Z	Z		
Apparel and accessory store	5600									Z	Z	Z	Z		
Appliance store	5722									Z	Z	Z	Z	Z	
Arts and crafts	0000								Z	Z	Z	Z	Z		
Auto supply sales	5531									Z	Z	Z	Z	Z	
Bakery	5461									Z	Z	Z	Z	Z	Z

Bar, night club, tavern	5813							S2	S2	S2	S2	S2		
Boat sales	5551									Z	Z		Z	
Bookstore, except adult bookstore	5942						Z	Z	Z	Z	Z	Z		
Building supply sales	5211									Z	Z		Z	Z
Computer sales	5734						Z	Z	Z	Z	Z	Z	Z	Z
Convenience store	5411						D	D	Z	Z	Z	Z	Z	
Department, variety or general merchandise	5300								Z	Z	Z	Z		
Drugstore	5912						D	D	Z	Z	Z	D		
Fabric or piece goods store	5949								Z	Z	Z	Z		
Farm supplies and equipment	0000									Z	Z		Z	Z
Floor covering, drapery or upholstery	5710								Z	Z	Z	Z	Z	
Florist	5992						Z	Z	Z	Z	Z	Z		
Food store	5400							Z	Z	Z	Z	Z		
Fuel oil sales	5980									Z	Z	Z	Z	Z
Furniture sales	5712								Z	Z	Z	Z		

Garden center or retail nursery	5261									Z	Z	Z	Z	
Gift, novelty and souvenir shop	5940						Z	Z	Z	Z	Z	Z		
Hardware store	5251							Z	Z	Z	Z	Z		
Home furnishings, miscellaneous	5719									Z	Z			
Manufactured home sales	5271									Z	Z			Z
Microbrewery and brewpub									D	D	D	D	D	
Miscellaneous retail sales	5999									Z	Z			
Motor vehicle sales (new and used)	5511									Z	Z			Z
Motorcycle sales	5571									Z	Z			Z
Musical instrument sales	5736							Z	Z	Z	Z	Z		
Neighborhood food and beverage services								D						
Newsstand	5994						Z	Z	Z	Z	Z	Z		
Office machine sales	5999								Z	Z	Z	Z		
Optical goods sales	5995						Z	Z	Z	Z	Z	Z		

Outdoor Flea Markets										S2	S2			
Paint and wallpaper sales	5231							Z	Z	Z	Z	Z	Z	
Pawnshop or used merchandise store	5932								Z	Z	Z		Z	
Pet store	5999							Z	Z	Z	Z	Z		
Record and tape store	5735							Z	Z	Z	Z	Z		
Recreational vehicle sales	5561									Z	Z		Z	
Restaurant (drive-in or take out window only)	5812									Z	Z			
Restaurant (with drive-thru)	5812							Z	Z	Z	Z	Z	Z	
Restaurant (without drive-thru)	5812						Z	Z	Z	Z	Z	Z	Z	
Service station, gasoline sales	5541							D	D	Z	Z	D	Z	Z
Sporting goods store, bicycle shop	5941							Z	Z	Z	Z	Z		
Tire sales	5531									Z	Z		Z	
Truck Stop	5541									Z	Z		Z	Z

Video tape rental and sales, except adult video store	7841								Z	Z	Z	Z	Z		
WHOLESALE TRADE															
Agricultural chemicals, pesticides or fertilizers	5191														Z
Agricultural products, other including tobacco auction warehousing	5159														Z
Ammunition	5099														Z
Animals and animal products, other	5159														Z
Apparel, piece goods and notions	5130									Z	Z			Z	Z
Beer, wine or distilled alcoholic beverages	5180									Z	Z			Z	Z
Books, periodicals and newspapers	5192									Z	Z			Z	Z
Chemicals and allied products	5169														Z
Drugs and sundries	5122									Z	Z			Z	Z

Durable goods, other	5099												Z	Z
Electrical goods	5060								Z	Z			Z	Z
Farm supplies, other	5191												Z	Z
Flowers, nursery stock and florist supplies	5193								Z	Z			Z	Z
Forest products	5099													Z
Furniture and home furnishings	5020								Z	Z			Z	Z
Grain and field beans	5153													Z
Groceries and related products	5140								Z	Z			Z	Z
Hardware	5072								Z	Z			Z	Z
Jewelry, watches, precious stones and metals	5094								Z	Z			Z	Z
Livestock	5154													Z
Lumber and other construction materials	5030												Z	Z
Lumber, millwork and veneer	5031												Z	Z

Machinery, construction and mining	5082													Z	Z
Machinery, equipment and supplies	5080													Z	Z
Machinery, farm and garden	5083													Z	Z
Market showroom (furniture, apparel, etc.)	0000								Z	Z				Z	Z
Metals	5051													Z	Z
Minerals	5052														Z
Miscellaneous wholesale not elsewhere classified	5199													Z	Z
Motor vehicles	5012													Z	Z
Motor vehicles, parts and supplies	5010													Z	Z
Motor vehicles, tires and tubes	5014													Z	Z
Paints and varnishes	5198													Z	Z
Paper and paper products	5110														Z

Petroleum and petroleum products	5170													Z	
Plastic materials	5162												Z	Z	
Plumbing and heating equipment	5070												Z	Z	
Professional and commercial equipment and supplies	5040												Z	Z	
Resins	5162													Z	
Scrap and waste materials	5093													Z	
Sporting and recreational goods and supplies	5091									Z	Z		Z	Z	
Tobacco and tobacco products	5194												Z	Z	
Toys and hobby goods and supplies	5092									Z	Z		Z	Z	
Wallpaper and paint brushes	5198									Z	Z		Z	Z	
TRANSPORTATION, WAREHOUSING AND UTILITIES															
Airport or air transportation facility	4500													S1	S1

Bulk mail and packaging	4212												Z	Z
Bus terminal	4100								Z	Z	Z			
Communication or broadcasting facility	4800								Z	Z	Z		Z	Z
Courier service	4215									Z	Z		Z	Z
Demolition debris landfill	0000													S1
Farm product warehousing and storage	4221												Z	Z
Hazardous and radioactive waste (transportation, storage and disposal)	4953													S2
Heliport	4522												S2	S2
Marina	4493									Z	Z			
Landing strip, flying field	0000												S2	S2
Moving and storage service	4214									Z	Z		Z	Z
Outside bulk storage	0000									Z	Z		Z	Z

All other radio, television or communication tower over 60 feet in height	0000									S2	S2		S2	S2
Public safety communications tower	0000									S1	S1		S1	S1
Railroad terminal or yard	4010									Z	Z			Z
Recycling materials collection/processing operations	0000												Z	Z
Refrigerated warehousing	4222									Z	Z		Z	Z
Refuse and raw material hauling	4212													Z
Sewage treatment plant	4952									S1	S1		S1	S1
Solar Energy Facilities:														
Roof-mounted, parking lot cover, or building integrated (Level 1)		Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z

Ground-mounted up to 50% of the footprint of the primary structure (Level 1)		Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
Ground-mounted ≤ ½ acre (Level 2)		D	D	D	D	D	D			D	D		D	D
Ground-mounted ≤ 10 acres (Level 2)										D	D		D	D
Ground-mounted > 10 acres (Level 3)										S2	S2		D	D
Solid waste disposal (nonhazardous), including sanitary landfills	4953													S1
Taxi terminal	4121							Z	Z	Z	Z			
Telecommunications facilities on existing structures	0000									D	D		D	D
Trucking or freight terminal	4213									Z	Z		Z	Z
Utility company office	0000								Z	Z	Z		Z	Z
Utility equipment and storage yards	0000									Z	Z		Z	Z
Utility lines	0000	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z

Utility service facility (no outside storage)	0000									Z	Z		Z	Z
Utility related appurtenances, substation > 500 feet from a legal conforming residential use	0000	D	D	D	D	D	D	D	D	D	D	D	D	D
Utility related appurtenances, substation < 500 feet from a legal conforming residential use	0000	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1	S1
Warehouse (general storage, enclosed)	4220									Z	Z		Z	Z
Warehouse (self- storage)	4225									Z	Z		Z	Z
Water treatment plant	0000									S1	S1		S1	S1
MANUFACTURING and INDUSTRIAL USES														
Aircraft and parts	3720													Z
Ammunition, small arms	3482													S2
Animal feeds (including dog and cat)	2048													Z

Animal slaughter or rendering	0000													S2
Apparel and finished fabric products	2300												Z	Z
Arms and weapons	3480												Z	Z
Asbestos, abrasive and related products	3290													Z
Asphalt plant	2951													Z
Audio, video and communications equipment	3600												Z	Z
Bakery products	2050									Z	Z		Z	Z
Batteries	3691													Z
Beverage products (alcoholic)	2080													Z
Beverage products (nonalcoholic)	2086									Z	Z		Z	Z
Bicycle assembly, parts and accessories	3751												Z	Z
Boat and ship building	3730												Z	Z
Brooms and brushes	3991												Z	Z
Burial caskets	3995												Z	Z

Chemicals, paints and allied products	2800													Z
Coffee	2095												Z	Z
Computer and office equipment	3570												Z	Z
Concrete, cut stone and clay products	3200													Z
Contractors (no outside storage)	0000									Z	Z		Z	Z
Contractors, general building	1500												Z	Z
Contractors, heavy construction	1600													Z
Contractors, special trade	1700												Z	Z
Costume jewelry and notions	3960												Z	Z
Dairy products	2020												Z	Z
Drugs	2830												Z	Z
Electrical components	3670												Z	Z
Electrical equipment	3600												Z	Z
Electrical industrial apparatus, assembly	3620												Z	Z

Electrical industrial apparatus, manufacturing	3620													Z
Explosives	2892													S2
Fabricated metal products	3400													Z
Fabricated valve and wire products	3490													Z
Fats and oils, animal	2077													Z
Fats and oils, plant	2070													Z
Fish, canned, cured or frozen	2091													Z
Floor coverings (excluding carpet)	3996												Z	Z
Food and related products, miscellaneous	2090												Z	Z
Furniture and fixtures	2500												Z	Z
Furniture and fixtures assembly	0000												Z	Z
Furniture framing	2426												Z	Z
Glass	3200													Z

Glass products from purchased glass	3231												Z	Z
Grain mill products	2040													Z
Heating, equipment and plumbing fixtures	3430												Z	Z
Household appliances	3630												Z	Z
Ice	2097								Z	Z			Z	Z
Industrial and commercial machinery	3500													Z
Jewelry and silverware (no plating)	3910												Z	Z
Leather and leather products (no tanning)	3100												Z	Z
Leather and leather products (tanning)	3100													Z
Lighting and wiring equipment	3640												Z	Z
Machine welding shop										D	D		Z	Z

Manufactured housing and wood buildings	2450												Z	Z
Measurement, analysis and control instruments	3800												Z	Z
Meat and poultry, packing and processing (no rendering)	2010													Z
Medical, dental and surgical equipment	3840												Z	Z
Metal coating and engraving	3470													Z
Metal fasteners (screws, bolts, etc.)	3450													Z
Metal Processing	3350													Z
Millwork, plywood and veneer	2430													Z
Miscellaneous manufacturing industries, not elsewhere listed	0000													Z
Motor vehicle assembly	3710													Z

Motor vehicle parts and accessories	3714													Z
Motorcycle assembly	3751													Z
Musical instruments	3930												Z	Z
Paper products	2670													Z
Paperboard containers and boxes	2650													Z
Pens and art supplies	3950												Z	Z
Petroleum and related industries	2900													Z
Pharmaceutical preparations	2834												Z	Z
Photographic equipment	3861												Z	Z
Photographic supplies	3861												Z	Z
Pottery and related products	3260												Z	Z
Preserved fruits and vegetables (no can manufacture)	2030												Z	Z

Primary metal products and foundries	3300													Z
Printing and publishing	2700							Z	Z	Z	Z		Z	Z
Pulp and paper mills	2610													Z
Rubber and plastics, miscellaneous	3000												Z	Z
Salvage yards, auto parts	5015													S2
Salvage yards, scrap processing	5093													S2
Sawmill or planing mills	2420													Z
Signs	3993									Z	Z		Z	Z
Soaps and cosmetics	2840												Z	Z
Sporting goods and toys	3940												Z	Z
Sugar and confectionery products	2060												Z	Z
Surface active agents	2843													Z
Textile products (no dyeing and finishing)	2200												Z	Z

Textile products (with dyeing and finishing)	2260														Z
Tires and inner tubes	3011														Z
Tobacco products	2110												Z	Z	
Wood containers	2440													Z	
Wood products, logging	2411													Z	
Wood products, miscellaneous	2490													Z	
AGRICULTURAL USES															
Intensive livestock operation (see note below)	0000														S2
MINING USES															
Mining, quarrying, sand pits, and mineral extraction	1000														S2
MISCELLANEOUS AND TEMPORARY USES															
Automobile parking on same lot as principal use	0000	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z

Temporary construction, storage or office; real estate sales or rental office (with concurrent building permit for permanent building)	0000	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
Temporary emergency, construction, and repair residence	0000	D	D	D	D	D	D	D	D	D	D	D	D	D

Note: Chapter 3 of the City of Shelby Ordinances regulates the keeping of certain animals within the corporate limits of the City of Shelby. Consequently, some animal operations may not be permissible within zoning districts that are located within the Shelby corporate limits.

Z = Use permitted by zoning permit.

D = use permitted by zoning permit with development standards.

S1 = Special use permit required by city council.

S2 = Special use permit required by BOA.

(B) *Formulation of permitted use table.*

- (1) The *Standard Industrial Classification Manual - 1987* was utilized in the preparation of this table and shall be referred to as a guide for purposes of interpretation by the UDO administrator. SIC codes are used to refer to SIC classifications. Entries with 0000 in the Reference SIC column do not correspond to any classification in the SIC Manual.
- (2) When a use is not listed in the permitted use table, the UDO administrator shall classify it with that use in the table most similar to it. The SIC Manual shall serve as a guide in classifying any unlisted use. If the UDO administrator should determine that a use is not listed and is not similar to a use in the permitted use table, then said use is prohibited.
- (3) Rental and leasing of any commodity shall be permitted under the same classification and in the same districts as are sales of that commodity, unless rental or leasing of that commodity is listed separately in the permitted use table.

- (4) If an industrial plant or facility involves two (or more) manufacturing activities with different SIC codes on the same zone lot, the industrial plant shall be permitted only in those zoning districts where the more restricted activity is permitted. (For example, an industrial plant preparing canned peanuts and also manufacturing the cans is allowed in those zoning districts permitting can manufacturing.)

9-3.2. *Permissible uses not requiring permits.* Notwithstanding any other provisions of this ordinance, no zoning, special use, or conditional use permit is necessary for the following uses:

- (A) Streets.
- (B) Electric power, telephone, telegraph, cable television, gas, water, and sewer lines, wires or pipes, together with supporting poles or structures, located within a public right-of-way.
- (C) Any accessory building with a building dimension of 12 feet or less.
- (D) Farm buildings except for buildings on a bona fide farm used for nonfarm purposes and buildings used for feeder/breeder operations.

9-3.3. *Change in use.*

- (A) A substantial change in use of property occurs whenever the essential character or nature of the activity conducted on a lot changes. This occurs whenever:
 - (1) The change involves a change from one principal use category to another.
 - (2) If the original use is a combination use, the relative proportion of space devoted to the individual principal uses that comprise the combination use changes to such an extent that the parking requirements for the overall use are altered.
 - (3) If the original use is a combination use, the mixture of types of individual principal uses that comprise the combination use changes.
 - (4) If the original use is a planned unit development, the relative proportions of different types of dwelling units change.
 - (5) If there is only one business or enterprise conducted on the lot (regardless of whether that business or enterprise consists of one individual principal use or a combination use), that business or enterprise moves out and a different type of enterprise moves in (even though the new business or enterprise may be classified under the same principal use or combination use category as the previous type of business). For example, if there is only one building on a lot and a florist shop that is the sole tenant of that building moves out and is replaced by a clothing store, that constitutes a change in use. However, if the florist shop were replaced by another florist shop, that would not constitute a change in use since the type of business or enterprise would not have changed. Moreover, if the florist shop moved out of a rented space in a shopping center and was replaced by a clothing store, that would not constitute a change in use since there is more than one business on the lot and the essential character of the activity conducted on that lot (shopping center-combination use) has not changed.

(B)

A mere change in the status of property from unoccupied to occupied or vice-versa does not constitute a change in use. Whether a change in use occurs shall be determined by comparing the two active uses of the property without regard to any intervening period during which the property may have been unoccupied, unless the property has remained unoccupied for more than 180 consecutive days or has been abandoned.

- (C) A mere change in ownership of a business or enterprise or a change in the name shall not be regarded as a change in use.

9-3.4. *Combination uses.*

- (A) When a combination use comprises two or more principal uses that require different types of permits (zoning, special use, or conditional use), then the permit authorizing the combination use shall be:
 - (1) A special use permit if any of the principal uses combined requires a special use permit.
 - (2) A conditional use permit if any of the principal uses combined requires a conditional use permit.
 - (3) A zoning permit in all other cases.
- (B) When a combination use consists of a single-family detached residential subdivision that is not a planned unit development and two-family or multifamily uses, the total density permissible on the entire tract shall be determined by having the developer indicate on the plans the portion of the total lot that will be developed for each purpose and calculating the density for each portion as if it were a separate lot.

9-3.5. *Prohibited uses.* Within certain overlay districts some uses are specifically prohibited. The following uses are prohibited in the overlay districts listed.

- (A) WSIV critical area overlay district: The following uses are prohibited:
 - (1) New landfills;
 - (2) New sites for land application of residuals; and
 - (3) New sites for land application of petroleum-contaminated soils.
- (B) WSIV protected area overlay district: The following uses are prohibited:
 - (1) No uses are prohibited.
- (C) FHO flood hazard overlay district: The following uses are prohibited in designated floodways:
 - (1) Buildings, including manufactured homes; and
 - (2) Any use that would cause any increase in base flood levels.
- (D) AO airport overlay district: Reserved.

(Ord. No. 38-2005, § 1, 11-21-2005; Ord. No. 1-2006, § 1, 1-9-2006; Ord. No. 40-2007, § 1, 8-20-2007; Ord. No. 21-2008, § 1, 5-19-2008; Ord. No. 32-2013, 9-16-2013; Ord. No. 12-2014, 3-17-2014; Ord. No. 16-2014, 4-7-2014; Ord. No. 4-2015, 2-2-2015; Ord. No. 13-2016, 3-21-2016; Ord. No. 8-2018, 2-19-2018; Ord. No. 45-2019, 7-15-2019; Ord. No. 59-2019, 9-16-2019; Ord. No. 24-2020, 7-20-2020; Ord. No. 16-2021, § 1(Exh. A), 4-19-2021)

ORDINANCE NO. 20-2024

**A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF
THE CITY OF SHELBY, NORTH CAROLINA FOR
PARCELS 65692, 65694, AND 32575**

WHEREAS, the City of Shelby has received an application requesting the rezoning of property on Washburn Switch Road (Parcels 65692, 65694, and 32575) located in Cleveland County and contiguous to 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 the Comprehensive Land Use Plan for the proposed land use and consistent with the surrounding industrial zoning and uses; and,

WHEREAS, in accordance with GS 160D-602, a public hearing on this proposed rezoning was held by City Council on March 18th 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 on Washburn Switch Road (Parcels 65692, 65694, and 32575) is hereby amended from Cleveland County zoning to General Industrial (GI).

Section 4. 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 5. This ordinance shall become effective on March 19th, 2024 upon its adoption and approval.

ADOPTED AND APPROVED this the 18th day of March 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Breanna Jones
Deputy City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Agenda Item: C-2

- 2) Consideration of an ordinance to extend the corporate limits of the City of Shelby, North Carolina (925 Washburn Switch Road): Ordinance No. 21-2024

Presenting: (Justin Longino, Assistant City Manager)

Summary of Available Information:

- Memorandum dated March 13, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
 - Location Map, Zoning Map, Future Land Use Map
 - Staff Report
 - Public Notice recipient names and addresses
 - Notice of Public Hearing
 - Ordinance No. 21-2024
-

City Manager's Recommendation / Comments

This public hearing is being held in accordance with NCGS 160A-31. This is a voluntary annexation petition as submitted by the current property owner Piedmont Amistad, LLC. This property consists of approximately 12-acre site on Washburn Switch Road. The property currently meets the statutory requirements for annexation and is contiguous to existing primary corporate limits. It is being considered for continued use as an industrial site as it has been for the last several decades.

This site has not previously been connected to sewer although service has been available since approximately 2009. This property was previously owned by NEG (PPG) and is immediately adjacent to that plant site.

After the conclusion of the public hearing City Council may act upon Ordinance No. 21-2024.

MEMORANDUM

To: Mr. Rick Howell – City Manager

From: Justin Longino – Assistant City Manager

Date: March 13, 2024

Subject: Annexation of 925 Washburn Switch Road (Hanwah Property)

Background

Piedmont Amistad, LLC submitted a petition for annexation for parcel numbers 62692, 62694 and 32575. NCGS 160A-31 allows for the governing board of any municipality to annex, by ordinance, any area contiguous to its boundaries. On February 5th, 2024 the Clerk was directed to investigate the certificate of sufficiency for annexation. The Clerk certified their findings on February 19th and this public hearing was set.

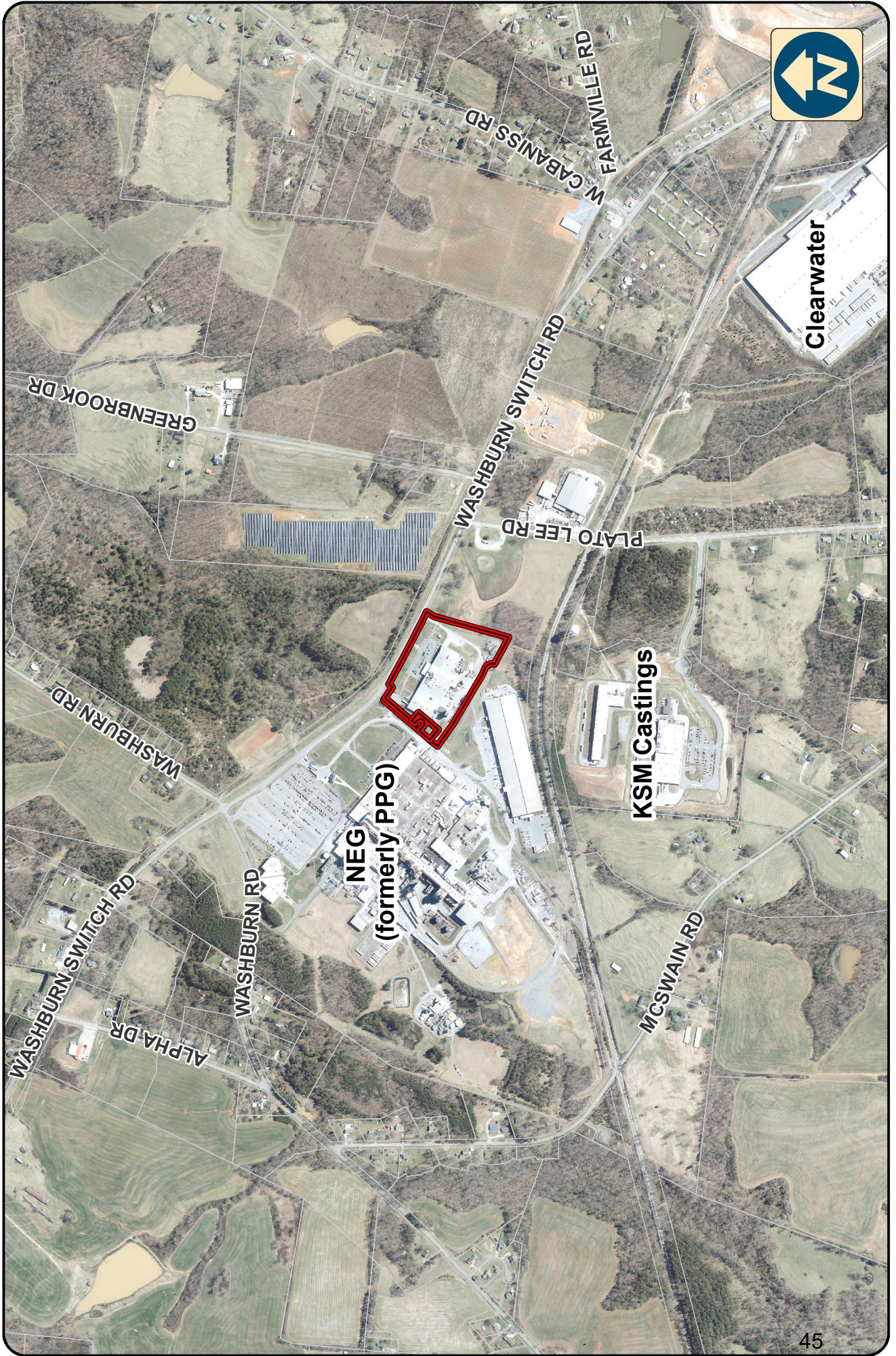
Recommendation

The request has been reviewed by city departments and staff recommend annexation of the proposed area.

Attachments:

Location Map
Petition for Annexation
Notices to the public
Annexation Plat

Location 925 Washburn Switch Rd





City of Shelby
Planning and Development Services Department

**Petition for Annexation
(Satellite or Contiguous)**

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

Address of Subject Property:

925 Washburn Switch Road

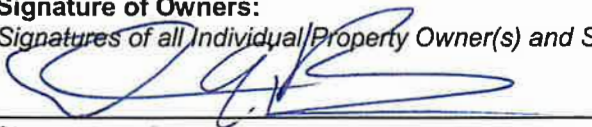
Applicant(s) Name: Piedmont Amistad, LLC by Dennis Beam
Address: 208 East Main Street
Forest City, NC 28043
Email: dennisbeam@gmail.com
Phone: 7044731045

Owner(s) Name: Piedmont Amistad, LLC by Dennis Beam
Email: dennisbeam@gmail.com
Phone: 7044731045

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

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

Signature of Owners:
Signatures of all Individual/Property Owner(s) and Spouses, if any



Signature of Owner

Signature of Owner

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

Signature of Owner

Signature of Owner

If Owner is a Corporation: _____
Registered Name of Corporation

(Corp. Seal) _____
Signature of President/Vice President

Attested by: _____
Signature of Secretary/Assistant Secretary

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

STATE OF _____
COUNTY OF _____

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

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

(SEAL)

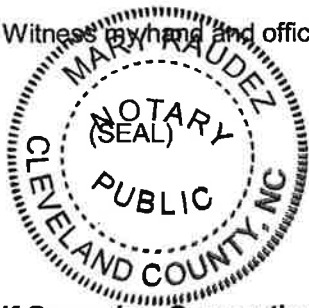
Notary Public

My Commission Expires: _____

If Owner is a Partnership:

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

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



Mary Zauder
Notary Public

My Commission Expires: 9-19-2026

If Owner is a Corporation:

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

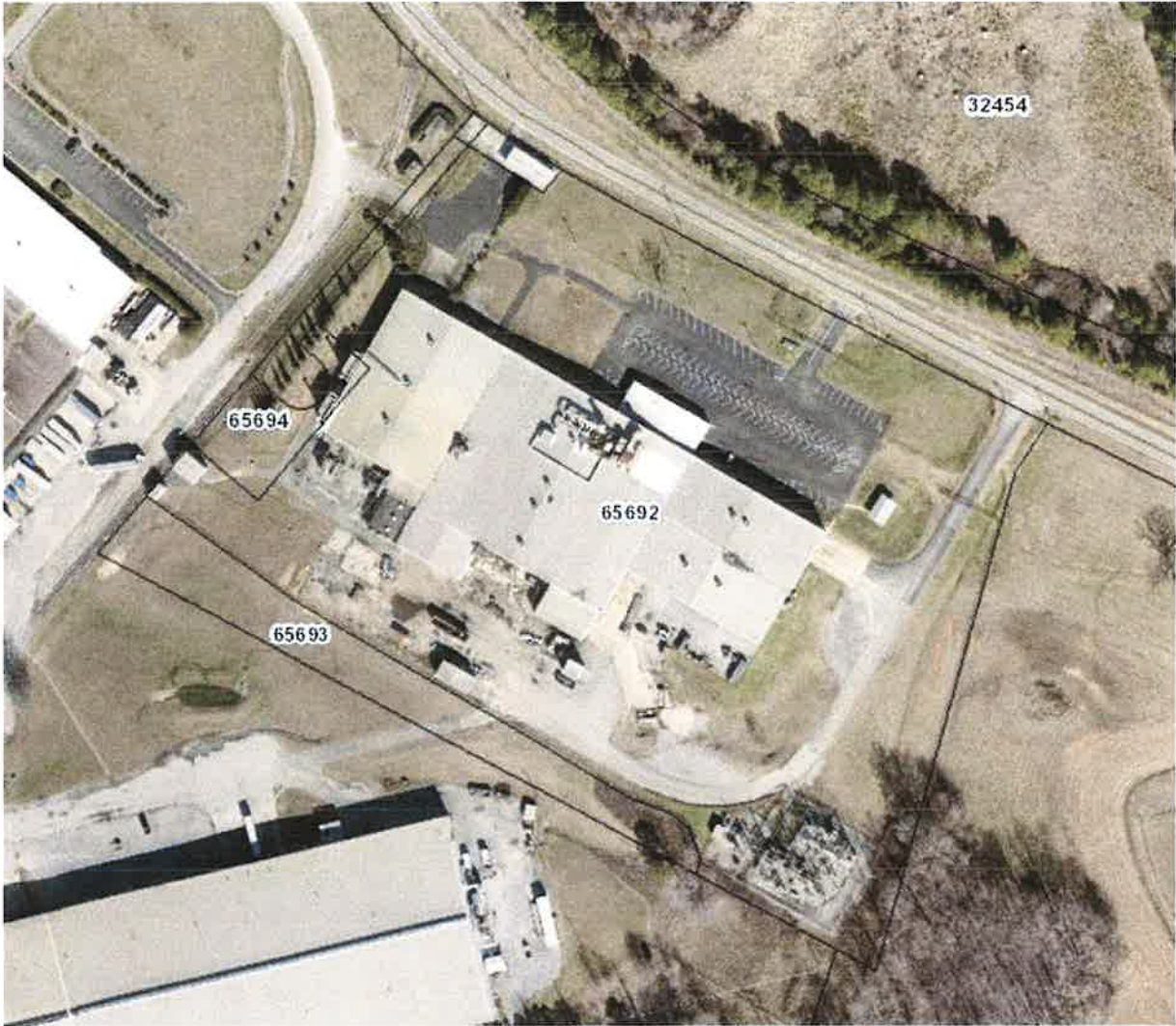
Witness my hand and official seal, this the _____ day of _____, _____.

(SEAL)

Notary Public

My Commission Expires: _____

Item 7. Cleveland County Tax Map



Item 8. Metes and bounds description of the area to be annexed is included below. PDF of Annexation Plat is included as an attachment.

DESCRIPTION OF AREA TO BE ANNEXED BY THE CITY OF SHELBY.

Beginning at a 2" iron rod found below grade 4" having
NAD 83 State Plane Coordinates of N:584013.77, E:1217522.36;
thence N 62°28'34" W a distance of 402.60' to a 1/2" rebar set;
thence N 57°17'36" W a distance of 191.40' to a magnetic nail set;
thence N 69°09'17" W a distance of 32.11' to a magnetic nail found;
thence S 40°26'21" W a distance of 61.58' to a 3" steel fence post;
thence N 57°04'11" W a distance of 100.00' to a 3" steel fence post;
thence N 57°10'29" W a distance of 19.99' to a 3" steel fence post;
thence S 40°27'53" W a distance of 359.41' to a 1/2" bent rebar
found, passing a magnetic nail set at 92.93';
thence S 40°27'36" W a distance of 105.06' to a 5/8" rebar found;
thence S 40°27'49" W a distance of 77.95' to a 1/2" rebar set;
thence S 54°35'39" E a distance of 209.31' to a 1/2" rebar set;
thence S 59°41'36" E a distance of 274.28' to a 1/2" rebar set;
thence S 58°58'52" E a distance of 171.11' to a 1/2" rebar set;
thence S 69°02'15" E a distance of 53.88' to a 1/2" rebar set;
thence S 49°15'35" E a distance of 25.57' to a 1/2" rebar set;
thence S 19°33'51" E a distance of 36.42' to a 1/2" rebar set;
thence S 14°59'59" W a distance of 18.45' to a 1/2" rebar set;
thence S 61°40'50" E a distance of 111.40' to a an unmarked point;
thence S 61°39'25" E a distance of 70.50' to a 5/8" rebar found;
thence S 61°39'25" E a distance of 51.42' to a 1/2" rebar set;
thence N 15°39'43" E a distance of 594.54' to a 1/2" set;
thence N 32°53'54" E a distance of 80.59' to the point of beginning;
having an area of 12.06 acres.

Kind Regards,

Adam M. Plumley, L-4959
Professional Land Surveyor

Signature & Date: Adam Plumley 11/27/23



**NOTICE OF PUBLIC HEARING TO ANNEX
12 acres at 925 Washburn Switch Road**

The public will please take notice that the City Council of the City of Shelby will conduct a Public Hearing during its regular meeting on Monday, March 18, 2024, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby as required by North Carolina General Statutes (G.S.) Chapter 160A, Article 4A to consider the annexation of parcels 65692, 32575, and 65694 at 925 Washburn Switch Drive. A map of the proposed annexation is on file and available for inspection at the City of Shelby Planning & Development Services office, 315 South Lafayette Street, Shelby, North Carolina.

NOTICE OF PUBLIC HEARING FOR ZONING DESIGNATION

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on Monday, March 18, 2024, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina to consider a petition for zoning designation of the same three parcels at 925 Washburn Switch Road, if the aforementioned annexation is approved. The proposed area to be considered for the zoning designation is further described as Cleveland County Parcel Numbers 65692, 32575, and 65694, and approximately 12 acres in size.

A map of the property is on file and available for inspection at the City of Shelby Planning & Development Services office, 315 South Lafayette Street, Shelby, North Carolina.

Both Public Hearings will be held during the regular meeting of City Council on Monday, March 18, 2024 at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina.

Persons interested in being heard on the annexation and/or zoning designation are invited to comment on the proposed ordinance amendment 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.

Carol Williams
City Clerk

The Shelby Star:

Please publish this notice as a legal line ad on Monday, March 4, 2024 and the same ad again on Monday, March 11, 2024.

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

ORDINANCE NO. 21-2024

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS
OF THE CITY OF SHELBY, NORTH CAROLINA**

WHEREAS, the Shelby City Council has been petitioned by Piedmont Amistad, LLC under G.S. 160A-58.1, as amended, to annex the area described herein; and,

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of said petition; and,

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at **the Don Gibson Theatre, 318 South Washington Street, Shelby, North Carolina** on March 18, 2024 at 6:00 p.m. **after due notice by publication on March 4 and March 11, 2024**; and,

WHEREAS, the City Council does hereby find as fact that said petition has been signed by all owners of real property in the area who are required by law to sign and all other requirements of GS 160A-31, as amended, have been satisfied; and,

WHEREAS, the City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City and of the area proposed for annexation, will be best served by annexing the area described herein:

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

Section 1. By virtue of the authority granted by GS 160A-58.2, as amended, the following described non-contiguous territory is hereby annexed and made part of the City of Shelby as of March 18, 2024:

That certain tract or parcel of land situated, lying, and being in the City of Shelby, Cleveland County, North Carolina and being more particularly described as follows:

CLEVELAND COUNTY TAX PARCEL NUMBERS 62692, 62694 AND 32575:

Beginning at a 2" iron rod found below grade 4" having NAD 83 State Plane Coordinates of N:584013.77, E:1.21752.2.36; thence N 62°28'34" W a distance of 402.60' to a 1/2" rebar set; thence N 57°17'36" W a distance of 191.40' to a magnetic nail set; thence N 69°09'17" W a distance of 32.11" to a magnetic nail found; thence S 40°26'21" W a distance of 61.58' to a 3" steel fence post; thence N 57°04'11" W a distance of 100.00' to a 3" steel fence post; thence N 57°10'29" W a distance of 19.99' to a 3" steel fence post; thence S 40°27'53" W a distance of 359.41' to a 1/2" bent rebar found, passing a magnetic nail set at 92.93'; thence S 40°27'36" W a distance of 105.06' to a 5/8" rebar found; thence S 40°27'49" W a distance of 77.95' to a 1/2" rebar set; thence S 54°35'39" E a distance of 209.31' to a 1/2" rebar set; thence S 59°41'36" E a distance of 274.28' to a 1/2" rebar set; thence S 58°58'52" E a distance of 171.11' to a 1/2" rebar set; thence S 69°02'15" E a distance of 53.88' to a 1/2" rebar set; thence S 49°15'35" E a distance of 25.57' to a 1/2" rebar set; thence S 19°33'51" E a distance of 36.42' to a 1/2" rebar set; thence S 14°59'59" W a distance of 18.45' to a 1/2" rebar set; thence S 61°40'50" E a distance of 111.40' to a an unmarked point; thence S 61°39'25" E a distance of 70.50' to a 5/8"

rebar found; thence S 61°39'25" E a distance of 51.42' to a 1/2" rebar set; thence N 15°39'43" E a distance of 594.54' to a 1/2" set; thence N 32°53'54" E a distance of 80.59' to the point of beginning; having an area of 12.06 acres.

Section 2. Upon and after March 18, 2024, the above-described territory, also known as Cleveland County Parcel Numbers 62692, 62694 and 32575, and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Shelby and shall be entitled to the same privileges and benefits as other parts of the City of Shelby. Said territory shall be subject to municipal taxes according to GS 16-A-58.10.

Section 3. The Mayor of the City of Shelby shall cause to be recorded in the office of the Register of Deeds of Cleveland County, and in the office of the Secretary of State in Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this ordinance. Such map shall also be delivered to the Cleveland County Board of Elections as required by GS 163-288.1.

Adopted and approved this 18th day of March 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Breanna Jones
Deputy City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

D. Consent Agenda:

Agenda Item: D-1

- 1) Approval of the Minutes of the Regular Meeting of March 4, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of March 4, 2024

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 of Shelby City Council
Don Gibson Theatre

March 4, 2024
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., David Causby, Violet Arth, David White, Charles Webber, and Emilie Bullock; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Ben Yarboro, Assistant City Manager Justin Longino, MBA, City Attorney Jason Lunsford, City Clerk Carol Williams, Deputy City Clerk Breanna Jones, Director of Human Resources Deborah (Deb) Jolly, Director of Finance Elizabeth (Beth) Beam, CPA, Fire Chief William Hunt, EFO, Chief of Police Brad Fraser, Public Works Director Scott Black, Director Parks and Recreation Charlie Holtzclaw, Director of Water Resources Brian Wilson, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

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

Mr. Hopper led the Pledge of Allegiance.

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda presented.

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

B. Special Presentations:

- 1) Uptown Shelby Association Update - Carly Bostic, Executive Director

Ms. Bostic provided City Council with a recap for 2023 and an update for 2024 which include the following:

- Santa saw about 800 kids at the Santa House this year.
- The carriage rides were made into a fundraiser this year which was a success.
- The Christmas Parade was unfortunately cancelled due to the rain, but contingency plans are being made for future parades.

- Uptown Shelby Association is taking a break from the Shelby Alive concert series due to the increase in costs and a decrease in participation.
- A new overall goal is economic vitality and to support Uptown merchants so events will be targeted in this direction.
- New events include Uptown Block Party on May 18th which will be an all-day concert series with lunch specials at Uptown restaurants, shopping specials and other ways to increase economic vitality.
- In 2023 Uptown Shelby Association was featured in eight different media pieces.
- Ms. Bostic attended the Women's Economic Development conference recently and gained new ideas.
- USA is working with the ALWS and the Livermush Festival to become a stronger liaison between those organizations and Uptown merchants to increase dining and shopping during those events.
- USA has updated their website which has increased the number of recipients of their newsletter.
- USA has received their accreditation from the NC Main Street Association and will attend that conference next week.
- USA raised over \$12,000 in fundraising efforts in 2023 and have a total of 16,571 followers on social media.
- The USA annual report will be provided to City Council in the next few days.
- In 2023 USA had a total of 630 volunteer hours, volunteer dollar amount was \$18,800 and total sponsorship donations and in-kind services was \$34,900.

Mayor Anthony inquired about the contingency plans for the Christmas parade. Ms. Bostic related that they were going to move the Christmas parade to an earlier date so they could schedule an alternate date if needed. Also, instead of using a third party for the parade floats, let people build their own floats which would allow USA more freedom in changing the date if needed.

2) Richard Hooker presentation – HBCU College and Career Day, March 13, 2024

Mr. Hooker thanked City Council for the Historic Black Colleges and Universities proclamation regarding the College and Career Day which is set for March 13, 2024. In addition to the College and Career Fair, there is a gala on March 12th at Harvest Church. Mr. Hooker gave examples of the impact the HBCUs have made in this community and in the country. North Carolina has the second largest number of HBCUs in the nation and represents the largest

number of students in the country that attend HBCUs. Mr. Hooker provided data points as follows:

80% of black judges graduated from an HBCU

50% of black teachers graduated from an HBCU

70% of black doctors graduated from an HBCU

40% of black engineers graduated from an HBCU

40% of black Congressional caucus members graduated from HBCU

70% of black dentists graduated from an HBCU

Mr. Hooker concluded by stating that HBCUs represent a beacon of hope and serves as a reservoir of talent that helps our families and communities. HBCUs make a difference and have shaped the landscape of America.

C. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of February 19, 2024**
- 2) Approval of a resolution to host the display for the Cleveland County Fellowship of Christian Athletes Sports and Recreation Hall of Fame, Annual Awards Banquet, and Annual Selection Committee meetings at Shelby City Park: Resolution No. 18-2024**
- 3) Approval of a resolution authorizing execution of a contract for Fire Suppression Services under Automatic Aid between the City of Shelby and Shanghai Volunteer Fire Department, Inc. (Shanghai Fire District): Resolution No. 19-2024**
- 4) Approval of a resolution authorizing execution of a contract for Fire Suppression Services under Automatic Aid between the City of Shelby and Number Seven Volunteer Fire Department, Inc. (Lattimore Fire District): Resolution No. 20-2024**
- 5) Approval of a resolution authorizing execution of a contract for Fire Suppression Services under Automatic Aid between the City of Shelby and Cleveland Volunteer Fire Department, Inc. (Gardner Fire District): Resolution No. 21-2024**

- 6) **Adoption of a Grant Project Ordinance for American Rescue Plan Act of 2021: Coronavirus State and Local Fiscal Recovery Funds: Ordinance No. 18-2024**
- 7) **Adoption of a budget ordinance amendment for the City of Shelby's Highway 74 Bypass Section D&E Natural Gas Line Relocation Project: Ordinance No. 19-2024**
- 8) **Acceptance of the Certificate of Sufficiency regarding Petition of Annexation of applicant, Caleb Peeler, Eaves Road**

END OF CONSENT AGENDA

D. Unfinished Business:

None

E. New Business:

- 1) **Request for Qualifications (RFQ) for a Comprehensive Land Use Plan for the City of Shelby, North Carolina**

Mr. Longino began his presentation by stating that the Request for Qualifications (RFQ) that is presented will start the process of updating the City's Comprehensive Land Use Plan. Mr. Longino stated North Carolina General Statute mandates that a jurisdiction that applies zoning regulations has a comprehensive land use plan to guide those changes. Mr. Longino continued by stating this RFQ is the first step in obtaining a third party outside consulting firm to assist City Council and staff and the community in the development of a new land use plan. Mr. Longino further mentioned that the City has changed significantly since the current plan was adopted in 2009 and in order to ensure everyone is on the same page it is imperative that a current and thorough framework exists.

Mr. Longino continued by stating this RFQ has some intentionally broad aspects to it which allows firms to give some ideas for best practices in the industry and also relate what works well in other communities. Mr. Longino stated that meaningful public participation is encouraged to ensure all viewpoints are gathered. In conclusion, Mr. Longino stated there will be a selection process where a firm will be chosen and then elements of the plan will be refined then put into a formal agreement for City Council to consider. Mr. Longino declared that the City has an aggressive timeline in the RFQ asking firms to work through this process and give a final product within 12 – 18 months from tonight.

Mr. Longino asked City Council for a consensus to proceed with this RFQ with firms having 30 days to respond, then City staff will evaluate the proposals and make a recommendation for Council's approval.

By consensus, City Council gave their approval to proceed with the RFQ process.

2) Consideration of appointment to the North Carolina Municipal Power Agency 1 (NCMPA1) Board of Commissioners as First and Second Alternates:

Currently: Commissioner: Rick Howell
1st Alternate: Justin Merritt
2nd Alternate: Ben Yarboro

Proposed: Commissioner: Rick Howell
1st Alternate: Ben Yarboro
2nd Alternate: Justin Longino

Mr. Howell stated the list of current appointees needs to be updated with the proposed appointees. Mr. Howell stated alternates are needed in case Mr. Howell is not available to attend the NCMPA1 Board of Commissioners meetings.

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to nominate and appoint Mr. Ben Yarboro by acclamation as the 1st alternate representing the City of Shelby on the NCMPA1 Board of Commissioners and nominate and appoint Mr. Justin Longino as the 2nd alternate representing the City of Shelby on the NCMPA1 Board of Commissioners.

F. City Manager's Report

Mr. Howell didn't have anything to report.

G. Council Announcements and Remarks

Mayor Anthony reminded Council of the upcoming events:

April 3rd – Town and State Dinner, Hickory

April 8th – 11th – Employee Open Enrollment at the Don Gibson Theatre

April 12th – Cleveland Cup 5K at Hanna Park

April 23rd – 25th – City Vision Conference in Winston - Salem

H. 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 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).

2) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease pursuant to North Carolina General Statute 143-318.11(a)(5).

3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to North Carolina General Statute 143-318.11(a)(3).

ACTION TAKEN: Mr. White made a motion to enter a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony invited all Council members present, along with Mr. Howell, Mr. Lunsford, Mr. Longino, Mrs. Jolly, Mrs. Williams and Mrs. Jones to attend. The motion passed unanimously, and Council moved into closed session at 6:23 p.m.

At the conclusion of the Closed Session item, Mr. White made a motion for City Council to return to the regular session at 7:09 p.m. and seal the minutes.

Upon returning to open session, Mr. Howell updated City Council on the possibility of a downward trend in our Economic Development efforts with the departure of Brandon Ruppe from the Cleveland County Economic Development Partnership. Mr. Ruppe has an offer to move to Edgecombe County in an Economic Development role. Mr. Howell asked City Council for a consensus as to whether the City should ask Mr. Ruppe if he would be willing to stay if the right opportunity was presented. City Council advised Mr. Howell to proceed with a conversation with Mr. Ruppe.

I. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 7:20 p.m.

Respectfully submitted,

Carol Williams
City Clerk

O. Stanhope Anthony, III
Mayor

Minutes of March 4, 2024

Agenda Item: D-2

- 2) City of Shelby FY 2023-2024 Budget Ordinance Amendment (JAG Grant):
Ordinance No. 22-2024

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Memorandum dated March 1, 2024, from Brad Fraser, Chief of Police to Rick Howell, City Manager
- Grant Award Summary
- Ordinance No. 22-2024

City Manager's Recommendation / Comments

Ordinance No. 22-2024 is presented for City Council consideration via the Consent Agenda. If approved, this ordinance would amend previously adopted City budget Ordinance No. 28-2023 recognizing \$28,508 in revenue from the Governor's Crime Commission grant and appropriating the same amount for the purchase of law enforcement related equipment to include replacement of office duty gear and computer servers. I would note that funding in this grant is reimbursed after the expenditures occur.

It is my recommendation that Ordinance No. 22-2024 be adopted and approved by City Council via the Consent Agenda.

Shelby Police Department



Memorandum

To: Rick Howell, City Manager
From: Brad Fraser, Chief of Police
Date: March 1, 2024
RE: Budget Amendment Request; 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, planning, evaluation, and technology improvement programs.

Review

Recently, the NC Governor's Crime Commission released funding for the 2023 Edward Byrne Memorial Justice Assistance Grant (JAG) grant solicitation. This funding is provided by the US Department of Justice and allocated to the crime commission for distribution to local law enforcement in NC. For reference, in November 2023, a budget amendment request to Council was submitted for an award in this same program that the police department received direct funding from the US Department of Justice. In this subsequent award, the police department has been awarded \$24,508.00 through the crime commission for the purchase of law enforcement related equipment. 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 NC Governors Crime Commission.

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



STATE OF NORTH CAROLINA
DEPARTMENT OF PUBLIC SAFETY
GOVERNOR'S CRIME COMMISSION
1201 Front Street, Suite 200
Raleigh, NC 27609
Telephone:(919) 733-4564 Fax:(919) 733-4625

http://www.ncdps.gov/gcc/

GRANT AWARD

Project Name: Shelby Police DeptEquipment Grant

Grant Period: 10/01/2023 - 09/30/2024

Agreement Number: 2000071059

Subrecipient: CITY OF SHELBY UTILITIES

Implementing Agency: Shelby Police Department

Authorizing Official: Rick Howell

Project Director: Scott Champion

Source: 2023 BYRNE-JAG AWARD

Federal Grant Number: 15PBJA-23-GG-03000-JAGX

CFDA #: 16.738

Match Funding Required (%): 0.00%

Federal Funding Award (%): 100.00%

Match Funding Required (\$): \$0.00

Federal Funding Award (\$): \$24,508.00

Grant Manager: Keith Bugner

Total Project Budget (\$): \$24,508.00

On behalf of the Secretary of the Department of Public Safety, the Governor's Crime Commission (GCC) hereby awards this grant funding based upon the final application and in accordance with the laws and regulations of the United States and the State of North Carolina. Your funding initially is from the federal grant source listed herein. As funding levels change, the source of the funds may change. Subrecipients agree that they will abide by, and meet all match requirements, indicated above as Match Funding.

To view additional funding details, including totals by year and by expense type, you may access an Agreement Budget Summary in the North Carolina Enterprise Business System (EBS).

Award requirements include not only the conditions and limitations set forth in the application and special conditions, 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., code of federal regulation). Therefore, all key staff should receive the special conditions, the assurances and certifications provided GCC, and the application as approved by GCC, so that they understand the award requirements. Information on all pertinent award requirements also must be provided to any subrecipient of the award. No alterations of any kind may be made to this grant award.

The Special Conditions for this grant, posted on the GCC website at www.ncdps.gov/gcc/award-special-conditions/ are incorporated into this agreement as if the same were set forth herein.

By initialing here, I certify, 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 on our behalf 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.

DocuSigned by: Rick Howell
2/23/2024 | 06:40:47 PST
Signature of Authorizing Official
Rick Howell
Name of Authorizing Official

DocuSigned by: Governor's Crime Commission
2/23/2024 | 05:36:10 PST
Signature of Director
Caroline Farmer, Executive Director
Name and Title of Director

DocuSigned by: Scott Champion
2/23/2024 | 09:39:06 EST
Signature of Project Director
Scott Champion
Name of Project Director

Federal Award Identification Worksheet

Federal award identification : 2023 BYRNE-JAG AWARD

Project ID : 2000071059

Subrecipient : CITY OF SHELBY UTILITIES

Federal Award Identification # (FAIN) : 15PBJA-23-GG-03000-JAGX

Unique Entity ID (UEI) : L2J6LFPHD752

Federal award date : October 1, 2022 To September 30, 2026

Subaward period of performance start and end date : October 1, 2023 To September 30, 2024

Federal funds obligated in this agreement : \$24,508.00

Federal funds obligated to the subrecipient : \$24,508.00

Total federal award : \$6,065,200.00

Indirect cost rate for the federal award : We do not receive an indirect cost rate

Indirect cost rate to be used by the subrecipient : 0.00%

Identification of whether the award is research and development (R&D) : We do not fund research and development

Pass through entity and awarding official : NC Governor's Crime Commission
Caroline Farmer, Executive Director
Caroline.Farmer@ncdps.gov

Federal awarding agency : Bureau of Justice Assistance

Federal award description : The Bryne JAG award will be utilized to help address public safety and criminal justice issues in the State of North Carolina.

ORDINANCE NO. 22-2024

CITY OF SHELBY
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. 6 for the year:

(A) The City of Shelby has been awarded a Federal Edward Byrne Memorial Governor’s Crime Commission Grant (GCC) to be used for the purchase of law enforcement related equipment to include duty gear replacements, software/equipment upgrades for computer equipment and vehicle computer equipment. 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-GCC23
GCC Grant | \$24,508 |
| (b) Increase 110431-51000-GCC23
Capital equipment | \$24,508 |

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

	<u>Current Budget</u>	<u>Amendment No. 6</u>
General Fund	\$ 32,790,837	\$ 32,815,345
Emergency Telephone System Fund	87,817	87,817
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	974,027	974,027
FY 2023-2024 Budget Total	<u>\$103,035,178</u>	<u>\$103,059,686</u>

Ordinance No. 22-2024
March 18, 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 18th day of March A. D. 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Breanna Jones
Deputy City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Agenda Item: D-3

- 3) Approval of a resolution authorizing an application for the North Carolina Department of Commerce Rural Downtown Economic Development Grant: Resolution No. 22-2024

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Resolution No. 22-2024

City Manager's Recommendation / Comments

Resolution No. 22-2024 is presented for City Council consideration via the Consent Agenda. This is a routine matter and if approved would simply authorize management to make application for a grant from the NC Department of Commerce Rural Downtown Economic Development grant program. It is management's intent to make application for the maximum amount of \$1,574,500 to be used toward the Depot renovation project. This project is not fully funded as of yet.

It is my recommendation that Resolution No. 22-2024 be adopted and approved by City Council via the Consent Agenda.

Resolution No. 22-2024
Authorizing An Application for North Carolina Department of Commerce
Rural Downtown Economic Development Grant

WHEREAS, City of Shelby City Council had indicated its desire to assist in development efforts within the City of Shelby; and,

WHEREAS, the Shelby City Council fully supports the proposed Depot restoration project which will result in the rehabilitation of the historic depot located on Market Street; and,

WHEREAS, the Shelby City Council recognizes the significance of this project as a catalyst for development in Uptown Shelby, aimed at advancing the objective of leveraging the uptown area as an economic engine; and,

WHEREAS, the Shelby City Council wishes to pursue a formal application for the Rural Downtown Economic Development Grant program Public Buildings (Renovations or Additions) to allow for improvements in the amount of \$ 1,574,500 from the North Carolina Department of Commerce, Rural Transformation Grant Fund, Rural Engagement & Investment Program; and,

WHEREAS, if awarded, the Shelby City Council is committed to providing a 5% match using local resources,

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

That City Manager is authorized to submit a formal application to the North Carolina Department of Commerce, Rural Downtown Economic Development Grant program in order to provide assistance to benefit the Depot renovation project.

That this Resolution shall take effect immediately upon its adoption and approval.

Adopted and approved this the 18th day of March 2024.

O. Stanhope Anthony
Mayor

ATTEST:

Breanna Jones
Deputy City Clerk

Agenda Item: D-4

- 4) Approval of a resolution establishing a public hearing date for the City of Shelby property on Artee Road: Resolution No. 23-2024

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

Summary of Available Information:

- Resolution No. 23-2024

City Manager's Recommendation / Comments

Resolution No. 23-2024 is presented for City Council consideration at this time. If approved this resolution simply puts Council on record stating the intent to annex city owned property that is contiguous to the primary corporate limits and schedules the required statutory public hearing for Monday, May 6, 2024. These particular parcels contain approximately 41 acres adjacent to Artee Road and just north of the Foothills Commerce Center.

It is my recommendation that Resolution No. 23-2024 be adopted and approved by City Council at this time.

RESOLUTION NO. 23-2024

A RESOLUTION ESTABLISHING A PUBLIC HEARING DATE FOR CITY OF
SHELBY PROPERTY ON ARTEE ROAD

WHEREAS, North Carolina General Statute 160A-31 set forth standards allowing for contiguous annexation; and,

WHEREAS, the subject property, on Artee Road, meets the standards set forth in the above referenced statute; and,

WHEREAS, the subject property is owned by the City of Shelby; and,

WHEREAS, North Carolina General Statute 160A-31 set forth standards allowing for a public hearing to annex contiguous property; and,

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

Section 1. The area to be annexed is described as Cleveland County Tax parcels 32695, 32696, 63683, and 49818. The area is also depicted on the attached Location Map.

Section 2. A public hearing is hereby scheduled to receive public comment on said petition in accordance with GS 160A-31 on May 6, 2024.

Section 3. This resolution shall become effective upon its adoption and approval. Adopted and approved this the 18th day of March 2024.

O. Stanhope Anthony
Mayor

ATTEST:

Breanna Jones
Deputy City Clerk

Agenda Item: D-5

- 5) Approval of a joint cooperation agreement for the Foothills Home Consortium:

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

Summary of Available Information:

- Memorandum dated March 13, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
- Joint Cooperation Agreement

City Manager's Recommendation / Comments

This Joint Cooperation Agreement is presented for City Council consideration via the Consent Agenda. If approved, this agreement would authorize management to enter into an agreement on behalf of the City with the Foothills HOME Consortium. As you know the HOME consortium is a HUD created entity that focuses on affordable housing for low to moderate income persons. Specifically these funds along with other potential local funding is aimed at new construction of homes for sale or rent, rehabilitation of homes for sale or rent and new construction of multi family homes. The agreement merely authorizes the HOME Consortium to act on behalf of the City (subject to City approval) in pursuing these affordable housing objectives.

It is my recommendation the agreement approved by City Council at this time via the Consent Agenda.

MEMORANDUM

To: Mr. Rick Howell – City Manager

From: Justin Longino – Assistant City Manager

Date: March 13, 2024

Subject: Foothills Home Consortium Agreement

Background

This is an agreement with the Foothills Regional Commission to be part of a consortium for HUD funding. FRC would be the management entity of the program.

The purpose of the Consortium is to assist in providing affordable (income eligible per HUD's chart), safe, decent housing amongst the region using the investment partnership model. There is a 25% Match associated with this partnership, and all the project applications turned in by developers and Community Housing Development Associations for approval by our separate Consortium Council have the 25% secured. This assists municipalities in NOT putting in any local match at this time. However, in 2026 when the next Consolidated Plan is turned in to HUD for approval, HUD will want to see some evidence of local Match being provided by the Consortium member governments. This is expected to be in the \$2,500 range.

The focus of the program will be on the following 3 projects:

1. New construction of homes for sale or rent
2. Rehabilitation of existing homes for sale or rent
3. New construction of multi-family housing for rent.

These are the only projects currently accepted and these would be within the FRC jurisdiction.

Recommendation

Staff recommends approval of the agreement. Housing and Planning Department staff will be involved in the program going forward.

FOOTHILLS NC HOME CONSORTIUM

JOINT COOPERATION AGREEMENT FOR HOME INVESTMENT PARTNERSHIP ACT HOME INVESTMENT IN AFFORDABLE HOUSING

THIS JOINT COOPERATION AGREEMENT (“JCA”), entered into this 18th day of March 2024, by and between the County of McDowell (herein called the “Lead Entity”), County of Polk, County of Rutherford, County of Cleveland, City of Marion, Town of Old Fort, City of Saluda, Town of Forest City, Town of Rutherfordton, Town of Spindale, City of Kings Mountain, and City of Shelby, (each of which, inclusive of Lead Entity, herein collectively known as Members”), said parties to the JCA each being a general local governmental unit of the State of North Carolina, and is made pursuant to North Carolina Statutes, Article 20 of Chapter 160A. All parties collectively shall also be referred to as “the Consortium.”

WITNESSETH THAT:

WHEREAS, the Cranston-Gonzales National Affordable Housing Act of 1990 (herein called the “Act”) makes provisions whereby units of general local government may enter into cooperation agreements and form a Consortium to undertake or assist in undertaking affordable housing pursuant to the HOME Investment Partnership Program (HOME Program);

WHEREAS, it is the desire of the parties that beginning in Fiscal Year 2023 the Lead Entity act in a representative capacity for all Members of local government and desires that the Lead Entity assume overall responsibility for ensuring that the Consortia for the HOME Program is carried out in compliance with the requirements of this Act;

WHEREAS, the parties to this JCA are all the units of local government located within the boundaries of McDowell, Polk, Rutherford and Cleveland Counties; and

WHEREAS, the parties to this JCA previously entered into a Joint Cooperation Agreement for Home Investment Partnership Act dated June 21, 2021, which is being superseded by this Agreement.

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

1. The parties agree to cooperate to undertake or to assist in undertaking housing assistance activities for the HOME Program. The Members hereby authorize the Lead Entity to submit for and receive HOME Program funding from the United States Department of Housing and Urban Development (hereinafter “HUD”). The Lead Entity is authorized to act in a representative capacity for all Members for purposes of the HOME Program.

2. The Members hereby authorize the Lead Entity to establish a local HOME Investment Trust Fund for receipt of HOME funds and repayments.

3. The Lead Entity and Members will cooperate in the implementation of the HOME Program and in the preparation of the Consolidated Plan by providing the Lead Entity with all information requested. The Members will execute and submit the required certifications and prepare and submit its plans for monitoring compliance with the Consolidated Plan. The Lead Entity assumes overall responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with the requirements of the HOME Program, including requirements concerning a Consolidated Plan in accordance with HUD regulations in 24 CFR Parts 92 and 91, respectively, and the requirements of 24 CFR 92.350.

4. The Members agree that a minimum of fifteen percent (15%) of all HOME funds received will be set aside for the use of Community Housing Development Organizations (CHDOs) which have non-profit status in accordance with Section 501 (c) (3) of the Internal Revenue Code.

5. Foothills Regional Commission (hereinafter the "Administrative Agent") will be paid an administrative fee totaling ten percent (10%) of the overall HOME funds allocation for the performance of its duties administering the HOME program in accordance with the applicable requirements of 24 CFR part 92. Said fee will be paid as provided in a separate administrative agreement. Only costs associated with the management and administration of the HOME program will be charged against HOME administrative allocations.

6. While a Member continues its participation in the Consortium, each Member shall be entitled to written notice of fourteen (14) days by regular U.S. mail of any project applications within its jurisdiction. Such notice will provide details of the project, and a project timeline. A Member may provide funds or local contribution toward a project, but such contribution is not required. A written notice of fourteen (14) days by U.S. Mail will be sent to a Member by the Lead Entity when a project is fully approved for funding within the Member's jurisdiction. Nothing herein shall be construed to bind a Member to budget funds toward any project unless such funding is approved by the Member's governing body.

7. Each Member hereby agrees to inform the Lead Entity, in writing, of any income generated by the expenditure of HOME funds received by the Member, and that such program income must be paid to the Lead Entity for deposit in the Consortium's trust fund. Any income generated by the expenditure of HOME funds may be retained by a Member only if its use is defined in a separate joint cooperation agreement approved by HUD. Each Member agrees to disclose all other joint cooperation agreements to which it enters to the Lead Entity by written notice of fourteen (14) days following execution of any such agreement.

8. The Members shall affirmatively further fair housing and make all benefits of the program available in accordance with fair housing regulations or as otherwise required by law.

9. The Members, as parties to the Consortium, agree that they shall direct all activities, with respect to the Consortium, to the alleviation of housing problems in the State of North Carolina.

10. This JCA shall not be construed as waiving any defense or limitation which any party may have against any claim or cause of action by any person not a party hereto.

11. The Members agree that, as to the Consolidated Plan, each will hold the other harmless due to the negligent acts of its employees, officers or agents, including volunteers, or due to any negligent operation of equipment.

12. The terms of this JCA will cover the period necessary to carry out all activities that will be funded from allocations awarded for three (3) federal fiscal years with a completion date not to exceed four (4) years from the date of the award, and any units of general local government which join the Consortium will remain in the Consortium for this entire period. The qualification period for this JCA is Federal Fiscal Years 2023-2025. The time for which this JCA remains in effect is until the HOME funds from each of the Federal Fiscal Years set out above are closed out pursuant to 24 CFR 92.507. No Consortium member may withdraw from the JCA while the JCA remains in effect.

13. This JCA will automatically renew for participation in successive three-year qualification periods. By the date specified in HUD's consortia designation notices, the Lead Entity will send each Member at its principal office of public record, by regular U.S. mail, written notice of at least fourteen (14) days of its right not to participate for the successive three-year qualification periods. A copy of the notification to each Member must be sent to the HUD Field Office by the date specified in the Consortia designation notice.

14. The Members agree that this JCA may require modifications when final regulations on HOME and the Consolidated Plan are provided by HUD and will cooperate in executing a revised or amended written JCA acceptable to all Members.

15. Should disputes regarding this JCA arise between any Members resulting in legal action, such actions shall be filed in the appropriate courts of McDowell County. All parties hereto located in Counties outside McDowell County specifically waive any alternate venue.

16. The program year start date for the Consortium is July 1, 2023, and all units of general local government that are Members are on the same program year for CDBG, HOME, ESG and HOPWA.

17. A Consortium Council has been formed which includes one representative from each Member and other community stakeholders. The Consortium Council will develop and institute a plan defining the goals of the Consortium which is referred to as the "Consolidated Plan". The Consortium Council will meet biannually to receive Consortium updates and to review progress made towards Consolidated Plan goals. Additional meetings may be scheduled as needed. This Consortium Council will approve all policies, determine funding allocations, support all activities, and approve the actions of the Administrative Agent as to informing the Lead Entity during implementation of the program, in accordance with the Bylaws adopted on June 13, 2023. The Consortium Council will consider project recommendations from all HOME Consortium

Members through requests made to FRC acting as the Administrative Agent, but the Council reserves the right to make final funding decisions consistent with the Consolidated Plan.

IN WITNESS WHEREOF, the Cooperating Unit and Lead Entity have executed this JCA as of the date first written:

Counsel for each party does hereby state that this Cooperation JCA is in accordance with state and local law and provides full legal authority of the legal entity to undertake or assist in undertaking essential community development and housing assistance activities.

O. Stanhope Anthony
Mayor

ATTESTED:

By: _____

SEAL

STATE OF NORTH CAROLINA
COUNTY OF _____

I, a Notary Public of _____ County and State of North Carolina, certify that _____ personally came before me this day and acknowledge that he/she is _____ of the County Board of Commissioners, a North Carolina body corporate, and that by authority duly given and as the act of the _____ County Board of Commissioners, the foregoing instrument was signed in its name and by its Chairman of Board of Commissioners, sealed with its corporate seal and attested by himself/herself as its _____.

Witness my hand and seal this _____ day of _____, 20____.

(Signature)
_____, Notary Public
(Printed Name)

SEAL

My Commission Expires: _____

Agenda Item: D-6

6) Approval of Special Event application:

a) First Friday at Greenbrook Design, requested date: April 5, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum dated March 11, 2024, from Carol Williams, City Clerk to Rick Howell, City Manager
- Special Events Application

City Manager's Recommendation / Comments

This event is in keeping with special event practices of the City. It is my recommendation that this item be approved by City Council at this time via the Consent Agenda.

Memo

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: March 11, 2024

Re: Special Event Permit Application

BACKGROUND:

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

- ✓ First Friday, requested date: April 5, 2024

REVIEW:

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

RECOMMENDATION:

Please place the attached Special Event Permit Application on the Consent Agenda of March 18, 2024 for Council's review and approval.

ATTACHMENT:

- A. Special Event Permit Application packet received March 1, 2024

**CITY OF SHELBY
SPECIAL EVENT PERMIT APPLICATION**

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

1. EVENT NAME:

First Friday

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT:

Networking

3. LOCATION OF EVENT (ATTACH MAP):

112 N Lafayette St. / Campbell St

4. PLEASE INDICATE:

Approximately how many people will attend the event? 75-100

Approximately how many vehicles will be present? N/A

Approximately how many animals will be present? 0

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

Single lane N/A

All lanes in travel direction _____

8. **SANITATION:** You will need to explain your plan of action to promote and maintain a sanitary environment. Include number and location of trash containers to be provided for the event. Include number and location of trash containers to be provided for the event. Indicate who will be responsible for making sure the event location is cleaned after the event. Describe the number and type location of portable toilets to be provided for the event (or toilets to be used for the event).
9. **FOOD/BEVERAGES/ENTERTAINMENT:** Please explain your proposed use of any and all beverages/foods at the event.
10. **SECURITY AND SAFETY PROCEDURES:** This section will ensure the safety of the event participants, property, and staff. In certain circumstances a building permit and fire department permit will need to be obtained. A description of first aid staffing may also be needed. Additionally medical services may need to be provided.
11. **CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:** Please indicate what services or equipment the event will request from the City of Shelby.
12. **FALSE STATEMENT; PENALTY:** Any person who shall willfully make any false statement in any application for a license under any section of this article or schedule shall be guilty of a misdemeanor, and upon conviction shall be fined and/or imprisoned subject to the general penalty provisions in section 1-4.
 - a. Whenever in this Code or in any ordinance of the city any act is prohibited or is declared to be unlawful or a civil offense or the doing of any act is required, or the failure to do any act is declared to be unlawful or a civil offense, and no specific civil penalty is provided, the violation of any such provision of this Code or ordinance shall be punished by assessment of an initial civil fine of \$50.00. Upon the levy of the initial fine, a subsequent period of 20 days will be granted within which to comply with the Code. Should the offense not be resolved before the expiration of such period, additional and daily penalties of \$25.00 for each day that the offense continues shall be levied for a maximum of ten additional days, for a possible cumulative total penalty of \$300.00. Should the offense continue at the end of the penalty period, the city may then employ civil suit in a court of competent jurisdiction to compel compliance and payment of accrued civil penalties. The city may cite and pursue any continuing or repeated offense of separate charges. Each such charge shall be subject to the penalty provisions of this section without limitation as to number.
 - b. This section shall have no application to any ordinance, which may allow criminal sanctions for its violation. All violations of this Code, which are

Whole street _____

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

Name: Stacey Walker / Greenbrock Design

Address: 112 N. LaFayette St. Shelby, NC

Phones: 980-404-9600 (Daytime) 704-692-0550 (Evening)

E-mail address: Stacey@greenbrockdesign.com

Name: _____

Address: _____

Phones: _____ (Daytime) _____ (Evening)

E-mail address _____

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) April 5th 2024

Alternate day(s) and date(s) N/A

Requested hours of operation, from 4 AM/PM to 7:30 AM/PM

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

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

9. AVAILABILITY OF FOOD, BEVERAGES, AND/OR ENTERTAINMENT:

If there will be music, sound amplification, or any other noise impact, please describe on attached sheet, including the intended hours of the music, sound, or noise.

Will alcoholic beverages be served? NO

If yes, attach to the application a copy of your permit from the Cleveland County Alcoholic beverage Control Board. Alcohol may not be served without a permit.

Will food and/or no-alcoholic beverages be served? Yes - inside Greenbrook
NO outside

If yes, attach to the application a copy of your permit from the Cleveland County Department of Health Services.

10. SECURITY AND SAFETY PROCEDURES: Attach to this application a copy of your building permit(s) if you are installing any electrical wiring on a temporary or permanent basis and/or if you are building any temporary or permanent structures such as bleachers, scaffolding, a grandstand, viewing stands, stages, or platforms.

Attach a copy of your Shelby Fire & Rescue Department Permit or permits to this application if you will use parade floats; an open flame; fireworks; or pyrotechnics; vehicle fuel; cooking facilities; enclosures (and tables within those enclosures); tents; air-supported structures; and/or any fabric shelter.

Give name, address, and phone numbers of the agency or agencies, which will provide first aid staff and equipment. Attach additional sheets if necessary.

Name: _____

Address: _____

Phones: _____

Indicate medical services that will be provided for the event.

AMBULANCE: _____

DOCTOR (S): _____

PARAMEDICS: _____

11. CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:

Street Closure Barricades

Event Power Request Form and Pricing

To utilize the event panels for power in Uptown Shelby, this form must be submitted with event application and payment made at time of application.

Please use the map below for event panel locations, circle the event panels that you need for your event. If you have questions about the electrical requirements for your event, please contact the Electric Superintendent at 704-669-6649.

Name of Special Event: _____

Authorize Event/Vendor Coordinator: _____

Phone No.: _____ Mobile No.: _____

Email: _____

Event panel (EP) cost is \$15.00 per day per event panel.

Stage panel (STG PAN) cost is \$110.00 per day per stage panel.

Full Day Rentals only

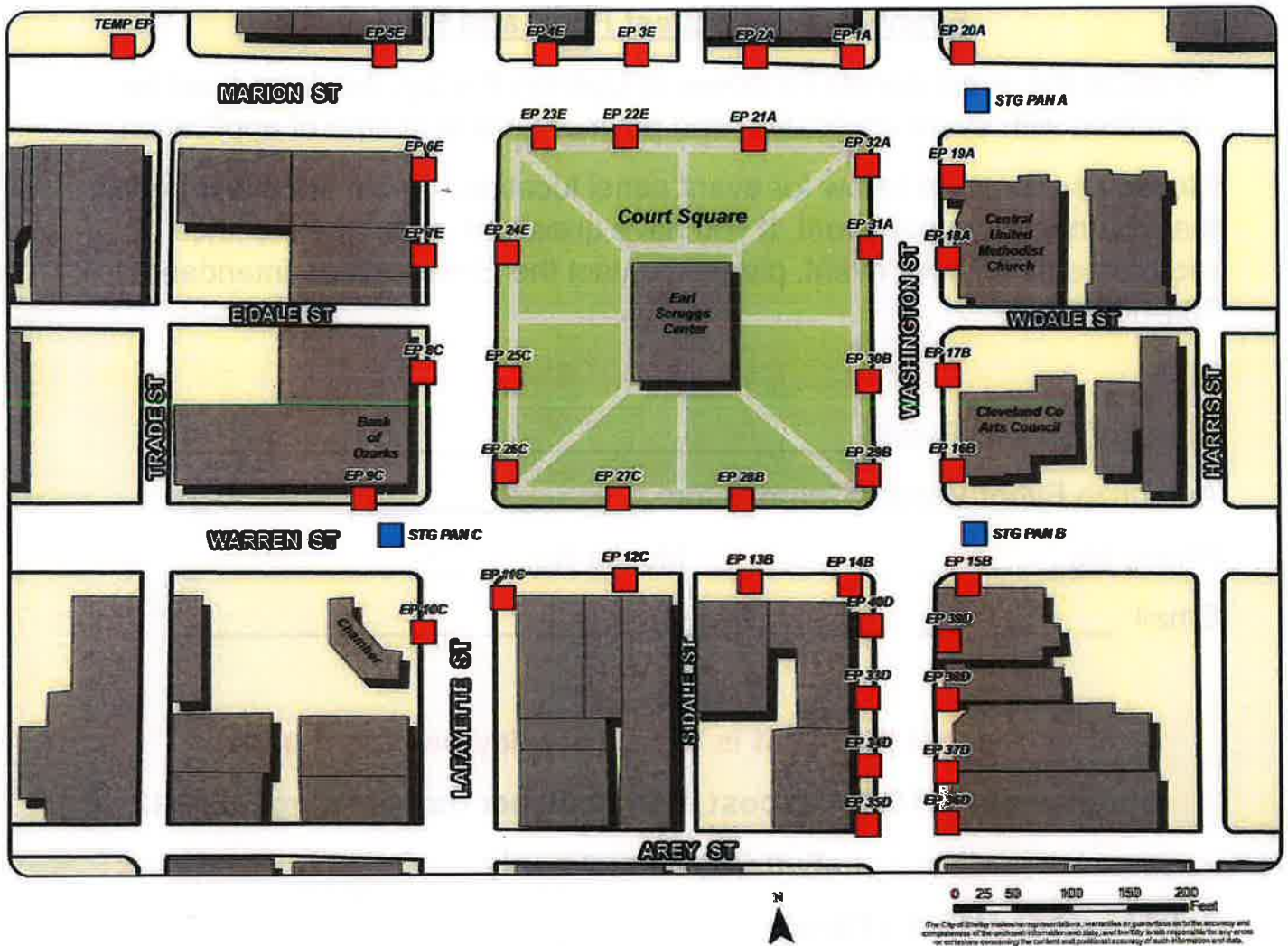
Total Number of Event Panels:
_____ x \$15.00 x Number of Days _____ = \$ _____

Total Number of Stage Panels:
_____ x \$110.00 x Number of Days _____ = \$ _____

All fees must be paid at the time of event application.

Any event panel not requested and paid for in advance and requested the day of the event will be subject to an after-hours charge.

City of Shelby Uptown Event Panels



Legend



Event Panel



Stage Panel

12. ANY ADDITIONAL COMMENTS:

THE CITY OF SHELBY IS NOT A CO-SPONSOR OF THE EVENT

It is understood and agreed that any permit issued pursuant to this application is issued on the condition that the answers herein given are true and correct to the best of the knowledge, information, and belief of the applicant.



SIGNATURE

Sierra McLaughlin

APPLICANT

704-418-0619

PHONE

112 W. Lafayette St. Shelby, NC

PHYSICAL ADDRESS

Sierra@greenbrookdesign.com

E-MAIL ADDRESS

02/21/2024

DATE

Closure 4pm - 7:30pm



Agenda Item: D-7

7) Management Reports:

- a) Shelby Fire and Rescue Reinspection/Heavy Rescue Provider

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Copy of report

City Manager's Recommendation / Comments

The preceding report 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.



Date March 04, 2024

X0830
SHELBY FIRE AND RESCUE
P.O. BOX 207
SHELBY, NC 28151

Subject: Re-inspection/s: Heavy Rescue Provider

Congratulations on completing the re-inspection and continuing to meet the high professional standards listed above.

Your department, personnel, and the citizens of your response area should be very proud of this high achievement. It is indeed an honor to be recognized at this level of professional Rescue and EMS Service.

If we can be of assistance in the future, please call our office at (919)736-0506, fax us at (919)736-7759 or e-mail us at ncarems@ncarems.org.

Yours in Rescue,

Joel Faircloth
Executive Director

p.c. Josh Shumate, Commander
Robert Poe, Vice-Commander
Area Directors

Agenda Item: E-1

Unfinished Business

- 1) Adoption of an ordinance establishing capital project ordinance and budgets for the city of Shelby's First Broad Outfall Sewer Improvement Project: Ordinance No. 23-2024

Unfinished Business Item: (Rick Howell, City Manager)

Summary of Available Information:

- Memorandum dated March 8, 2024, from Brian Wilson, Director of Water Resources to Beth Beam, Director of Finance and copied to Rick Howell, City Manager and Ben Yarboro, Assistant City Manager
- Resolution No. 12-2024
- Request for Funding
- Ordinance No. 23-2024

City Manager's Recommendation / Comments

Ordinance No. 23-2024 is presented for City Council consideration as Unfinished Business. If approved this ordinance would simply establish a capital project budget ordinance for the First Broad River Sewer Outfall Improvement Project. This important project is funded with a \$12,087,655 state directed grant (SL 2023-134) and will replace approximately 9,000 linear feet of 36 inch diameter sewer outfall line along the First Broad River.

The existing sewer outfall line has been in place since approximately 1960 and is in need of replacement. This line has seen a number of Sanitary Sewer Overflows as a result of heavy rains and the subsequent infiltration and inflow that has occurred. Replacement of this line will assist with significantly reducing or possibly eliminating these SSO's and provide additional capacity for growth on the western edge of the City.

It is recommended that Ordinance No. 23-2024 be adopted and approved at this time.



Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: Beth Beam, Director of Finance

From: Brian Wilson, Director of Water Resources

CC: Rick Howell, City Manager
Ben Yarboro, Assistant City Manager

Date: March 8, 2024

Subject: First Broad Outfall Sewer Improvements Project – Project Budget Ordinance

Background

Sewer improvements on the West Side of Shelby have been evaluated since 2011 due to several factors, including age, integrity, urgency of industrial development, and capacity. The First Broad River Outfall was installed in the 1950's and consists of roughly 15 miles of sewer line, ranging in size from 12-inches to 36-inches. These sewer lines are made of reinforced concrete pipe that have deteriorated due to the corrosive nature of the sewer that flows through them. As these pipes deteriorate, it changes their flow characteristics, slowing down flow within the line that worsens the problem. With structurally compromised concrete pipe, you will have increased Inflow & Infiltration (I&I) and increased chances of pipe collapses.

In 2009, an I&I study was conducted by Gavel & Dorn Engineering. As there was no singular identification for the large amounts of I&I, it was recommended that the City make numerous costly repairs. Even with the recommended repairs, I&I would still be an issue due to the overall age and condition of the outfall. Due to population growth in Shelby, and the fact that the sewer has continued to age and deteriorate, it is now cost prohibitive to continue to try to chase I&I issues and continue to allocate funds to failing infrastructure. In 2023, the City submitted the First Broad River Outfall Project for state funding. Through S.L. 2023-134 of the General Assembly, the City received funding in the amount of \$12,087,655.

Through sewer modeling, a new parallel outfall has been evaluated to run in tandem with a lower section of the First Broad River Outfall. This would allow for flow to be taken off the existing section of the First Broad Outfall and provide needed capacity where bottlenecks occur leading to sanitary sewer overflows (SSO's) in this section of outfall. Utilizing the state appropriated funds, a preliminary project scope would consist of installing roughly 8,000 LF of 36-inch gravity sewer and approximately 40 manholes. Ultimately, this is a good first step to address the sewer needs of the West Side of Shelby while expanding capacity for the current outfall. Design is projected to be completed in January 2025, with construction beginning in May 2025 and running through May 2026.

Review

In November 2023, the City advertised a Request for Qualifications (RFQ) for engineering services related to the design, bidding, and construction oversight of the First Broad Outfall Sewer Improvements Project. In February 2024, City staff selected McGill Associates, PA. and proposed the selection be approved by City Council. This selection was approved by Council on February 5, 2024 via Resolution 12-2024. Since then, the City has negotiated a contract with McGill Associates, PA., and we are ready to move forward with design services. To do this, we need to develop the Project Budget Ordinance (PBO) for the engineering services to cover design, bidding, construction administration, and grant assistance and also establish a budget for the construction services.

Recommendation

City staff recommends the establishment of a PBO for the First Broad Outfall Sewer Improvements Project for engineering services in the amount of \$1,593,600. The remaining \$10,494,055 of the \$12,087,655 state appropriations would then be established as the construction funds for the First Broad Outfall Sewer Improvement Project.

S.L. 2023-134	Project Cost Summary
Engineering Services	\$1,593,600
Construction Services	\$10,494,055
Project Budget Ordinance Total	\$12,087,655

Please let me know if additional information is needed.

Attachments:

- Resolution 12-2024 Approving McGill Associates, PA for Engineering Services for the First Broad Outfall Sewer Improvement Project.
- Request for Funding Form and Instructions for Recipients of Water and Wastewater Direct Projects in Section 12.2.(e) of the Current Operations Appropriations Act of 2023 (S.L. 2023-134) of the General Assembly of North Carolina

RESOLUTION NO. 12-2024

**A RESOLUTION AUTHORIZING THE SELECTION OF MCGILL ASSOCIATES, PA
FOR ENGINEERING SERVICES FOR THE FIRST BROAD RIVER
SEWER OUTFALL IMPROVEMENTS PROJECT**

WHEREAS, the City of Shelby has evaluated the needs of the sewer system in West Shelby, specifically the First Broad River Sewer Outfall; and,

WHEREAS, the City of Shelby has determined through the evaluation that the First Broad River Sewer Outfall has aging infrastructure that is in a deteriorated state leading to inflow and infiltration (I&I) and warrants replacement; and,

WHEREAS, the City of Shelby received funding from the State of North Carolina in the amount of \$12,087,655 for the First Broad River Sewer Outfall Improvements Project via S.L. 2023-134; and,

WHEREAS, the City of Shelby is seeking professional engineering services related to the design and contraction of the First Broad River Sewer Outfall Improvements Project; and,

WHEREAS, in accordance with North Carolina General Statutes and the Mini Brooks Act, City staff advertised a Request for Qualifications for professional engineering services related to the design and subsequent construction oversight for this project; and,

WHEREAS, Six (6) Statements of Qualifications were received from engineering firms interested in performing the work associated with this project; and,

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

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


Section 1. The City Council of the City of Shelby hereby desires for the City Manager or his designee to enter negotiations with McGill Associates, PA of Hickory, North Carolina to establish a contract for the professional engineering services related to the First Broad River Sewer Outfall Improvements Project.

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

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

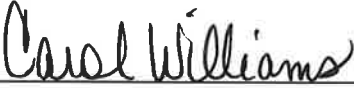
Section 4. This resolution shall become effective upon its adoption and approval.

Adopted and approved this 5th day of February 2024.



O. Stanhope Anthony III
Mayor

ATTEST:



Carol Williams
City Clerk

Request for Funding Form and Instructions for Recipients of Water and Wastewater Direct Projects in Section 12.2.(e) of the Current Operations Appropriations Act of 2023 (S.L. 2023-134) of the General Assembly of North Carolina

(Version 1: October 16, 2023)

The following instructions are for local government units with allocations in the North Carolina General Assembly's Session Law (S.L.) 2023-134, Section 12.2.(e) for water and wastewater projects through the North Carolina Department of Environmental Quality (DEQ). The NC DEQ Division of Water Infrastructure (Division) will be administering the funds.

Appendix A provides the list of local government units and appropriated funds as specified in Section 12.2.(e) of S.L. 2023-134. All local government units on the list must use this Request for Funding form to specify the project(s) for which the funds will be used. The Division disburses these grant funds to the local government unit (the Recipient) after relevant costs are incurred by the local government and invoices are submitted. Up to 15% of the funds available for projects may be disbursed after costs are incurred during the pre-construction stage to cover design and planning costs. The remainder will be disbursed as invoices for incurred pre-construction and construction costs are submitted by the Recipient during construction. Only costs eligible under NC G.S. 159G may be covered by these funds. Projects must be administered in accordance with all applicable federal law and guidance, as well as North Carolina statutes.

Once a completed Request for Funding form has been received describing a project that is eligible under NC G.S. 159G, the Division will issue a "Letter of Intent to Fund" which will provide a project number and Division project manager contact information. The Letter of Intent to Fund will establish milestone dates for:

- Application for all necessary permits
- Bid and Design package submittal (i.e., plans and specifications and associated documents)
- Recipient advertises the project, receives bids, submits bid information, and receives Authority to Award from the Division
- Recipient executes construction contract(s).

A funding offer, listing the funding amount for the project and required conditions and assurances, will then be prepared for the Recipient. The governing board of the Recipient must pass a resolution accepting the funding offer and conditions prior to disbursement of funds.

Projects Eligible for the Appropriated Funds

State statute limits the types of projects and costs that are eligible for the appropriated funds. Drinking Water Reserve and the Wastewater Reserve projects must be eligible per NC G.S. 159G-32 through NC G.S. 159G-34. Eligible projects are limited to the construction costs of a public water system, wastewater collection system, wastewater treatment works project, and/or stormwater quality projects. S.L. 2023-134 also includes additional eligibility requirements for specific projects or Recipients (see Appendix A).

Construction costs are defined in NC G.S. 159G-20(1c) as the following:

- (1c) Construction costs. - The costs of planning, designing, and constructing a project for which a loan or grant is available under this Chapter. The term includes the following:

- a. Excess or reserve capacity costs attributable to no more than 20-year projected domestic growth plus ten percent (10%) unspecified industrial growth.
- b. Legal, fiscal, administrative, and contingency costs.
- c. *[Does not apply for the S.L. 2023-134 Directed Projects].*
- d. A fee payable to the Department for a permit to implement a project for which a loan or grant is obtained.
- e. The cost to acquire real property or an interest in real property.

Additional Information

- If project funding is co-mingled with other federal or state funds, all requirements for the other funding program(s) will apply. For example, if S.L. 2023-134 funding is added to a project that is funded through the Division of Water Infrastructure using American Rescue Plan Act (ARPA) grants, all ARPA requirements (except the expenditure deadline) will apply to the S.L. 2023-134 funds, such as compliance with the Uniform Guidance.
- Per Section 12.2.(k), three (3) percent of the appropriated amount of each directed project will be used for departmental administrative costs in lieu of a grant fee charged to projects.
- The statutory limit of \$3 million in grant funding from the Drinking Water Reserve and Wastewater Reserve in three consecutive fiscal years under G.S. 159G-36(c)(3) will not apply to the direct appropriations listed in Appendix A per S.L. 2023-134, Section 12.2.(b).
- Please consider utilizing DEQ permit scoping services to ensure your project has the appropriate environmental permits by accessing the following webpage: <https://www.deq.nc.gov/regional-office-scoping-meeting-flyer-deacs/download?attachment>

Instructions on Completing the Attached Request for Funding Form

Section 1 - General Information

This section contains information the Division will need to process your appropriation. Complete each blank as directed below.

- **Recipient Name** – Provide the official name of your local government unit (e.g., Town of Anytown, Dogwood County).
- **County** – List the county in which your local government unit resides.
- **UEI Number** – Use www.sam.gov to find your UEI number.
- **Federal Tax ID #** – Needed for grant disbursement purposes.
- **Section 12.2.(e) Line #** - Enter the S.L. 2023-134, Section 12.2.(e) Line # that applies to this Request for Funding form. See Appendix A for the line numbers that apply to your local government unit. Note that some local governments have multiple appropriations with different line numbers and different pre-specified purposes.
- **PWSID #** – Needed for all drinking water projects.
- **Collections System or NPDES Discharge Permit #** – Needed for wastewater collections and/or treatment projects, respectively.

- **Project Name** – Enter a project name that is short yet captures the nature of your project (limit to 40 characters).
- **Funding Amount Requested** – Enter the amount of funding you are requesting. Must be no more than “Funds Available to Recipient for Projects” as shown in Appendix A.
- **Total Project Cost** – Please enter the cost of the entire project. Note: This cost may be greater than the funding amount requested.
- **Project Type** – Check the box that applies. If you have multiple projects, submit separate Requests for Funding for drinking water, wastewater, or stormwater quality projects. It is recommended that you contact the Division prior to completing the Request for Funding if you have multiple projects supported by the funds appropriated in S.L. 2023-134 Section 12.2(e).
- **Other Funding Sources** – If the Total Project Cost exceeds the Funding Amount Requested, please specify the sources of other funding. Recipients may choose to add some or all of their S.L. 2023-134 appropriation to currently funded projects to supplement those project funds.
- **Funding Requirements** – Please read and check each box.

Sections 2, 3, and 4 – Recipient, Form Preparer, and Engineer Contact Information

Complete this section with all pertinent information.

- **Authorized Representative Name** – The Authorized Representative should be Mayor, Manager, Public Utilities Director, Finance Director, or someone in the local government with a similar position.
- **Physical Address** – the location of the drinking water/wastewater/local government administrative building.
- **Form Preparer Contact Information** – Information on the person who completed this form.
- **Engineer Contact Information** – If your Request for Funding Form Preparer is the same as the Engineer Contact, check the “No” box. Section 4 may then be left blank. If the answer is “Yes”, provide the appropriate information.

Note: in addition, the Authorized Representative’s mailing address will be requested in the electronic submittal form.

Section 5 – Project Description

In this section, provide a brief description of the proposed project at a broad level of detail. Include the project purpose and what the project entails (e.g., rehabilitation of 2,000 l.f. of sewer, construction of a new well, etc.). Project description must demonstrate that the project is eligible for funding per General Statutes as described above, funding source limitations, and budget limitations.

If S.L. 2023-134 specifies what the appropriation should be used for, please limit the project description and scope to the requirement specified in the Session Law (see Appendix A).

Include information such as types of equipment to be included, capacity of equipment, and estimates of line length. Major line items in the project budget (Section 6) must be shown in the project description. For example, if 2,000 l.f. of 4-inch pipe is listed in the project budget, it must be listed in the project description. Include the number of new connections if applicable.

If this project supplements or is an extension of an existing project funded by the Division of Water Infrastructure, please provide the existing Project Number, project name, and information on how the additional funding will be used with the project.

Section 6 – Project Budget

Complete the project budget by addressing the categories provided in the table (insert rows as needed). Total the cost amount for each line and provide the total cost amount. Please note the following related to this section:

- Budget should consider potential increases in material and construction costs.
- Budgets in this form do not need to be signed or sealed by a licensed professional engineer.

Certification by Authorized Representative

The Authorized Representative must read and initial in the space beside each question.

Completeness Checklist

To better ensure that the project information is sufficient to provide the Recipient with a Letter of Intent to Fund, ensure that all the information listed in the completeness checklist is provided in the Request for Funding and initial each item on the checklist. If the Request for Funding does not request the entire funding amount available to the Recipient, please use the space provided to inform the Division of your plans to request the remaining funds.

The Authorized Representative must sign the Request for Funding form.

The Division recommends that the local government staff present to their governing board the proposed project(s) prior to submitting the Request for Funding form(s) to NC DEQ. A governing board resolution in support of the Request for Funding is optional and is not required. The local government unit might also wish to inform their elected representatives of their project plans.

Submittal Information

- We recommend that Requests for Funding be submitted to the Division as soon as possible.
- All recipients should utilize the electronic submittal form located on our website at <https://edocs.deq.nc.gov/Forms/2023DirectedProjects>
- If you are unable or have trouble uploading the Request for Funding form, please reach out to one of the contacts below.

Questions?

- For drinking water Requests for Funding: please contact Austin Pegues, Operations Unit, at 980-447-1136 or e-mail at austin.pegues@deq.nc.gov.
- For wastewater and stormwater Requests for Funding: please contact Mikal Willmer, Operations Unit, at 828-296-4686 or e-mail at mikal.willmer@deq.nc.gov.



**North Carolina Department of Environmental Quality
Division of Water Infrastructure
Request for Funding
for S.L. 2023-134 Water/Sewer Directed Projects**



(Version 1: October 16, 2023)

1. General Information

Recipient Name (Local Government) **County** **UEI Number**

Federal Tax ID # **Section 12.2.(e) Line #** **PWSID #** **Collection System or**
(see Appendix A) (drinking water only) **NPDES # (wastewater only)**

Project Name	Total Project Cost	Funding Amount Requested
---------------------	---------------------------	---------------------------------

Project Type (Select only one. Submit multiple forms if you have multiple project types).

- Drinking Water
- Wastewater
- Stormwater quality

Other Funding Sources

List all other funds that will be used for this project. Please list here the type of funds and the estimated funding amount. If the project is funded by the Division of Water Infrastructure, please provide the Project Number listed in the Letter of Intent to Fund or the funding offer.

Projects co-funded with federal funds will have federal conditions apply to the S.L. 2023-134 funds.

Other Funding Source (e.g. ARPA, SRF, CDBG-I, USDA, local funds, etc.)	DWI Project Number (if funded by the Division)	Estimated Funding Amount
Total		

Funding Requirements (please check all three boxes).

- I accept that the project funds will not be used to pay existing debt.
- I accept that the project funds will only be used for allowable costs related to the water/wastewater project.
- I accept that if the project is co-funded with federal funds (e.g. ARPA, SRF, or CDBG-I), the federal requirements of the other funds will also apply to these S.L. 2023-134 funds.

2. Recipient (Local Government) Contact Information

Authorized Representative Name:

Authorized Representative Title:

Phone Number:

Email Address:

Physical Address of the Local Government Utility Line 1:

Physical Address Line 2:

Physical Address City:

Physical Address State: NC

Physical Address Zip Code:

3. Form Preparer Contact Information

Organization/Firm Name:

Contact Name:

Phone Number:

Email Address:

4. Engineer Contact Information

Is the engineering firm different from the Form Preparer? Yes No (skip this section)

Engineering Firm Name:

Contact Name:

Phone Number:

Email Address:

5. Project Description

Check Appendix A to determine if the S.L. 2023-134 Water/Sewer Directed Project for the local government unit has a specific project and budget identified with the appropriation.

[Empty box for project description]

(OVER)

6. Project Budget			
	Funding Amount Requested from S.L. 2023-134	Amount from Other Funding Source(s)	Total Cost Amount
Indicate construction costs by line item (e.g., linear feet of different-sized lines)			
<u>Construction Costs</u>			
<i>Contingency (recommend 10% of construction costs):</i>			
<i>Construction Subtotal:</i>			
<u>Engineering Costs</u>			
Engineering Design			
Permitting			
Land Surveying Costs			
<i>Engineering Subtotal:</i>			
<u>Administration Costs</u>			
Planning			
Easement Preparation			
Grant Administration (if applicable)			
Document Preparation			
Legal Costs			
Other			
<i>Administration Subtotal:</i>			
TOTAL PROJECT COST:			

Certification by the Authorized Representative

The attached statements and exhibits are hereby made part of this Request for Funding, and the undersigned representative of the Recipient certifies that the information in this Request for Funding and any attached statements and exhibits is true, correct, and complete to the best of his/her knowledge and belief. By initialing each item and signing at the end of this Request for Funding, he/she further certifies that:

- _____ 1. as Authorized Representative, he/she has been authorized to file this Request for Funding;
- _____ 2. the Recipient has substantially complied with or will comply with all federal, state, and local laws, rules, and regulations and ordinances as applicable to this project;
- _____ 3. the Recipient will adopt and place into effect on or before the completion of the project a schedule of fees and charges which will provide for the adequate and proper operation, maintenance, and administration of the project;
- _____ 4. the Recipient agrees to provide for proper maintenance and operation of the approved project after its completion, including budgeting and generating the revenues needed for the eventual rehabilitation and/or replacement of physical infrastructure assets;
- _____ 5. the project budget provided on Page 4 of this form includes all funding requested from all sources of funding proposed for this project (including any other state and federal funds); and
- _____ 6. the (Town or County), North Carolina is organized and chartered under the laws of North Carolina. All officials and employees are aware of, and in full compliance with NCGS 14-234, "Public officers or employees benefiting from public contracts; exceptions." (For units of local government only. All others should initial "N/A.")

(OVER)

Completeness Checklist

Please initial next to each item to confirm that they have been included in this Request for Funding form.

_____ Section 1, Funding Amount Requested is not more than the “Funds Available to Recipient for Projects” in Appendix A.

_____ Section 1, Funding Requirements: all boxes have been checked.

_____ Section 5, Project Description: project description matches funding eligibility established by the funding source and by S.L. 2023-134 for the Directed Project (Appendix A).

If the Funding Amount Requested *is less than* the “Funds Available to Recipient for Projects” for the specified Line Item # listed on Page 1 of the form (see Appendix A), please indicate when and for what the rest of the funds will be requested. Another Request for Funding form will be required.

Submittal Information

Please save or scan the completed form, including signature, as a PDF document.

Submit the completed form online at <https://edocs.deq.nc.gov/Forms/2023DirectedProjects>.

Signature

Please note: Original signatures are required.

SIGNATURE OF AUTHORIZED REPRESENTATIVE

TYPED NAME

TYPED TITLE

DATE

APPENDIX A

Table of Drinking Water and Wastewater Reserve Direct Appropriations S.L. 2023-134, Section 12.2.(e)

Per Section 12.2.(k), three (3) percent of the appropriated amount of each directed project will be used by NC DEQ for administrative costs in lieu of a grant fee charged to projects. When completing the Request for Funding form, please ensure that the Funding Amount Requested is not more than the “Funds Available to Recipient for Projects” shown in the bolded column below.

A few local governments have multiple direct appropriations listed below. Please identify the “Section 12.2.(e) Line #”, shown in table below, on page 1 of the Request for Funding form.

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
1	Alamance, Village of	\$200,000	\$194,000	
2	Albemarle, City of	\$17,300,000	\$16,781,000	
3a	Alexander County	\$2,622,586	\$2,543,909	For the Bethlehem water tank.
3b	Alexander County	\$2,500,000	\$2,425,000	For water line extensions.
4	Andrews, Town of	\$787,000	\$763,390	
5	Angier, Town of	\$9,000,000	\$8,730,000	
6	Anson County	\$6,000,000	\$5,820,000	For a regional water or wastewater project.
7	Archdale, City of	\$7,000,000	\$6,790,000	
8	Asheboro, City of	\$4,170,500	\$4,045,385	
9.1	Autryville, Town of	\$2,000,000	\$1,940,000	
9.2	Autryville, Town of	\$900,000	\$873,000	For stormwater improvements.
10	Ayden, Town of	\$3,000,000	\$2,910,000	
11	Bald Head Island, Village of	\$965,000	\$936,050	
12	Beech Mountain, Town of	\$14,000,000	\$13,580,000	
13	Belmont, City of	\$10,000,000	\$9,700,000	
14	Benson, Town of	\$16,000,000	\$15,520,000	
15	Bermuda Run, Town of	\$2,250,000	\$2,182,500	
16.1	Bladen County	\$10,000,000	\$9,700,000	
16.2	Bladen County	\$5,000,000	\$4,850,000	For water or wastewater projects related to the Live, Work, Play Project.
17	Bladenboro, Town of	\$14,000,000	\$13,580,000	

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
18	Boardman, Town of	\$125,000	\$121,250	
19	Boone, Town of	\$3,700,000	\$3,589,000	
20	Boonville, Town of	\$3,000,000	\$2,910,000	
21.1	Bostic, Town of	\$1,200,000	\$1,164,000	
21.2	Bostic, Town of	\$150,000	\$145,500	For stormwater infrastructure.
22	Brevard, City of	\$13,000,000	\$12,610,000	
23	Bridgeton, Town of	\$1,169,500	\$1,134,415	
24	Brunswick County	\$35,000,000	\$33,950,000	
25	Burgaw, Town of	\$10,600,000	\$10,282,000	
26	Burke County	\$500,000	\$485,000	For a water and wastewater study, planning, and mapping in eastern Burke County.
27.1	Burlington, City of	\$5,500,000	\$5,335,000	
27.2	Burlington, City of	\$500,000	\$485,000	To treat PFAS contamination.
28.1	Cabarrus County Water and Sewer Authority	\$58,600,000	\$56,842,000	
28.2	Cabarrus County Water and Sewer Authority	\$6,000,000	\$5,820,000	For the design and construction of the Muddy Creek Wastewater Treatment Plant Expansion project.
28.3	Cabarrus County Water and Sewer Authority	\$5,000,000	\$4,850,000	For the extension of wastewater lines to and in the Town of Midland.
29	Camden County	\$10,000,000	\$9,700,000	
30	Cameron, Town of	\$1,000,000	\$970,000	
31	Candor, Town of	\$1,800,000	\$1,746,000	
32	Canton, Town of	\$38,000,000	\$36,860,000	
33a	Cape Fear Public Utility Authority	\$18,000,000	\$17,460,000	For drinking water extensions to unserved communities in New Hanover County impacted by PFAS.
33b	Cape Fear Public Utility Authority	\$17,000,000	\$16,490,000	For municipal consolidation and regionalization of water and sewer system in New Hanover County impacted by PFAS.
34	Carthage, Town of	\$10,000,000	\$9,700,000	

Appendix A: Table of S.L. 2023-134 Water/Sewer Directed Projects, Page 2 of 10

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
35	Catawba County	\$20,000,000	\$19,400,000	For service extensions to Sherrills Ford.
36	Cherryville, City of	\$1,650,000	\$1,600,500	
37	Chimney Rock Village	\$8,000,000	\$7,760,000	
38	Chowan County	\$30,000,000	\$29,100,000	
39	Claremont, City of	\$18,270,000	\$17,721,900	For the Lyle Creek Sewer Project
40.1	Clayton, Town of	\$14,250,000	\$13,822,500	
40.2	Clayton, Town of	\$6,000,000	\$5,820,000	To improve, upgrade, or reroute the Arbors, Starmount, Liberty-West Main Street, Little Creek, and Clayton-Raleigh pump stations.
41	Cleveland County Water	\$4,290,000	\$4,161,300	For water treatment sedimentation basins.
42	Clinton, City of	\$5,000,000	\$4,850,000	
43	Columbus, Town of	\$800,000	\$776,000	
44	Columbus County	\$15,620,000	\$15,151,400	
45	Connelly Springs, Town of	\$2,548,500	\$2,472,045	
46	Contentnea Metropolitan Sewage District	\$12,500,000	\$12,125,000	
47a	Currituck County	\$6,000,000	\$5,820,000	For the Mainland Water Treatment Plant project.
47b	Currituck County	\$10,000,000	\$9,700,000	For the Moyock water or wastewater system.
48	Dallas, Town of	\$2,000,000	\$1,940,000	
49	Davidson County	\$25,000,000	\$24,250,000	
50	Denton, Town of	\$2,000,000	\$1,940,000	
51	Dobbins Heights, Town of	\$2,550,000	\$2,473,500	
52	Dobson, Town of	\$1,550,000	\$1,503,500	
53	Dunn, City of	\$7,100,000	\$6,887,000	
54	Eden, City of	\$7,000,000	\$6,790,000	
55	Edgecombe County	\$14,200,000	\$13,774,000	
56	Elizabeth City, City of	\$9,000,000	\$8,730,000	
57	Elkin, Town of	\$6,500,000	\$6,305,000	
58	Ellenboro, Town of	\$1,000,000	\$970,000	
59	Elon, Town of	\$2,000,000	\$1,940,000	
60	Erwin, Town of	\$500,000	\$485,000	For a stormwater development plan.
61	Eureka, Town of	\$20,000,000	\$19,400,000	

Section 12.2.(e) Line #	Recipient	Funds Appropriate in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
62	Fayetteville Public Works Commission	\$12,000,000	\$11,640,000	
63	Forest City, Town of	\$4,578,000	\$4,440,660	
64	Forsyth County	\$20,000,000	\$19,400,000	To expand water and wastewater services to the southeastern part of the County.
65	Four Oaks, Town of	\$4,600,000	\$4,462,000	
66	Fuquay-Varina, Town of	\$28,600,000	\$27,742,000	For a conveyance line project.
67.1	Gastonia, City of	\$24,000,000	\$23,280,000	
67.2	Gastonia, City of	\$4,326,360	\$4,196,570	For the Apple Creek Corporate Park sewer upgrade.
68.1	Gates County	\$1,000,000	\$970,000	
68.2	Gates County	\$9,145,000	\$8,870,650	For a water or wastewater project for the Town of Gatesville.
70a	Gibsonville, Town of	\$1,000,000	\$970,000	For an elevated water tank.
70b	Gibsonville, Town of	\$1,000,000	\$970,000	For the NC Highway 61 water line connector.
71	Goldsboro, City of	\$5,000,000	\$4,850,000	
72	Goldston, Town of	\$460,000	\$446,200	
73	Goldston/Gulf Sanitary District	\$2,000,000	\$1,940,000	
74a	Greensboro, City of	\$5,500,000	\$5,335,000	For water and wastewater improvements serving the town of Pleasant Garden.
74b	Greensboro, City of	\$1,500,000	\$1,455,000	For extension of water and wastewater service to Peacehaven Community Farm.
75	Halifax, Town of	\$1,200,000	\$1,164,000	
76	Hamlet, City of	\$5,000,000	\$4,850,000	
77	Handy Sanitary District	\$7,250,000	\$7,032,500	
78a	Harnett County	\$10,793,200	\$10,469,404	For sewer system upgrades to the Buies Creek-Coats Connector.
78b	Harnett County	\$15,000,000	\$14,550,000	For a wastewater treatment plant expansion.

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
79	Havelock, City of	\$3,500,000	\$3,395,000	
80	Henderson, City of	\$200,000	\$194,000	
81	Hendersonville, City of	\$14,750,000	\$14,307,500	
82a	Hertford, Town of	\$1,300,000	\$1,261,000	To increase water capacity.
82b	Hertford, Town of	\$3,000,000	\$2,910,000	For water and wastewater projects related to the Marine Industrial Park.
83	Hickory, City of	\$15,000,000	\$14,550,000	For the Highway 321 water and wastewater project.
84	Highlands, Town of	\$5,000,000	\$4,850,000	
85	Hoke County	\$1,200,000	\$1,164,000	
86	Holden Beach, Town of	\$2,000,000	\$1,940,000	
87	Holly Springs, Town of	\$15,400,000	\$14,938,000	For the conveyance line project.
88	Hookerton, Town of	\$250,000	\$242,500	
89	Jackson, Town of	\$1,000,000	\$970,000	
90	Johnston County	\$20,000,000	\$19,400,000	
91a	Jones County	\$9,500,000	\$9,215,000	For water treatment plant expansion.
91b	Jones County	\$1,200,000	\$1,164,000	For regional water system valve additions.
92	Kenansville, Town of	\$8,000,000	\$7,760,000	
93	Kenly, Town of	\$860,275	\$834,467	
94	Kings Mountain, City of	\$39,385,000	\$38,203,450	
95	Lake Waccamaw, Town of	\$4,000,000	\$3,880,000	
96	Landis, Town of	\$2,500,000	\$2,425,000	
97	Lansing, Town of	\$3,500,000	\$3,395,000	
98a	Laurinburg, City of	\$2,500,000	\$2,425,000	For the McColl Road water line replacement.
98b	Laurinburg, City of	\$7,500,000	\$7,275,000	For raw water system expansion.
98c	Laurinburg, City of	\$10,000,000	\$9,700,000	For wastewater treatment plant renovations.
99	Lenoir, City of	\$17,000,000	\$16,490,000	For the Valdese-Lenoir water interconnection.
100	Lexington, City of	\$2,000,000	\$1,940,000	
101	Lillington, Town of	\$11,062,500	\$10,730,625	
102.1	Lincoln County	\$10,000,000	\$9,700,000	

Appendix A: Table of S.L. 2023-134 Water/Sewer Directed Projects, Page 5 of 10

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
102.2	Lincoln County	\$1,450,000	\$1,406,500	For the Lincoln County water line extension.
103	Linden, Town of	\$331,402	\$321,460	
104	Littleton, Town of	\$15,000,000	\$14,550,000	
105	Locust, City of	\$10,000,000	\$9,700,000	
106	Love Valley, Town of	\$1,500,000	\$1,455,000	
107	Lowell, City of	\$8,250,000	\$8,002,500	
108	Lower Cape Fear Water and Sewer Authority	\$30,000,000	\$29,100,000	
109	Madison, Town of	\$4,500,000	\$4,365,000	
110	Madison County	\$18,000,000	\$17,460,000	
111	Marion, City of	\$6,000,000	\$5,820,000	
112	Marshville, Town of	\$4,000,000	\$3,880,000	For a regional water or wastewater project.
113	Mayodan, Town of	\$4,000,000	\$3,880,000	For the wastewater treatment plant.
114	McDowell County	\$4,000,000	\$3,880,000	
115	Mebane, City of	\$3,000,000	\$2,910,000	
116	Mocksville, Town of	\$1,100,000	\$1,067,000	
117	Montgomery County	\$8,000,000	\$7,760,000	
118	Moore County	\$15,000,000	\$14,550,000	
119	Mooreville, Town of	\$3,600,000	\$3,492,000	
120	Morganton, City of	\$13,560,000	\$13,153,200	
121	Mount Airy, City of	\$2,000,000	\$1,940,000	
122	Mount Holly, City of	\$10,000,000	\$9,700,000	For the Riverbend Preserve water extension.
123	Mount Pleasant, Town of	\$1,000,000	\$970,000	For South Skyland Drive, Senateca Drive, and Allman Road service line extensions.
124	Murfreesboro, Town of	\$4,300,000	\$4,171,000	
125	Murphy, Town of	\$400,000	\$388,000	
126	Nash County	\$17,022,501	\$16,511,826	
127.1	New Hanover County	\$30,000,000	\$29,100,000	
127.2	New Hanover County	\$15,000,000	\$14,550,000	For water and wastewater projects related to Blue Clay Business Park.
128	Newport, Town of	\$115,975	\$112,496	
129	Newton, City of	\$12,000,000	\$11,640,000	

Section 12.2.(e) Line #	Recipient	Funds Appropriate in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
130	Newton Grove, Town of	\$1,500,000	\$1,455,000	
131	Northampton County	\$18,600,000	\$18,042,000	
132	Oak Ridge, Town of	\$4,500,000	\$4,365,000	For the municipal water system.
133	Old Fort, Town of	\$1,050,000	\$1,018,500	
134	Onslow Water and Sewer Authority	\$5,000,000	\$4,850,000	
135	Oriental, Town of	\$5,500,000	\$5,335,000	
136	Oxford, City of	\$10,000,000	\$9,700,000	For the Kerr Lake Regional Water project.
137	Pamlico County	\$5,000,000	\$4,850,000	
138	Pasquotank County	\$9,310,000	\$9,030,700	
139	Pembroke, Town of	\$14,000,000	\$13,580,000	
140	Pilot Mountain, Town of	\$1,500,000	\$1,455,000	
141	Pine Level, Town of	\$1,750,000	\$1,697,500	
142	Pinebluff, Town of	\$5,200,000	\$5,044,000	
143	Pitt County	\$600,000	\$582,000	For water and wastewater projects for Pitt County schools.
144	Princeton, Town of	\$2,520,000	\$2,444,400	
145	Raeford, City of	\$9,500,000	\$9,215,000	
146	Randleman, City of	\$5,150,000	\$4,995,500	
147	Randolph County	\$85,034,311	\$82,483,282	
148	Ranlo, Town of	\$5,000,000	\$4,850,000	
149	Reidsville, City of	\$1,600,000	\$1,552,000	For the Piedmont and Annie Penn wastewater outfalls.
150a	Richmond County	\$12,000,000	\$11,640,000	For water and wastewater projects related to economic development.
150b	Richmond County	\$4,000,000	\$3,880,000	For water and wastewater projects.
151	River Bend, Town of	\$9,393,000	\$9,111,210	
152	Robbinsville, Town of	\$1,395,000	\$1,353,150	
153	Robeson County	\$8,545,000	\$8,288,650	
154	Rockingham, City of	\$13,000,000	\$12,610,000	
155a	Rockingham County	\$10,000,000	\$9,700,000	For water and wastewater projects along U.S. 220.
155b	Rockingham County	\$23,550,000	\$22,843,500	For water and wastewater projects.

Appendix A: Table of S.L. 2023-134 Water/Sewer Directed Projects, Page 7 of 10

Section 12.2.(e) Line #	Recipient	Funds Appropriate in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
155c	Rockingham County	\$21,000,000	\$20,370,000	For the extension of water services from Reidsville toward the unincorporated community of Ruffin.
156	Ronda, Town of	\$1,894,410	\$1,837,578	
157	Rosman, Town of	\$10,000,000	\$9,700,000	
158	Roxboro, City of	\$26,000,000	\$25,220,000	
159	Rutherfordton, Town of	\$3,630,000	\$3,521,100	
160	Salemburg, Town of	\$2,500,000	\$2,425,000	
161	Saluda, City of	\$2,304,878	\$2,235,732	
162a	Sampson County	\$4,119,320	\$3,995,741	For water lines near the landfill.
162b	Sampson County	\$6,000,000	\$5,820,000	For two wells and treatment in the southern part of the county.
163a	Sanford, City of	\$2,500,000	\$2,425,000	For the development, operation, and management of the Siler City Wastewater project.
163b	Sanford, City of	\$5,000,000	\$4,850,000	For the Grace School and Fire Department sewer line.
164	Sedalia, Town of	\$2,687,439	\$2,606,816	To extend the sewer lines.
165	Selma, Town of	\$12,800,000	\$12,416,000	
166	Shelby, City of	\$12,461,500	\$12,087,655	
167.1	Siler City, Town of	\$72,750,000	\$70,567,500	Must follow project directives listed in S.L. 2023-134, Section 12.2. (g).
167.2	Siler City, Town of	\$2,500,000	\$2,425,000	For construction of an elevated water tank associated with an economic development project.
168	Smithfield, Town of	\$6,250,000	\$6,062,500	
169	Snow Hill, Town of	\$4,222,500	\$4,095,825	
170	South Granville Water and Sewer Authority	\$5,000,000	\$4,850,000	
171	Spring Hope, Town of	\$3,000,000	\$2,910,000	
172	Spring Lake, Town of	\$300,000	\$291,000	

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
173	Spruce Pine, Town of	\$2,500,000	\$2,425,000	
174	St. Pauls, Town of	\$2,500,000	\$2,425,000	
175	Stanley, Town of	\$1,000,000	\$970,000	
176	Stanly County	\$2,000,000	\$1,940,000	For water and wastewater projects for Juneberry Ridge.
177	Stantonsburg , Town of	\$2,600,000	\$2,522,000	For a well water project and water line replacement.
178	Star, Town of	\$10,000,000	\$9,700,000	
179	Statesville, City of	\$3,000,000	\$2,910,000	For water and wastewater projects pertaining to economic development.
180	Stokes County Water and Sewer Authority	\$15,000,000	\$14,550,000	
181a	Stoneville, Town of	\$2,000,000	\$1,940,000	For water and wastewater lines along U.S. 220 West.
181b	Stoneville, Town of	\$2,700,000	\$2,619,000	For water system improvements.
182	Surf City, Town of	\$20,000,000	\$19,400,000	
183	Thomasville, City of	\$4,000,000	\$3,880,000	
184	Transylvania County	\$10,000,000	\$9,700,000	
185	Trinity, City of	\$4,500,000	\$4,365,000	
186.1	Troutman, Town of	\$10,000,000	\$9,700,000	
186.2	Troutman, Town of	\$4,000,000	\$3,880,000	For the connection of the Duck Creek sewer outfall line to the City of Statesville's Third Creek Wastewater Treatment Plant.
187	Tryon, Town of	\$2,233,500	\$2,166,495	
188a	Union County	\$26,000,000	\$25,220,000	For sewer expansion.
188b	Union County	\$1,500,000	\$1,455,000	For the Waxhaw graywater system project.
189	Valdese, Town of	\$7,000,000	\$6,790,000	For the Valdese-Lenoir water interconnection.
190	Vance County	\$4,000,000	\$3,880,000	
191	Wade, Town of	\$165,052	\$160,101	
192	Warren County	\$5,000,000	\$4,850,000	

Section 12.2.(e) Line #	Recipient	Funds Appropriated in S.L. 2023-134	Funds Available to Recipient for Projects (after administrative costs)	Directed Project Specified in S.L. 2023-134
193	Weaverville, Town of	\$15,000,000	\$14,550,000	
194	Weldon, Town of	\$800,000	\$776,000	
195	West Jefferson, Town of	\$726,150	\$704,366	
196	Wilkes County	\$6,930,000	\$6,722,100	For the extension of water and wastewater services to the airport.
197.1	Wilson, City of	\$22,500,000	\$21,825,000	
197.2	Wilson, City of	\$1,050,000	\$1,018,500	For repair of the Lake Wilson dam.
198	Wilson County	\$2,000,000	\$1,940,000	
199	Wingate, Town of	\$12,000,000	\$11,640,000	
200	Woodland, Town of	\$3,830,000	\$3,715,100	
201	Wrightsville Beach, Town of	\$8,000,000	\$7,760,000	
202	Yadkinville, Town of	\$289,200	\$280,524	

CITY OF SHELBY
ORDINANCE NO. 23-2024
AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY
OF SHELBY'S FIRST BROAD OUTFALL SEWER IMPROVEMENT PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to establish a capital project ordinance and budgets for the City of Shelby's First Broad Outfall Sewer Improvement Project; and

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

WHEREAS, G.S. 159-13.2 provides that a City may undertake the evaluation and maintenance of sewer utility assets, by way of a capital project ordinance providing the necessary balanced budget and funding for the life of the project;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA: The City of Shelby has identified a need to correct flow and capacity of sewer utility assets. Through S.L. 2023-134 of the General Assembly, the City received funding for this project. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

Section 1. The following revenues are available and amounts are hereby appropriated:

Sewer Fund Capital Projects:

Revenues:		
State Grant	62106000-34501-62883	\$12,087,655
Appropriation:		
Engineering	621726-42004-62883	\$ 1,593,600
Construction	621726-53000-62883	\$10,494,055

Section 2. The provisions of this capital project ordinance shall be entered in the minutes of the Shelby City Council and copies filed with the City Manager as Budget Officer, the Finance Director, and the City Clerk for their direction and guidance in receiving revenues and expending the monies due thereunder.

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

Adopted and Approved this the 18th day of March, 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Breanna Jones
Deputy City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Agenda Item: F-1

New Business

- 1) Adoption of an ordinance amending the City Of Shelby's Schedule of Fees: Ordinance No. 24-2024

New Business Item: (Rick Howell, City Manager)

Summary of Available Information:

- Memorandum dated March 5, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager and copied to Ronnie Davis, Energy Services Operations Manager
- City of Shelby Natural Gas General Terms and Conditions
- City of Shelby Natural Gas Hedging Purchase Agreement
- Large Industrial Firm Gas Service
- Ordinance No. 24-2024

City Manager's Recommendation / Comments

Ordinance No. 24-2024 is presented for City Council consideration as new business. If approved this ordinance would amend the existing Schedule of Fees and Charges of the City as it specifically applies to large industrial natural gas customers in two ways. The first reduces the required minimum use volume from 1,000 dekatherms to 500 dekatherms per day for customers to qualify for the Large Industrial Firm Gas Service Rate. Secondly, the proposed changes would add new terms and conditions to the fee schedule that will provide qualifying industrial customers the opportunity to either opt out of the City directed gas supply hedge purchase program or to direct their own hedges with assistance from city staff.

Both changes will provide some opportunity for industrial customers to reduce their monthly natural gas billings depending upon their volume of use and their use of natural gas hedging.

It is recommended that Ordinance No. 24-2024 be adopted and approved at this time.

Memorandum

To: Rick Howell, City Manager

From: Ben Yarboro, Assistant City Manager

CC: Ronnie Davis, Energy Services Operations Manager

RE: Fiscal Year 2024 Fee Schedule – Natural Gas Changes

Date: March 5, 2024

Background

The City of Shelby has owned and operated an extensive natural gas system since 1955 that provides service to over 9,800 customers. The City currently offers seven (7) natural gas rates for its customers based on customer class (residential or commercial) and the volume of natural gas usage. Based on these criteria, there is one (1) residential rate and there are six (6) commercial/industrial rates.

Through discussions with several larger industrial firms within the City over the last several months, City Staff determined that it was appropriate to develop a new “City of Shelby Natural Gas General Terms and Conditions” section for the natural gas portion of the fee schedule to better define the natural gas rates. City staff worked with a Professional Natural Gas consultant, Heath and Associates, to develop the proposed terms and conditions.

The “City of Shelby Natural Gas General Terms and Conditions” has a section for natural gas hedging, which was not previously addressed in our fee schedule. Natural Gas hedging is a process where the City purchases a portion of the gas that the City utilizes on a daily basis well in advance of the time that the gas is actually used. Historically, the City has completed these transactions from 1 – 3 years in advance in an effort to reduce the exposure to natural gas price spikes that are common in the winter months due to temperature, supply/demand, imports/exports, etc.

In response to feedback from industrial customers, the proposed “City of Shelby Natural Gas General Terms and Conditions” would allow industrial firms using more than 500 dekatherms per day to opt-out of the City’s hedging gas supply

purchases. Any customer that meets this threshold and chooses to opt-out of hedging will have their natural gas price be billed on the market price at the time of usage instead of having a portion of their gas priced at the hedged price. It should be noted that the proposed terms and conditions require a customer to provide 6 months notice to opt-out of hedging in an effort to prevent them from waiting to see how the daily gas prices compare to previously hedged gas prices.

The proposed terms and conditions would also allow industrial firms over 1,000 dekatherms per day to direct the City on the timing to hedge a portion of their monthly gas supply. If approved, this change would benefit several of our current customers and would be offered to any future customers that meet the aforementioned daily volumes.

Another proposed change to the fee schedule is to change the minimum volume of gas for the Large Industrial Firm Gas Service Rate from 1,000 dekatherms per day to 500 dekatherms per day. As we receive more requests for larger industrial gas customers looking to either expand or move to Shelby, lowering the threshold for the Large Industrial Firm Natural Gas Rate from 1,000 to 500 will encourage natural gas usage and serve as an Economic Development tool to attract additional industrial growth to Shelby.

This proposed rate change and the proposed terms and conditions will also serve as an incentive for those larger industrial users that have a preference to either direct the hedging of their natural gas purchases or to opt-out of hedges altogether.

Recommendation

City Staff recommends making the following two changes to the Fiscal Year 2024 Fee Schedule related to the natural gas utility:

- Reduce the Large Industrial Firm Gas Service Rate minimum volume from 1,000 dekatherms per day to 500 dekatherms per day.
- Add the new “City of Shelby Natural Gas General Terms and Conditions” to the fee schedule that will provide qualifying industrial customers the opportunity to either opt-out of City gas supply hedge purchases or to direct their own hedges with assistance from City staff.

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

Attachments:

- City of Shelby Natural Gas – General Terms and Conditions
- City of Shelby Natural Gas Customer Directed Hedging Form
- City of Shelby Natural Gas Hedging Opt-Out Form
- City of Shelby Natural Gas Hedging Purchase Agreement
- City of Shelby Natural Gas – Large Industrial Firm Gas Service Schedule



Effective _____

CITY OF SHELBY NATURAL GAS
GENERAL TERMS AND CONDITIONS

Gas service to all customers will be subject to the following terms and conditions:

Definitions. As used in this Agreement the following terms will have the following meanings:

Balancing for Firm Customers who qualify and elect to hedge volumes:

- a. When usage exceeds hedged volumes:
 - a. Balance will be sold to Customer at monthly rate for the class they are in using weighted average cost of gas (WACOG2) as the average incremental commodity price. Any incremental cost or penalties incurred as a result of the City's acquisition of additional gas supply to balance will be added to the WACOG2.
- b. When usage is less than hedged volumes
 - a. City will purchase balance at the lowest Gas Daily Index Price for Transco Zone 4 for the month less zero dollars and twenty cents (\$0.20). Any incremental cost or penalties incurred as a result of the City's sales of excess gas supply to balance will be subtracted from the Gas Daily Index Price.

Balancing for Transportation Gas Service Customers is defined in the Schedule 45 tariff.

City – City of Shelby, North Carolina, a municipal corporation

Customer – Customer means any person, firm, association, or corporation, or any agency of the federal, State, or local government, being supplied with gas services.

Dekatherm (DT) – Dekatherm is a unit of energy that is equal to one million British thermal units or ten therms and measures the actual heating value of a specific volume of natural gas.

Force majeure – A force majeure event shall mean any act of God; war or other acts of civil or military authority; riot; civil strife; act of terrorism, domestic or foreign; embargo; epidemic(s); governmental rule, regulation, or decree; earthquake, flood, fire, hurricane, tornado, or other casualty; freezing of wells or lines of pipe; or the unavailability of labor or materials to the extent beyond the control of the affected party.

Governing law – This agreement and the rights and obligations of the Parties hereunder shall be governed by and construed and interpreted in accordance with the laws of the State of North Carolina.

Measurements – The volume and total heating value of the gas delivered hereunder shall be determined as follows:

1. All volumes delivered shall be corrected to the pressure base of 14.73 psia and temperature base of sixty degrees (60) Fahrenheit. The average absolute atmospheric pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds to the square inch, irrespective to actual elevation or location of the point of delivery above sea level or variations in such atmospheric pressure from time to time.
2. When orifice meters are used, volumes delivered shall be computed in accordance with the specification, formulae and tables published in the March 1978 Gas Measurement Committee Report No. 3 of the American Gas Association, and any modifications and amendments thereto and shall include the use of flange connections.
3. Gas volumes will be adjusted for BTU content, pressure, temperature, super compressibility, specific gravity, and any other applicable factors.
4. The temperature of the gas shall be assumed to be sixty degrees (60) Fahrenheit unless the City elects to install a recording thermometer or temperature correcting device. If a recording thermometer is installed, the arithmetical average of the twenty-four (24) hour period will be used to determine the correct temperature.

Meter – Meter shall mean any device, or instrument which is used by the City in measuring a quantity of gas.

Month – Month shall mean the period between any two regular consecutive readings of the meters measuring the quantity of gas used.

New York Mercantile Exchange (NYMEX) – The NYMEX is a commodity futures exchange regulated by the Commodity Futures Trading Commission and is regarded as the largest and world’s leading natural gas price benchmark.

Notice – Written notice shall be given to the provided address via first class mail or certified mail return receipt requested, hand delivery, or via email. Customer must provide City with updated address and contact information.

If to the City:
Attn: City Manager
City of Shelby
P.O. Box 207
Shelby, NC 28151
Or via confirmed email:
Rick.Howell@cityofshelby.com

Customer:
Name and Address of Company Official

Email address:

State – State of North Carolina

Quality – The gas received by the City shall be of merchantable quality and shall conform to the quality specifications of Williams Transco’s FERC Gas Tariff, as it may be amended from time to time.

Venue – Venue shall be in any court of competent jurisdiction over matters in Cleveland County, North Carolina.

Weighted average cost of gas 1 (WACOG1) – The City’s base monthly calculation of the average incremental cost of gas supply. This price includes gas purchased at current market prices and gas supplies purchased in association with the City’s hedging policy. Other charges included in the average incremental cost of gas are, but are not limited to, intra-month purchases, any applicable basis, Transco Zone 5 premiums, transportation and fuel charges, and sellbacks for balancing purposes.

Weighted average cost of gas 2 (WACOG2) – The City’s alternate monthly calculation of the average incremental cost of gas supply. This price includes gas purchased at market prices and excludes any gas supply pricing related to the City’s hedging policy. Other charges included in the average incremental cost of gas are, but are not limited to, intra-month purchases, any applicable basis, Transco Zone 5 premiums, transportation and fuel charges, and sellbacks for balancing purposes.

Williams Transco Federal Gas Regulatory Commission (FERC) Gas Tariffs – Transco consists of over 9,700 miles of pipeline transporting natural gas presently owned by the Williams Gas Pipeline Company, LLC and regulated by the FERC. The Gas Tariffs may be viewed through the FERC website.

Service.

1. A meter of suitable capacity and design shall be furnished and installed on Customer’s premises by the City and shall be and remain the property of the City. Customer shall provide suitable space for the City’s meter and shall protect it from damage. The City’s representatives are hereby authorized to enter said premises at all reasonable hours for the purpose of inspecting customer’s lines and appliances for using natural gas and for reading, inspecting, repairing, or removing its meter and other property. The City will inspect such meters from time to time. Upon written request of the customer, the City will inspect such meters at any reasonable time, if such meters are found to register correctly, the cost of such inspection may be charged to the customer. Please refer to the Customer Service Policy and Schedule of Fees and Charges (Appendix A) for applicable fees. Meters shall be deemed to register correctly if the error is less than two percent (2%).
2. The point of delivery of such service shall be the outlet side of the meter. Upon completion of any and all necessary inspections and issuance of corresponding permits, the City shall not be liable to the customer or any of their agents, assigns, servants, or employees, or to

any person whomsoever, for any loss, damage, or injury to person or property resulting from said gas or its use after it leaves said point of delivery, all risk thereof and therefrom being assumed by the customer, except when caused by the exclusive negligence or willful acts of the employees of the City.

3. Customer agrees that all appliances, equipment, and piping beyond the point of delivery will be installed according to applicable codes and maintained in a safe condition. A violation of this provision shall be grounds for the City to immediately discontinue service until the condition is corrected and inspected.

Customers who are purchasing gas under two or more rate schedules at the same location, through two or more meters, shall not connect piping between the meters or otherwise attempt to misrepresent the quantities of gas purchased that qualify under the City's rate classifications.

4. If service is disconnected for non-payment, Customer shall pay the full amount of the delinquent account plus the applicable non-payment reconnection fee before the City will reconnect service.

If this is a new service, there may be additional charges for extension of service. Please refer to the City of Shelby Customer Service Policy Manual for additional information regarding the City's policies and regulations for starting, disconnecting, or discontinuation of service.

5. Utility charges shall begin when the utility meter is installed. Bills for service hereunder shall be rendered and paid monthly. As defined above, a "month" shall mean the period between any two regular consecutive readings of the meters measuring the quantity of gas used.
6. In the event of a force majeure, neither party will be liable for the nonperformance of any of its obligations except Customer's obligation to pay for service. At no point shall an exception be made as to any obligations if the claiming party caused or contributed to the cause of the force majeure being claimed due to its own negligence or willful misconduct.

If a force majeure causes the inability of either party to meet an obligation under this agreement, the nonperforming party must promptly notify the other in writing and provide an estimate as to the nature of delay and expected resumption of performance. The nonperforming party must take all reasonable actions to minimize damages and resume performance. Financial inability to perform alone shall not relieve a party of its obligation to perform. Refusal of a party to accede to demands of labor shall not deny that party the benefits of this provision.

7. The Customer agrees that the the City reserves the right to discontinue furnishing utility services to a customer, at any time without notice, upon the failure of the customer to pay bills for utility service, deposits, or to increase deposit amounts as required.
8. Customer further agrees that the City retains the right without notice to discontinue service upon the occurrence of any one or more of the following events:
 - a. Whenever the City has reasonable cause to believe that the customer is receiving utilities without paying for them, or that the City's meters, lines, or other apparatus have in any manner been tampered with.
 - b. Whenever, in the City's opinion, the condition of the customer's lines, equipment, and/or appliances are unsuitable for receiving services, or pose potential safety or health hazards to the City property, City personnel, the customer, or to the public.
 - c. Whenever the City determines that the customer's use of utilities or equipment interferes with or may be detrimental to the City's utilities systems or to the supply of utilities by the City to any other customer, including the violation of any City ordinances regarding the use of any utilities.
 - d. Whenever the customer had denied an authorized City representative access to the City's meters, lines, or other apparatus installed on the customer's premises.
 - e. Whenever it is necessary to prevent fraud upon the City.
9. The City and the Customer shall mutually agree on the appropriate pressure at which gas shall be delivered but in no event shall the City be required to furnish gas to the customer at a pressure exceeding five (5) pounds per square inch gauge.
10. All rate schedules are subject to change upon action of the City Council.

FIRM RATE CUSTOMERS USING OVER 500 DEKATHERMS (DT)/DAY AVERAGE-ELECTION TO OPT-OUT OF CITY GAS SUPPLY HEDGED PURCHASES.

All Customer's Total Commodity Rate is computed from adding the Base Commodity Rate (for the applicable rate classification) to the average incremental cost of gas supply for the current period. *See* Definition, WACOG1.

Firm rate customers using over a 500 DT/day average may elect to have the average incremental cost of gas supply for their billing calculated to exclude any City hedged gas supply purchases. The average incremental cost of gas supply for this election will be WACOG2, as defined above. A customer must elect the option to opt-out of the City's hedging gas supply purchases by executing the "Natural Gas Opt-Out Form." The City must approve the timing of any election to opt-out or to opt-in to the WACOG1 average incremental cost of gas supply. Intentions must be made by March 31 of each calendar year to be eligible for the upcoming winter hedges.

CUSTOMER DIRECTED HEDGING POLICY

Firm sales customers who use more than 1000 DT/day qualify to direct the City to hedge pricing on a portion of their estimated monthly gas supply. Customers who elect to hedge portions of their gas supply costs may direct the City to purchase gas supply for future delivery months within the City's Customer Directed Hedging Policy. The Customer may hedge up to eighty percent (80%) of their anticipated monthly usage. Gas purchased on unhedged supply will utilize the average incremental cost of gas supply for customers who opt-out of the City's hedging program, WACOG2.

The Total Commodity Rate for customers who elect to hedge their gas supply will be computed by adding the Base Commodity Rate (for the applicable rate classification) to the weighted average of the directed hedged gas supply costs for the specific volumes hedged. The average incremental gas supply costs to be used to compute the billing for hedged volumes will include, but not limited to, the customer directed hedged costs, intra-month purchases, applicable basis, Transco 5 premiums, transportation and fuel charges, and sellbacks for balancing purposes.

Customers who elect to hedge their gas supply must execute the "Natural Gas Customer Directed Hedging Form" and enter into a contract with the City of Shelby related to the hedge volumes and pricing. Customers who elect to hedge their gas supply must utilize natural gas as their primary fuel and remain a sales customer in their current rate classification for the duration of any hedges. Intentions must be made by March 31 of each calendar year to be eligible for the upcoming winter hedges.

Guidelines for Customer Directed Hedging Policy

1. The minimum hedge amount is 15,000 DT month for any month hedging is desired.
2. Hedged volume can vary from month to month.
3. The minimum time period for hedges is a six-month period from the date of the approved initial agreement.
4. Maximum hedged volume should not exceed eighty percent (80%) of projected usage per month.
5. When Customer elects to hedge a portion of the gas supply, the City will provide an estimated price for the hedges. The City will execute the order after confirmation by the Customer. The Customer will receive the actual locked prices once the transaction is completed, which may differ from the estimated prices.
6. Customer may elect to make up to three hedged purchases per year
7. Customer may elect to make hedges for up to three (3) years from the date hedge is completed.
8. Customer will be provided the terms of the fixed price arrangements as well as the actual volumes and NYMEX prices and applicable basis on a confirmation notice.
9. A Customer is not eligible to become a Transportation Gas Service customer during any year that they have directed the City to make hedges on any portion of their gas supply.

10. Should the actual usage, over the period of this agreement, be ten percent over or under your projection, we reserve the right to recover any resulting additional costs the City may incur due to this overage or under-usage.

Natural Gas Customer Directed Hedging Form



City of Shelby Firm Customer Gas Supply Cost Election to Self-Direct Hedged Gas Supply Purchases

____Customer Name and Meter Number_____ hereby certifies that they meet the criteria included in the City of Shelby Natural Gas Terms and Conditions and elects to enter the City's Customer Directed Hedging Program. The Customer shall be eligible to self-direct hedged gas purchases as per the City's Customer Directed Hedging Policy. The Total Commodity Rate for customers who elect to hedge their gas supply will be computed by adding the Base Commodity Rate (for the applicable rate classification) to the weighted average of the directed hedged gas supply costs. The average incremental gas supply costs to be used to compute the billing for hedged volumes will include, but not be limited to, the Customer directed hedged costs, intra month purchases, any applicable basis, Transco Zone 5 premiums, transportation and fuel charges, and sellbacks for balancing purposes. The Customer hedged gas supply costs will be applied to the rate for the hedged volumes, and the rate for the non-hedged volumes will use the weighted average cost of gas WACOG2 for the average incremental cost of gas supply.

A customer is not eligible to become a Transportation Gas Service customer during any year that they have directed the City to make hedges on any portion of their gas supply.

The election start date must be approved by the City and continue indefinitely. If the Customer desires to reverse this election and have the City calculate their average incremental gas supply costs to include the City's gas supply hedges weighted average cost of gas *WACOG1, the Customer will inform the City in writing, and the City will determine the first available month that the Customer's reversal of this election becomes effective.

[Signatures to Follow]

Customer

City of Shelby

Customer Name

City Approved Effective Date

Company Official Name and Title

City Manager

Signature

Signature

Date

Date

*WACOG1 and WACOG2 are defined in the City of Shelby's Natural Gas General Terms and Conditions found in the Fee Schedule.

Natural Gas Hedging Opt-Out Form



**City of Shelby Firm Customer Gas Supply Cost
Election to Opt-Out of City Hedged Gas Supply Purchase**

____ Customer Name and Meter Number _____ hereby certifies that they meet the criteria included in the City of Shelby Natural Gas Terms and Conditions, and elects to have their average incremental gas supply costs computed excluding any hedged purchases associated with the City of Shelby hedging program. The Customer’s bill will be computed using weighted average cost of gas *WACOG2, vs weighted average cost of gas *WACOG1. The election start date must be approved by the City and continue indefinitely.

If the Customer desires to reverse this election and have the City calculate their average incremental gas supply costs to include the City’s gas supply hedges, the Customer will inform the City in writing, and the City will determine the first available month that the Customer’s reversal of this election becomes effective.

Customer

City of Shelby

Customer Name

City Approved Effective Date

Company Official Name and Title

City Manager

Signature

Signature

Date

Date

*WACOG1 and WACOG2 are defined in the City of Shelby’s Natural Gas General Terms and Conditions found in the Fee Schedule.



City of Shelby
Natural Gas Hedging Purchase Agreement

THIS AGREEMENT made and entered into this ____ day of _____, 20__, by and between the City of Shelby, North Carolina, a municipal corporation, hereinafter referred to as “City”, and _____ hereinafter referred to as “Customer.”

WHEREAS, City owns and operates a distribution system for the distribution and sale of natural gas and Customer agrees to purchase natural gas for Gas Meter No. _____ located at _____ (served on Schedule 46 of City’s current Natural Gas Rates).

- 1) City agrees to sell firm natural gas to Customer for the period of _____ through _____.
- 2) The cost of the natural gas hedged is shown below \$/Dekatherm (DT). This natural gas supply will be incorporated into the Total Commodity Rate along with the City’s other incremental natural gas costs and Base Commodity Rate. The Total Commodity Rate calculated will be applied to the hedged natural gas volumes. This contract is subject to City’s General Terms and Conditions and the Customer Directed Hedging Policy.
- 3) Based on Customer’s estimated DT volumes for the period mentioned above, City will make a physical hedge to lock in the price of natural gas for this agreement. Should the actual usage, over the period of this agreement be ten percent over or under Customer’s projection, City reserves the right to recover any resulting additional costs City might incur because of this overage or underage.

Month/Year	DT Volume	Location	Price

Total DT Volume			Total DT Volume

Customer, Gas Meter No.: _____

- 4) This Agreement is subject to Customer utilizing natural gas as its primary fuel source for said natural gas meter except during such times that City requests an operational related curtailment.
- 5) Customer and City respectively agree to purchase and sell natural gas supplies pursuant to the terms of this Agreement, which shall mean that, unless excused by an event of force majeure or operational curtailment, Customer must purchase, and City must sell, all natural gas needed as priced above.
- 6) Title to and risk of loss of all natural gas tendered for delivery shall pass to Customer upon receipt at the natural gas meter. City warrants that it holds title to the natural gas or has the right to sell the natural gas and that the natural gas is free from liens and adverse claims of any kind.
- 7) A force majeure event shall mean any act of God; war or other acts of civil or military authority; riot; civil strife; act of terrorism, domestic or foreign; embargo; epidemic(s); governmental rule, regulation or decree; earthquake, flood, fire, hurricane, tornado, or other casualty; freezing of wells or lines of pipe; or the unavailability of labor or materials to the extent beyond the control of the affected party. In the event of a force majeure, neither party will be liable for the nonperformance of any of its obligations except Customer’s obligation to pay for service or if the claiming party caused or contributed to the cause of the force majeure being claimed due to its own negligence or willful misconduct. If a force majeure causes the inability of either party to meet an obligation under this agreement, the nonperforming party must promptly notify the other in writing and provide an estimate as to the nature of delay and expected resumption of performance. The nonperforming party must take all reasonable actions to minimize damages and resume performance. Financial inability to perform alone shall not relieve a party of its obligation to perform. Refusal of a party to accede to demands of labor shall not deny that party the benefits of this provision.

No assignment of this Agreement, in whole or in part, will be made without the prior written consent of the non-assigning party, which consent will not be unreasonably withheld or delayed.

CUSTOMER

By: _____

Name: _____

Title: _____

Date: _____

CITY

By: _____

Name: _____

Title: _____

Date: _____



Schedule 46

Effective ~~July 1, 2018~~ **May 1, 2024**

Replaces schedule effective ~~7/1/2014~~ **7/1/2018**

LARGE INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

Gas service under this rate schedule is available to eligible large industrial consumers, whose use of gas is principally for process purposes, and where space heating is incidental only. This service is offered only to customers whose average daily gas usage is reasonably anticipated to equal or exceed ~~1000~~ **500** dekatherms per day. Existing customer's consumption must be equal to or greater than ~~365,000~~ **182,500** dekatherms per year to qualify for this rate.

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

CHARACTER OF SERVICE

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

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

MEASUREMENT, BILLING AND PAYMENT

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

Schedule 46
Large Industrial Firm Gas Service
Effective ~~July 1, 2018~~ May 1, 2024
Replaces schedule effective ~~7/1/2014~~ 7/1/2018

RATE

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

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

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

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

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

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

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

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

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

Schedule 46
Large Industrial Firm Gas Service
Effective ~~July 1, 2018~~ May 1, 2024
Replaces schedule effective ~~7/1/2014~~ 7/1/2018

NOTIFICATION OF MONTHLY AND DAILY USE

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

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

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

LATE PAYMENT CHARGE

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

ORDINANCE NO. 24 – 2024

AN ORDINANCE AMENDING THE CITY OF SHELBY'S SCHEDULE OF FEES

WHEREAS, the City of Shelby has adopted a Fee Schedule for the purpose of establishing uniform fees for services charged to its citizens; and,

WHEREAS, the City of Shelby has established Natural Gas Utility Rates; and,

WHEREAS, the City of Shelby now desires to revise its Fee Schedule, specifically the Natural Gas Utility Rate scheduled contained within.

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

Section 1. The City of Shelby Fee Schedule is amended to revise current Natural Gas Utility Rate Schedules as set forth in the attached City of Shelby Fee Schedule for Fiscal Year 2024 and accompanying documents, which may, from time to time, be modified by City Council.

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

Adopted and Approved this the 18th day of March, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Breanna Jones
Deputy 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. 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