

Shelby City Council Agenda  
Regular Meeting  
April 15, 2024 at 6:00 p.m.

Don Gibson Theater  
318 South Washington Street  
Shelby, North Carolina

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

*Invocation*

*Pledge of Allegiance*

**A. Approval of Agenda**

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

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

**B. Special Presentation:**

- 1) Drinking Water Quality, PFAS Update – Brian Wilson, Water Resources Director

1

**C. Public Comment:**

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

2

**D. Public Hearings:**

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 26465 and 26466 (Sulphur Springs Rd): Ordinance No. 31-2024
- 2) Consideration of a proposed resolution authorizing purchase of the Hotel Charles pursuant to North Carolina General Statute § 158-7.1.: Resolution No. 26-2024

3-46

47-50

- 3) Consideration of a proposed resolution authorizing purchase of Webbley pursuant to North Carolina General Statute § 158-7.1.: Resolution No. 27-2024 51-54

**E. 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 April 1, 2024 55-60
- 2) Approval of a resolution adopting the City of Shelby's Capital Asset Policy: Resolution No. 28-2024 61-75
- 3) Approval of a resolution for the award of the contract for the City of Shelby Eaves Road Water Main Extension Project: Resolution No. 29-2024 76-87
- 4) Approval of a resolution approving conveyance of property (Habitat property): Resolution No. 30-2024 88-104
- 5) Approval of Special Event applications: 105-118
  - a) First Friday at Greenbrook Design, requested date: May 3, 2024
  - b) Shelby Pride Festival, requested date: October 12, 2024

**F. Unfinished Business:**

- 1) Adoption of an ordinance to amend the City of Shelby Code of Ordinance to create the Carolina Harmony Trail Rules of Conduct: Ordinance No. 32-2024 119-125
- 2) Adoption of an ordinance to amend the City of Shelby Code of Ordinance to create the Uptown Shelby Social District: Ordinance No. 33-2024 126-142

- 3) Natural Gas Installation Policy: 143-203
- a) Adoption of an ordinance amending the City of Shelby’s Schedule of Fees: Ordinance No. 34-2024
  - b) Approval of a resolution to adopt the proposed City of Shelby Natural Gas Line Installation Policy and the proposed City of Shelby New Development Natural Gas Service Agreement: Resolution No. 31-2024

G. New Business:

- 1) Stormwater Infrastructure Assistance Program: 204-247
- a) Adoption of FY 2023-2024 Budget Ordinance Amendment: Ordinance No. 35-2024
  - b) Approval of a resolution awarding the contract for the City of Shelby Stormwater Infrastructure Assistance Program Project at 1020 E Dixon Blvd., 1102 E Dixon Blvd., and Grove Street in Shelby, North Carolina: Resolution No. 32-2024

H. City Manager’s Report 248

I. Council Announcements and Remarks 248

J. Adjournment: 248

*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. Special Presentations:

### Agenda Item B-1

- 1) Drinking Water Quality, PFAS Update – Brian Wilson, Water Resources Director

#### **Presenting: (Brian Wilson, Director of Water Resources)**

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- Presentation

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#### City Manager's Recommendation / Comments

This time is scheduled on City Council agenda to allow for a special presentation by Water Resources Director, Brian Wilson. As you all may be aware water quality has been in the news the last month or so. Specifically, you may have heard acronyms like PFAS or terms like “forever” chemicals in the context of public water systems and EPA drinking water standards. Any time a high-profile public service is mentioned so prominently by both the local and national media I get questions from citizens/customers about what it means for the City of Shelby. This presentation is intended to educate City Council about this important issue so that you can be prepared to address questions and concerns you may get from your constituents. This is merely a beginning point and management and staff will keep you informed on what it may mean environmentally and fiscally for our ratepayers.

I have included a few links below to news articles from a variety of sources and viewpoints that address this topic.

[EPA rule limits PFAS chemicals in drinking water : Shots - Health News : NPR](#)

[New rules aim to make drinking water safer in North Carolina by removing toxic chemicals \(wral.com\)](#)

[300 water systems in NC, including mobile home parks, exceed new PFAS standards • NC Newsline](#)

[First-ever PFAS 'forever chemical' limits on drinking water enacted by EPA | Fox News](#)

**This is informational only and no action is required of City Council at this time.**



**C. Public Comment:**

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

*Members of the public are asked to sign up prior to the meeting indicating their name and street address for the record. Members of the public are asked to print your name and address so that the Mayor may appropriately recognize you.*

***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.***

## D. Public Hearings:

### Agenda Item: D-1

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 26465 and 26466 (Sulphur Springs Rd):  
Ordinance No. 31-2024

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

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#### Summary of Available Information:

- Memorandum dated April 10, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
- Area Map, Surrounding Zoning Map, Future Land Use Map
- General Application
- Staff Report
- Certified Recommendation
- Mailed Letters to Adjacent Property Owners
- Certified Mailing List
- Notice of Public Hearing
- Ordinance No. 31-2024

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#### 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 recommendations from the Planning and Zoning Board are 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. 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 Rezoning. – 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. 31-2024**

MEMORANDUM

To: Mr. Rick Howell – City Manager  
From: Justin Longino – Assistant City Manager  
Date: April 10, 2024  
Subject: 1108 Sulphur Springs Road – Zoning Map Amendment

**Background**

The subject properties are located at 1108 Sulphur Springs Road (just off Earl Road) and consist of parcels 26466 and 26465. They are located within the ETJ, just south of the City limits. There is an existing single-family home on parcel 26466 and 26465 is currently undeveloped. Combined, the two parcels total approximately 1.05 acres.

This is a conventional rezoning request taking the properties from R20 to R10. To meet the dimensional requirements for R10, the developer will have to redraw the property lines, but there is sufficient room to accommodate this.

The Comprehensive Land Use Plan identifies this site as Mixed Use, which calls for higher intensity commercial uses as well as higher-density residential around intersections of major thoroughfares. A conventional R10 District would allow for higher residential density than R20, which is consistent with the Comprehensive Future Land Use Plan and consistent with surrounding neighborhoods along Sulphur Springs.

**Recommendation**

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

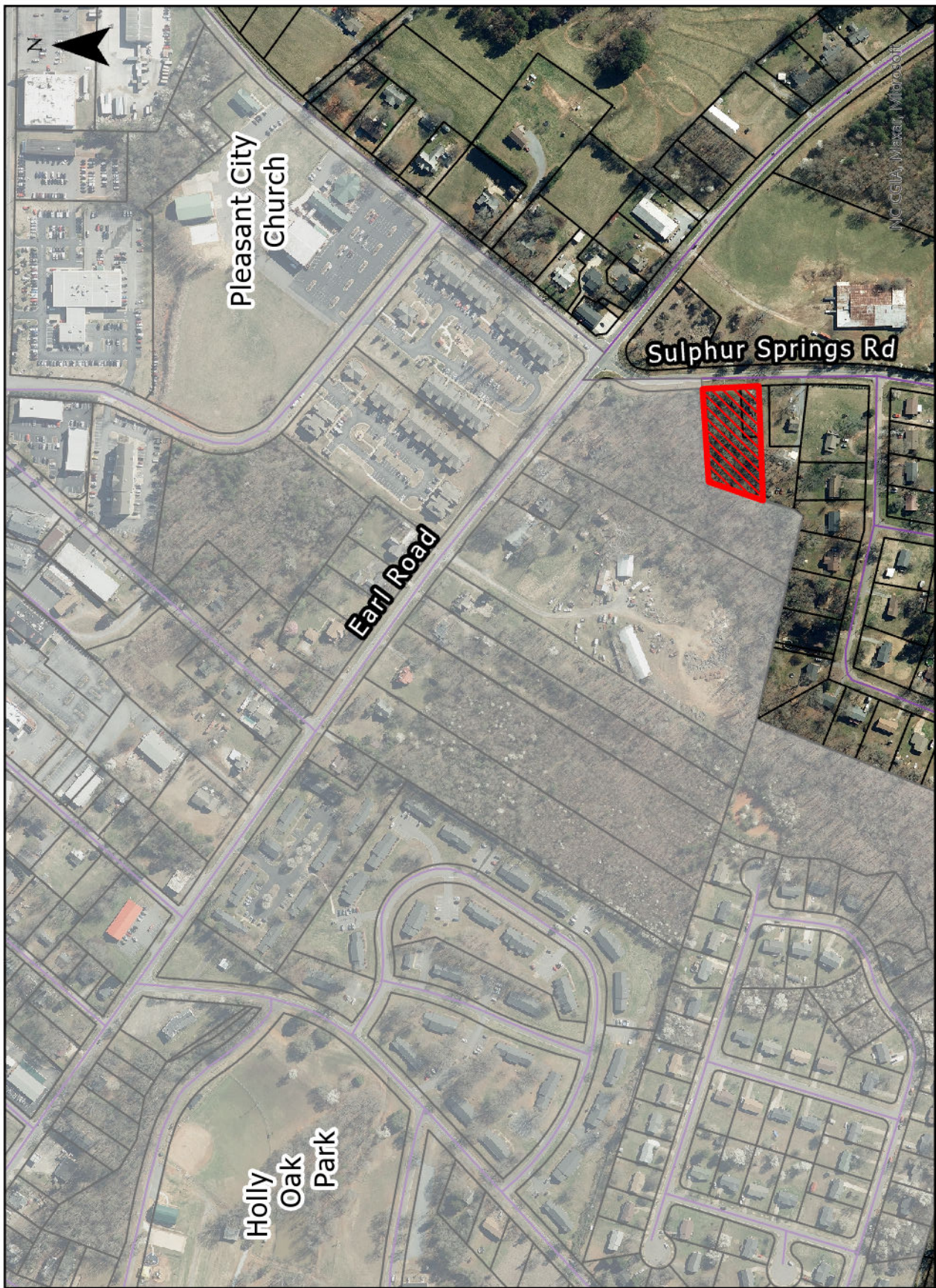
Staff and Planning Board recommend this proposed zoning map amendment.

**Attachments**

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



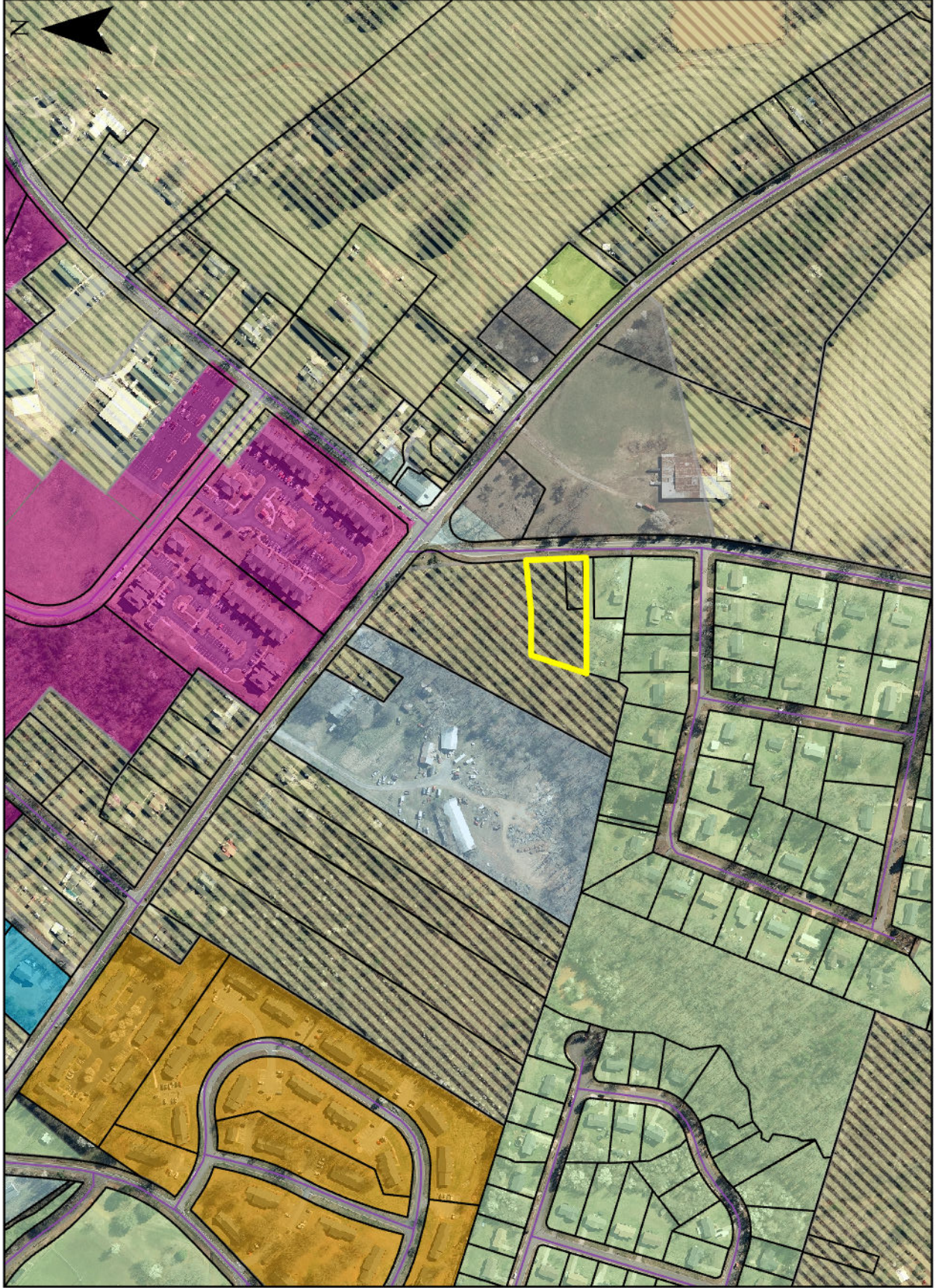
# Sulphur Springs Rd Area Map



City Limits

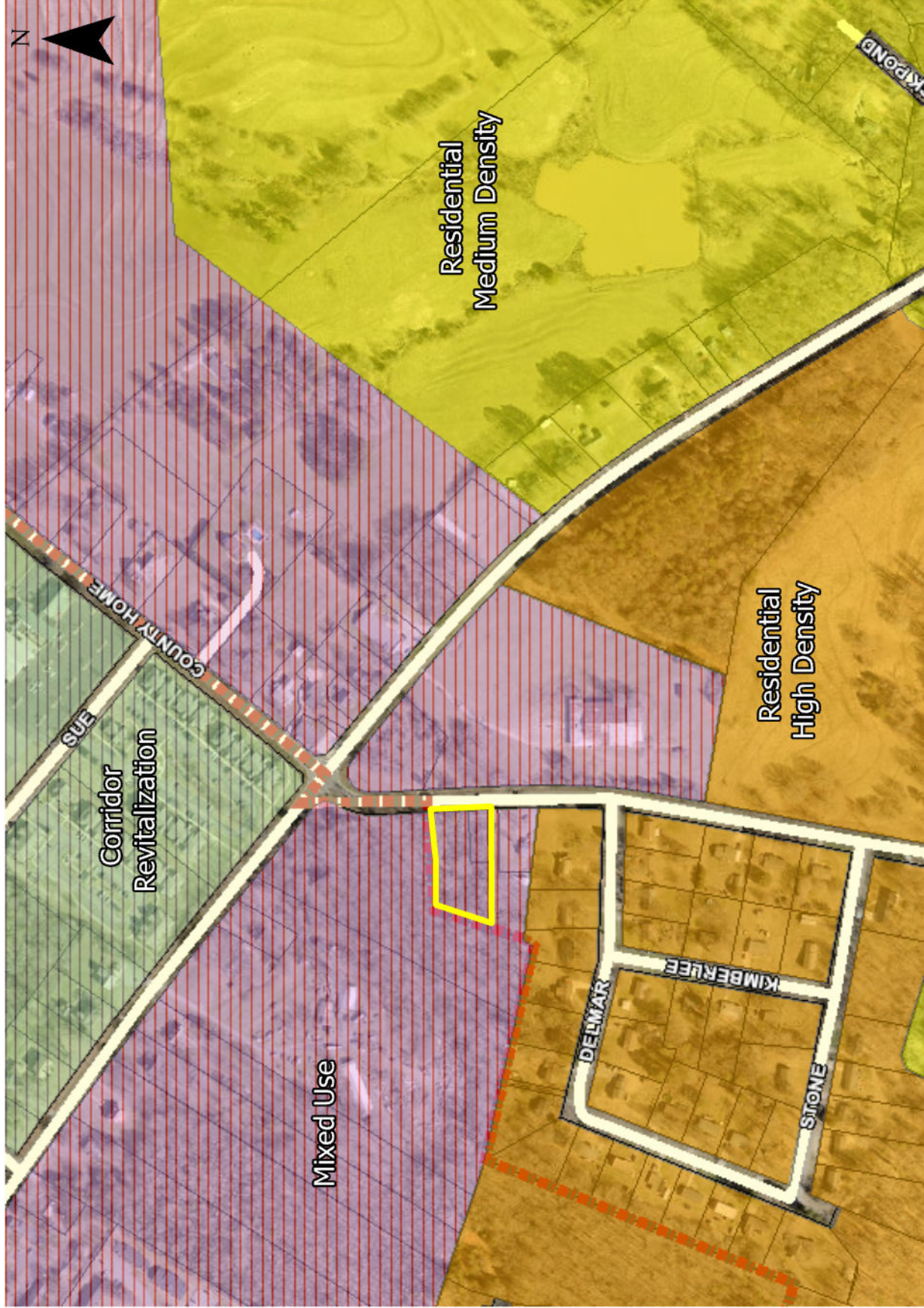


# Sulphur Springs Zoning Map





# Future Land Use Map





City of Shelby  
Planning and Development Services Department

General Application

Address of Subject Property: PARCEL #S 26465 AND 26466  
SULPHUR SPRINGS Rd SHELBY ETA

Applicant(s) Name: BVJ PROPERTIES, LLC  
Address: 8508 PARK Rd #133  
CHARLOTTE NC 28210  
Email: VBAUMRIND@gmail.com  
Phone: 704-643-6300

Owner(s) Name: BVJ PROPERTIES, LLC  
Email: VBAUMRIND@gmail.com  
Phone: 704-643-6300

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

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

Project Information (Fill in applicable information):

Parcel Number: \_\_\_\_\_  
Proposed Zoning: \_\_\_\_\_  
Proposed Land Use: \_\_\_\_\_  
Previous Use: \_\_\_\_\_  
Approx. Building Sq. Ft.: \_\_\_\_\_  
Approx. Project Acreage: \_\_\_\_\_  
Business Name: \_\_\_\_\_  
Construction Sq. Ft.: \_\_\_\_\_  
Valuation: \_\_\_\_\_

Provide a detailed description of the proposed project. Attach additional pages or documentation if necessary.  
Rezone from R20 To R10

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

[Signature]  
Signature of Applicant

2/5/2024  
Date

Received by: \_\_\_\_\_

Date \_\_\_\_\_



# Staff Report



To: Shelby Planning & Zoning Board  
 From: Brian Finnegan  
 Planner

Date: February 26, 2024  
 Meeting: March 21, 2024  
 File: #1199

**OWNER:** BVJ Properties, LLC

**APPLICANT:** Vernon Baumrind

**LOCATION:** 1108 Sulphur Springs Road

**PARCEL ID #s:** 26465 & 26466

**PRESENT ZONING:** R20

**REQUESTED ZONING:** R10

**SURROUNDING ZONING:**

**North:** R20    **South:** R10    **East:** GI    **West:** R20

**UTILITIES:**

**Water:** No    **Sewer:** No    **Floodplain:** No    **Watershed:** No

**ANALYSIS:** There are two properties identified in the petition: 1108 Sulphur Springs Road, Cleveland County parcel 26466 and Cleveland County parcel 26465. The proposed site is in the ETJ just south of the City Limits and the intersection of Sulphur Springs Road and Earl Road. There is a single-family house on parcel 26466, and parcel 26465 is currently undeveloped. Combined, the two parcels total approximately 1.05 acres.

The applicant is requesting to rezone the properties from R20 to R10. This application is for a conventional rezoning and all possible uses in the R10 district should be considered. Currently, parcel 26466 is a nonconforming lot of record and does not meet the minimum lot requirements of the current R20 zoning district. However, if rezoned, there is enough road frontage and acreage to allow the two properties to allow the interior property boundary to be realigned creating two conforming lots following the minimum standards of R10. The differences in minimum lot standards between districts are:

District Lot Dimensions Comparison		
Dimensions	R20	R10
Lot Area (acres)	0.46	0.23
Front Setback	40ft	25ft
Side Setback	15ft	10ft
Rear Setback	25ft	15ft
Minimum Lot Width	90ft	70ft

The R20 residential district is primarily intended to accommodate very low density single-family detached dwellings, modular homes, two-family dwellings, and manufactured homes on individual lots in areas that generally do not have access to public water supplies and are dependent upon septic tanks for sewage disposal. The maximum density within the R20 district is approximately two dwelling units per gross acre for single-family and two-family dwellings. Manufactured home parks are permitted within the R20 district by special use permit. Nonresidential uses permitted within this district include customary accessory, recreational, educational, and institutional land uses that are compatible with the low-density residential character of the R20 district.

The R10 residential district is primarily intended for medium density residential neighborhoods. R10 allows for a density of approximately four units per acre. Other uses in R10 also include educational institutions and recreational uses. Rezoning to R10 would remove the possibility of a future manufactured home or park at this location.

This site is identified as Mixed Use on the City of Shelby Future Land Use Map. Although R10 is a residential district with limited commercial use, a higher density of residential development is permitted compared to what is allowed by right in R20. The 2009 Comprehensive Land Use Plan identifies Mixed Use as:

#### Mixed Use

A Mixed Use Center is intended to concentrate a mix of higher-intensity commercial uses and higher-density residential around intersections of major thoroughfares. A Mixed Use Center benefits both residential and commercial uses. The co-location of more intense uses creates opportunities for a sense of place not possible in a more sprawling pattern of commercial uses along an arterial. The size of a Mixed Use Center could vary, but should remain within a half-mile radius of its center, or approximately a 10-minute walk. The commercial core of a Mixed Use Center would include retail, office, entertainment, and public facilities (such as post offices and churches). The retail component would typically be a neighborhood center and include a supermarket, a drugstore, and convenience retail. Residential uses can be higher densities than the surrounding residential uses. Some existing Shelby neighborhood centers, such as the hospital area and Cleveland Mall area have the potential to become the core of Mixed Use Centers. There is not a zoning classification in the Shelby or Cleveland County ordinances specifically for a Mixed Use Center; however, a zoning classification that could fit within a Mixed Use Center could be Residential-Office (RO) in the Shelby ordinance.

**STAFF COMMENTS:** The Comprehensive Land Use Plan identifies this site as Mixed Use, which calls for higher intensity commercial uses as well as higher-density residential around intersections of major thoroughfares. A conventional R10 District would allow for higher residential density than R20, which is consistent with the Comprehensive Future Land Use Plan and consistent with surrounding neighborhoods along Sulphur Springs. As a result, staff recommends this proposed zoning map amendment.

# Certified Recommendation

## City of Shelby Planning & Zoning Board



**Case File:** # 1199

**Amendment:** A Zoning Map Amendment for property located at 1108 Sulphur Springs Road (having Cleveland County parcel numbers 26465 and 26466) from Residential R20 to Residential R10.

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**Recommendation:** The Planning and Zoning Board recommends approval of the proposed Zoning Map Amendment for property located at 1108 Sulphur Springs Road (having Cleveland County parcel numbers 26465 and 26466) from Residential R20 to Residential R10.

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**Findings &**

**Reasons:**

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

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**Motion:** Mr. Royster made the motion to recommend approval of the proposed zoning designation of Residential R20 on the basis that the proposal is consistent with surrounding zoning and uses.

**Second:** Mr. Hamrick

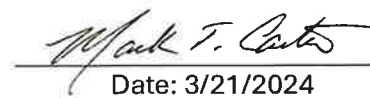
**Action:** This motion passed unanimously.

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**Signatures:** Brian Finnegan  
Planner

  
Date: 3/21/2024

Mark Carter  
Planning and Zoning Board Chair

  
Date: 3/21/2024



March 25, 2024

«AddressBlock»

RE: Parcels 26466 & 26465 – 1108 Sulphur Springs Rd – Proposed Zoning Map Amendment

«GreetingLine»

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on April 15, 2024, at 6:00 p.m. at 318 South Washington Street in the Don Gibson Theatre to consider a proposed zoning map amendment from R20 Residential to R10 Residential Zoning District for property located at 1108 Sulphur Springs Rd, Cleveland County Parcel Numbers 26466 and 26465.

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

If you have any questions or require additional information, please contact me at [brian.finnegan@cityofshelby.com](mailto:brian.finnegan@cityofshelby.com) or 704-484-6829.

Sincerely,

Brian Finnegan

Planner

Enclosures

POTTER AMBER  
128 DELMAR RD  
SHELBY NC 28152

DELLINGER WILLIAM K  
WENDY C  
1737 N POST RD  
SHELBY NC 28150-9296

DUNCAN JIMMY  
DUNCAN BRITTANY  
124 DELMAR RD  
SHELBY NC 28152

BURGER PAUL  
ABURGER PAULA J  
120 DELMAR RD  
SHELBY NC 28152

REYNOLDS MARTHA  
BLIFE ESTATE  
118 DELMAR RD  
SHELBY NC 28152

EBNER SUSAN D  
343 OLDE JACKSON TER  
JEFFERSON GA 30549

SZOKE SOPHIA ALEXANDRA  
ZSIGMOND  
131 CRESTVIEW AVE  
CANADA - -

JONES PLUMBING INC  
112 DELMAR RD  
SHELBY NC 28152

PUTNAM TRACIE CONNER  
8612 GLADE CT  
HUNTERVILLE NC 28078-5134

SHEPPARD CHARLES  
ESHEPPARD  
JOAN  
110 DELMAR RD  
SHELBY NC 28152

BRUNINK KARL HEINZ  
BRUNINK KAY  
108 DELMAR RD  
SHELBY NC 28152

WILSON BERNICE SUE  
C/O BERNICE DACONS  
KINGS MOUNTAIN NC 28086

JAMES KENNETH ALLEN  
JAMES  
ASHLEY NICOLE W  
102 DELMAR RD  
SHELBY NC 28152

PATTERSON DANNIELLE  
A.PATTERSON AARON DEAN  
109 DELMAR RD  
SHELBY NC 28152

MCMURRY SHIRLEY B  
111 DELMAR RD  
SHELBY NC 28152

ANDERSON JOEL  
TANDERSON BETH  
113 DELMAR RD  
SHELBY NC 28152

LANKFORD CAROLYN J  
123 DELMAR RD  
SHELBY NC 28150

DAVIS LYNDA S  
125 DELMAR RD  
SHELBY NC 28152

PEELER JESSE  
127 DELMAR RD  
SHELBY NC 28152

HAYNES ELVIS  
LHAYNES JASMINE  
TACOLA  
304 KIMBERLEE DR  
SHELBY NC 28152-7326

BEAVER EMILY LOUISE  
SELLERS  
JERRY LEE JR  
300 KIMBERLEE DR  
SHELBY NC 28152

TESSNEER ROBIN S  
107 DELMAR RD  
SHELBY NC 28150

ALLEN TERRY  
ALLEN LAURIE D  
18951 PENINSULA POIN  
CORNELIUS NC 28031-7599

PARKER RUFUS DOUGLAS  
PARKER  
RUTH J  
247 ROSEBOROUGH RD  
GROVER NC 28073-9684

ROBERTSON BRANDON M  
101 DELMAR RD  
SHELBY NC 28150

CABANISS KIMBERLY T  
1206 SULPHUR SPRINGS  
SHELBY NC 28152

PETTY PAMELA R  
1208 SULPHUR SPRINGS  
SHELBY NC 28152

BLACKBURN RONALD W  
1210 SULPHUR SPRINGS  
SHELBY NC 28152

HOYLE TIMOTHY DALE  
CLARK RITA E  
224 EAGLE COVE DR  
CHERRYVILLE NC 28021

PEARSON THOMAS LEEMORROW  
KALYN ALYSSA  
301 KIMBERLEE DR  
SHELBY NC 28152

BLY THOMAS K LIFE ESTATE  
109 STONE ST  
SHELBY NC 28152

SHERIFF TIMOTHY MARKSHERIFF  
ROBIN KENTER  
101 STONE ST  
SHELBY NC 28152

SHERIFF TIMOTHY MARKSHERIFF  
ROBIN KENTER  
101 STONE ST  
SHELBY NC 28152

KISER KYLE STEVENGUERRERO IVAN  
ISRAEL  
200 DELMAR RD  
SHELBY NC 28152

TEDESCO JOHN ATEDESCO LORI E  
523 DAVIS RD  
SHELBY NC 28152-0720

KISER KYLE S. KISER IVAN G.  
200 DELMAR RD  
SHELBY NC 28152

MORROW FRANCES LIFE ESTATE  
115 STONE STREET  
SHELBY NC 28150

CORRY ROSE B  
111 STONE ST  
SHELBY NC 28150

STRAIN SAMUEL B JRSTRAIN MARTHA  
J LIFE ESTATE  
926 E MARION ST  
EARL NC 28038-0154

JENKINS ALLISON B. JENKINS  
WESLEY K.  
104 DELMAR RD  
SHELBY NC 28152

BRINTLEY JERRYBRINTLEY VERL  
113 STONE ST  
SHELBY NC 28152

PHILBECK MICHAEL DPHILBECK  
PATRICIA  
1805 ARBOR-WAY DR  
SHELBY NC 28150

TERRY JOSEPH BRIAN  
303 KIMBERLEE DR  
SHELBY NC 28152-7327

SCRUGGS TYLER DSCRUGGS ERIKA  
D  
129 DELMAR RD  
SHELBY NC 28152

WRIGHT CALVIN EUGENE WRIGHTY  
KAY ROBERTS  
122 DELMAR RD  
SHELBY NC 28152-7302

GORDON DATUS CGORDON JANE A  
3431 RBT CORNWELL RD  
LAWNDALE NC 28090

ROYSTER H R HEIRSROYSTER DAVID  
W III ETALS  
C/O ROYSTER RENTALS  
SHELBY NC 28151

ALLEN DAVID WAYNE  
PO BOX 1588  
SHELBY NC 28151-1588

BVJ PROPERTIES LLC  
8508 PARK RD #133  
CHARLOTTE NC 28210

CHAMPION MILES EUGENE  
706 SKINNER RD  
SHELBY NC 28152

CHAMPION MILES EUGENE  
706 SKINNER RD  
SHELBY NC 28152

I certify that the letter to adjacent  
property owners was mailed to the  
above reference addresses on March  
25, 2024.



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

The City Council of Shelby, North Carolina will conduct a public hearing during its regular meeting at 6:00 p.m., Monday, April 15, 2024 in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina to consider a proposed zoning map amendment from R20 Residential Zoning to R10 Residential Zoning for two properties located at 1108 Sulphur Springs Rd, Cleveland County Parcels 26466 and 26465.

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

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

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

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Carol Williams  
City Clerk

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**The Shelby Star:**

**Please publish this notice as a legal line ad on Monday, April 1, 2024 and the same ad again on Monday, April 8, 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.

<b>Table 9-3-1 Table of Permitted Uses</b>														
	Ref.	Zoning Districts												
<b>Use Type</b>	<b>SIC</b>	<b>R20</b>	<b>R10</b>	<b>R8</b>	<b>R6</b>	<b>RR</b>	<b>RO</b>	<b>NB</b>	<b>CB</b>	<b>GB</b>	<b>GB2</b>	<b>CPD</b>	<b>LI</b>	<b>GI</b>
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



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. 31-2024**

**A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF  
THE CITY OF SHELBY, NORTH CAROLINA FOR  
PARCELS 26465 and 26466**

**WHEREAS**, the City of Shelby has received an application requesting the rezoning of property on Sulphur Springs Road (Parcels 26465 and 26466) 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 April 15th 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 parcels on Sulphur Springs Road (Parcels 26465 and 26466) are hereby amended from R20 to R10.

**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 April 15<sup>th</sup>, 2024 upon its adoption and approval.

**ADOPTED AND APPROVED** this the 15th day of April 2024.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

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Jason Lunsford  
City Attorney

Agenda Item: D-2

- 2) Consideration of a proposed resolution authorizing purchase of the Hotel Charles pursuant to North Carolina General Statute § 158-7.1.: Resolution No. 26-2024

**Presenting: (Jason Lunsford, City Attorney)**

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Summary of Available Information:

- Memorandum dated April 2, 2024, from Jason Lunsford, City Attorney to Rick Howell, City Manager
  - Notice of Public Hearing
  - Resolution No. 26-2024
  - NC General Statute 158.7.1
- 

City Manager's Recommendation / Comments

This time is scheduled on City Council agenda to conduct a public hearing on the City's intent to purchase the Hotel Charles property. NC General Statute 158.7.1 requires that City Council hold a public hearing any time there is an appropriation or expenditure for economic development purposes. It is and has been the City's intent to acquire the Charles Hotel property for the purchase price of \$850,000 from BankOZK with the stated desire to attract a developer who will invest in reestablishing an uptown boutique hotel. The City has previously secured grant funding from a program (Opportunity Appalachia) through the Appalachian Regional Commission to assist with this effort. City Council has previously appropriated the funding for this purpose. Following the public hearing the City will be asked to adopt Resolution No. 26-2024 which then allows the City to proceed to closing on the purchase of this property, which is now tentatively scheduled for Thursday, April 23rd.

As you all know the City has received 3 proposals from developers interested in the project. Staff from the City and the Development Finance Initiative from the UNC Chapel Hill School of Government are currently evaluating those proposals as well as seeking clarification from the developers. An update on the RFP process will be provided to City Council in the 30-60 days.

**It is my recommendation that Resolution No. 26-2024 be adopted and approved by City Council following the closing of the public hearing.**

To: Rick Howell

From: Jason Lunsford, City Attorney

Date: April 2, 2024

RE: Purchase of the Hotel Charles

**INTRODUCTION:**

The City of Shelby seeks to purchase the Hotel Charles for the purpose of future economic development and has entered into a contract for the purchase and future development of this historic property. The purchase and sale of real property by a city is governed by N.C. Gen. Stat. § 158-7.1. This statute authorizes municipalities to make appropriations for economic development purposes so long as City Council finds that the economic development will aid in the creation of jobs, increase the tax base, and help bring businesses to the city.

The property is located at 106 South Lafayette Street and is known as the Hotel Charles or also commonly known as the Blanton Building and listed as Tax Parcel 17090, Deed Book 1662 Page 827 within the Cleveland County Register of Deeds. The City is interested in purchasing approximately 9,000 square feet of first floor retail and office space, and approximately 18,100 square feet for lodging or like use along the second and third floors. The estimated cost for purchase of this interest is \$850,000.00, which the City plans to appropriate funding from the Electric Fund to effectuate the purchase.

A public hearing was noticed for April 15, 2024, and it is recommended that the City proceed with the purchase of the property pursuant to the authority of N.C. Gen. Stat. § 158-7.1.

**RECOMMENDATION:**

Following the public hearing on April 15, 2024, it is recommended that City Council approve a resolution entitled: RESOLUTION AUTHORIZING PURCHASE OF THE HOTEL CHARLES PURSUANT TO NORTH CAROLINA GENERAL STATUTES § 158-7.1.

## **NOTICE OF PUBLIC HEARING PURCHASE OF REAL PROPERTY**

Pursuant to N.C. Gen. Stat. § 158-7.1 alerting the public to the City of Shelby’s plans to purchase property located at 106 South Lafayette Street and is known as the Hotel Charles or also commonly known as the Blanton Building and listed as Tax Parcel 17090, Deed Book 1662 Page 827 within the Cleveland County Register of Deeds. The interest in which the City seeks includes approximately 9,000 square feet of first floor retail and office space, and approximately 18,100 square feet for lodging or like use along the second and third floors. A map of the property is available at the City of Shelby Planning & Development Services office, 315 S. Lafayette St, Shelby, NC. The estimated cost for purchase of this interest is \$850,000, which the City plans to appropriate funding from the Electric Fund to effectuate the purchase. The City has, with City Council’s approval, contracted with the Development Finance Initiative (DFI) with the School of Government (SOG) to solicit bids for the future redevelopment and improvements of this historic building, ultimately contributing to the City’s growth, jobs, housing, and attracting future business. City Council intends to approve the purchase given the above information. The City Council will hold a public hearing on the City’s proposed acquisition of this property at 6:00 P.M. on Monday, April 15, 2024, in the Don Gibson Theatre, 318 S. Washington Street, Shelby, NC. The City Council invites all interested persons to attend and present their views.

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**The Shelby Star:**

**Please publish this notice as a legal line ad on Friday, April 5, 2024.**

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



**RESOLUTION NO. 26-2024**

**AUTHORIZING PURCHASE OF THE HOTEL CHARLES  
PURSUANT TO NORTH CAROLINA GENERAL STATUTE § 158-7.1**

**WHEREAS**, pursuant to North Carolina General Statute § 158-7.1, the City of Shelby is authorized to purchase real property for economic development which will aid in the creation of jobs, increase the tax base, and help bring businesses to the City; and

**WHEREAS**, after hearing public comment, City Council finds that purchase of the property located at 106 South Lafayette Street and known as the Hotel Charles or also commonly known as the Blanton Building and listed as Tax Parcel 17090, Deed Book 1662 Page 827 within the Cleveland County Register of Deeds, will aid in the creation of jobs, increase the tax base, employment, and help bring businesses to the City; and

**WHEREAS**, the cost of the property is eight hundred fifty thousand dollars (\$850,000.00); and

**WHEREAS**, City Council adopted an amendment to the City’s budget ordinance appropriating the funds necessary to fund this project; and

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

**Section 1.** The City of Shelby is authorized pursuant to N.C. Gen. Stat. § 158-7.1 to expend approximately eight hundred fifty thousand dollars (\$850,000.00) of City funds to acquire the Hotel Charles.

**Section 2.** The Mayor of the City of Shelby, North Carolina is authorized to execute the documents necessary to acquire the land described above for economic development purposes.

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

Adopted and approved this the 15<sup>th</sup> day of April, 2024.

\_\_\_\_\_  
O. Stanhope Anthony, III  
Mayor

ATTEST:

\_\_\_\_\_  
Carol Williams  
City Clerk

Agenda Item: D-3

- 3) Consideration of a proposed resolution authorizing purchase of Webbley pursuant to North Carolina General Statute § 158-7.1.: Resolution No. 27-2024

**Presenting: (Jason Lunsford, City Attorney)**

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Summary of Available Information:

- Memorandum dated April 2, 2024, from Jason Lunsford, City Attorney to Rick Howell, City Manager
  - Notice of Public Hearing
  - Resolution No. 27-2024
  - NC General Statute 158.7.1
- 

City Manager's Recommendation / Comments

This time is scheduled on City Council agenda to conduct a public hearing on the City's intent to purchase the Webbley property. NC General Statute 158.7.1 requires that City Council hold a public hearing any time there is an appropriation or expenditure for economic development purposes. It is the City's intent to acquire the O. Max Gardner house and property located at 403 South Washington Street for the not to exceed purchase price of \$450,000 from Webbley Mansion, LLC, a North Carolina limited liability company with the stated desire to undertake an historic preservation of the home. The City has previously secured funding from a directed grant within the budget approved by the NC General Assembly in the amount of \$3,950,500. City Council has previously adopted a project budget ordinance appropriating the funding for this property acquisition and restoration. Following the public hearing the City will be asked to adopt Resolution No. 27-2024 which then allows the City to proceed to closing on the purchase of this property, which is now tentatively scheduled for Thursday, April 18<sup>th</sup>.

**It is my recommendation that Resolution No. 27-2024 be adopted and approved by City Council following the closing of the public hearing.**

To: Rick Howell

From: Jason Lunsford, City Attorney

Date: April 2, 2024

RE: Purchase of the Webbley

#### INTRODUCTION:

The City of Shelby seeks to purchase the Webbley for the purpose of future economic development and has entered into a contract for the purchase and future development of this historic property. The purchase and sale of real property by a city is governed by N.C. Gen. Stat. § 158-7.1. This statute authorizes municipalities to make appropriations for economic development purposes so long as City Council finds that the economic development will aid in the creation of jobs, increase the tax base, and help bring businesses to the city.

The property is located at 403 S. Washington Street, Shelby, NC 28150 commonly known as the “Webbley” and also identified as tax Parcel No. 17885 and recorded in book 1902 Page 506 in the Cleveland County Register of Deeds. The estimated cost for purchase of this interest is \$450,000.00, which the City will utilize the funds received from a directed grant of approximately \$3,900,000.00 from the State of North Carolina for the purchase and rehabilitation.

A public hearing was noticed for April 15, 2024, and it is recommended that the City proceed with the purchase of the property pursuant to the authority of N.C. Gen. Stat. § 158-7.1.

#### NEXT STEPS:

Following the public hearing on April 15, 2024, it is recommended that City Council approve a resolution entitle: Resolution Authorizing Purchase of the Charles Hotel Pursuant to North Carolina General Statutes 158-7.1.

## **NOTICE OF PUBLIC HEARING PURCHASE OF REAL PROPERTY**

Pursuant to N.C. Gen. Stat. § 158-7.1 alerting the public to the City of Shelby’s plans to purchase property located at 403 S. Washington Street, Shelby, NC 28150 commonly known as the “Webbley” and also identified as tax Parcel No. 17885 and recorded in book 1902 Page 506 in the Cleveland County Register of Deeds. A map of the property is available at the City of Shelby Planning & Development Services office, 315 S. Lafayette St, Shelby, NC. The property was the home of the late O. Max Gardner, the fifty-seventh (57) governor of North Carolina and Shelby native. The State of North Carolina has provided a directive grant of approximately \$3,900,000.00 to purchase and restore the home. The City will utilize this grant to purchase the Webbley at a cost of roughly \$450,000.00. The City will then work with the Development Finance Initiative (DFI) with the School of Government (SOG) to help plan and design future utilization options, any of which will increase the tax base, improve the present condition of the home, increase job opportunities, and preserve the historic structure for future generations to come. With these considerations in mind, the City Council intends to authorize the purchase of the Webbley. The City Council will hold a public hearing on the City’s proposed acquisition of this property at 6:00 P.M. on Monday, April 15, 2024, in the Don Gibson Theatre, 318 S. Washington Street, Shelby, NC. The City Council invites all interested persons to attend and present their views.

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**The Shelby Star:**

**Please publish this notice as a legal line ad on Friday, April 5, 2024.**

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

**RESOLUTION NO. 27-2024**

**AUTHORIZING PURCHASE OF THE WEBBLEY  
PURSUANT TO NORTH CAROLINA GENERAL STATUTES § 158-7.1**

**WHEREAS**, pursuant to North Carolina General Statutes § 158-7.1, the City of Shelby is authorized to purchase real property for economic development purposes economic development which will aid in the creation of jobs, increase the tax base, employment, and help bring businesses to the City; and

**WHEREAS**, after hearing public comment, City Council finds that purchase of the property located at 403 S. Washington Street, Shelby, NC 28150 commonly known as the “Webbley” and also identified as tax Parcel No. 17885 and recorded in book 1902 Page 506 in the Cleveland County Register of Deeds, will aid in the creation of jobs, increase the tax base, and help bring businesses to the City; and

**WHEREAS**, the cost of the property is four hundred and fifty thousand dollars (\$450,000.00); and

**WHEREAS**, the City of Shelby received a directed grant from the State of North Carolina for the purchase and restoration of this historic building in the amount of three million nine hundred ninety-five thousand five hundred dollars (\$3,995,500.00); and

**WHEREAS**, City Council adopted an amendment to the City’s budget ordinance appropriating the funds necessary to fund this project; and

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

**Section 1.** The City of Shelby is authorized pursuant to N.C. Gen. Stat. § 158-7.1 to expend approximately four hundred and fifty thousand dollars (\$450,000.00) of City funds to acquire the Webbley.

**Section 2.** The Mayor of the City of Shelby, North Carolina is authorized to execute the documents necessary to acquire the land described above for economic development purposes.

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

Adopted and approved this the 15<sup>th</sup> day of April, 2024.

\_\_\_\_\_  
O. Stanhope Anthony, III  
Mayor

ATTEST:

\_\_\_\_\_  
Carol Williams  
City Clerk

E. Consent Agenda:

Agenda Item: E-1

- 1) Approval of the Minutes of the Regular Meeting of April 1, 2024

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

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Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of April 1, 2024

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City Manager's Recommendation / Comments

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

## MINUTES

Regular Meeting of Shelby City Council  
Don Gibson Theatre

April 1, 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, 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 of Water Resources Brian Wilson, Economic Development Officer Brandon Ruppe, Public Information and Communications Officer Chip Nuhrah, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

**Absent:** Deputy City Clerk Breanna Jones

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

Ms. Arth 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) Chip Nuhrah, City of Shelby Public Information and Communications Officer, update on Panhandling Project

Mr. Nuhrah briefed Council on an initiative the City of Shelby has been working on regarding panhandling in our area. Mr. Nuhrah explained panhandling is not just a Shelby issue but is an issue nationwide. Mr. Nuhrah gave a definition of panhandling which is the practice of asking for money in public spaces.

Mr. Nuhrah stated the goal of the City of Shelby Panhandling Program is to educate the public on alternative ways to give that help people in need in our

community in a way that is responsible. Mr. Nuhrah then provided City Council with details of the Panhandling Project which consists of:

- Coordination with agencies in our area that citizens can donate money/time to that will provide aid to those in need, such as, The United Way, Cleveland County Health Department, and Cleveland County Rescue Mission.
- New printed and digital brochures have been created that will be distributed throughout the area to inform citizens of ways they can help.
- A dedicated page on the City of Shelby website with details of the program, [www.cityofshelby.com/panhandling](http://www.cityofshelby.com/panhandling).
- New signage at major intersections will explain the Panhandling Program with detailed information.

Mr. Nuhrah gave the locations of the new signs and stated the signs, and the brochures will be set up and available in the next few weeks.

#### C. Public Hearing:

- 1) Consideration of a proposed ordinance to extend the corporate limits of the City of Shelby, North Carolina: Ordinance No. 25-2024

Mr. Longino presented this item to Council by stating this hearing is only for annexation purposes. Mr. Caleb Peeler submitted a voluntary annexation petition for parcel number 5430 which consists of approximately 75 acres in the ETJ off of Eaves Road across from Webb Memorial Lawns. Mr. Longino stated the parcel is currently zoned as R6-CZ. Mr. Longino concluded by stating that city staff has reviewed the petition for annexation and determined that the city can service this property and staff recommends approval of this annexation.

Mayor Anthony opened the public hearing at 6:08 p.m.

Caleb Peeler, whose business address is 211 Patton Drive, Shelby, North Carolina stated since there wasn't any one to speak in opposition of the annexation, he would yield his time.

Mayor Anthony closed the public hearing at 6:09 p.m.

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to approve Ordinance No. 25-2024 entitled, "A PROPOSED ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF SHELBY, NORTH CAROLINA".



**D. Consent Agenda:**

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

- 1) Approval of the Minutes of the Regular Meeting of March 18, 2024**
- 2) City of Shelby FY 2023-2024 Budget Ordinance Amendment #7 (project Grizzly repayment): Ordinance No. 26-2024**
- 3) City of Shelby FY 2023-2024 Budget Ordinance Amendment #8: (Shell Bldg. #4 repayment): Ordinance No. 27-2024**
- 4) City of Shelby FY 2023-2024 Budget Ordinance Amendment #9: (Dept. budget adjustments): Ordinance No. 28-2024**
- 5) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Dog Park Project: Ordinance No. 29-2024**
- 6) Approval of a resolution authorizing an application for the US Department of Energy's Grid Resilience and Innovation Partnership (GRIP) Grant through ElectriCities of NC, Inc.: Resolution No. 24-2024**
- 7) City of Shelby Telecommunications Pipeline Installation Project:**
  - a) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Telecommunications Pipeline Installation Project: Ordinance No. 30-2024**
  - b) Approval of a resolution to approve the contract for the agreement for reimbursement of telecommunications pipeline installation: Resolution No. 25-2024**
- 8) Approval of a Special Event Application:**
  - a) Shelby Sprint 5K, requested date: May 11, 2024**
- 9) Management Reports:**
  - a) Monthly Financial Summary – February 2024**

**END OF CONSENT AGENDA**

**D. Unfinished Business:**

None

**E. New Business:**

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

**a) Airport Advisory Board**

Mayor Anthony reported the terms of three incumbents, Robert Farrow, Barry Beaver and Dicky Amaya concluded February 2024. All three incumbents wish to continue to serve.

There are two applications on file in the Clerk's office:

- Gustavo Martinez
- Matt Albinger

Mrs. Bullock nominated Mr. Farrow, Mr. Beaver and Mr. Amaya.

**ACTION TAKEN:** Upon a motion by Mrs. Bullock, City Council voted unanimously to close the nominations and appoint the nominees.

**F. City Manager's Report**

Mr. Howell asked Council if Monday, April 29<sup>th</sup> and Tuesday, April 30<sup>th</sup> would work for our Budget Workshops. By consensus, Council agreed to those dates. The workshops will be held at the Don Gibson Theatre, starting at noon with lunch provided.

Mr. Howell also reminded Council of the Town and State Dinner on Wednesday, April 3<sup>rd</sup> in Hickory. Those that are attending should meet at City Hall at 4:00 p.m. to ride together.

Mr. Howell acknowledged our newest hire, Brandon Ruppe. Mr. Ruppe will be our new Economic Developer with a variety of duties. Council welcomed Mr. Ruppe and look forward to working with him.

**G. Council Announcements and Remarks**

**Mr. White mentioned First Baptist Church has a new minister and invited all to attend if so inclined.**

**Ms. Arth apologized for missing our last City Council meeting; it was her daughter's 10<sup>th</sup> birthday.**

**H. Adjournment:**

**1) Motion to adjourn**

**ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 6:16 p.m.**

**Respectfully submitted,**

**Carol Williams  
City Clerk**

**O. Stanhope Anthony, III  
Mayor**

**Minutes of April 1, 2024**

Agenda Item: E-2

- 2) Approval of a resolution adopting the City of Shelby's Capital Asset Policy:  
Resolution No. 28-2024

**Consent Agenda Item: (Beth Beam, Director of Finance)**

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Summary of Available Information:

- Memorandum dated April 4, 2024, from Beth Beam, Director of Finance to Rick Howell, City Manager
- Capital Assets
- Capital Asset Transfer Form
- Capital Asset Disposal Form
- Capital Asset Register
- Resolution No. 28-2024

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City Manager's Recommendation / Comments

Resolution No. 28-2024 is presented for City Council consideration at this time via the Consent Agenda. If approved this resolution would approve the revised Capital Asset Policy proposed by the Finance Director. This policy sets forth new and amended guidelines to be used by management, department directors and staff with how capital assets will be handled in terms of asset life cycle. It covers matters such as acquisition, processing/record keeping, inventory control and disposition. This policy was last updated in 2009.

**It is my recommendation that Resolution No. 28-2024 be adopted and approved by City Council at this time via the Consent Agenda.**



To: Rick Howell, City Manager  
From: Beth B. Beam, Director of Finance  
Date: April 4, 2024  
Subject: Capital Asset Policy

Background:

The City of Shelby continually reviews its policies to ensure compliance with new/changing laws and mandates. We also review our policies to ensure that they protect the interest of the City and follow recommended best practices. The City's Capital Asset Policy was last revised on November 16, 2009.

Review and Comments:

The Capital Asset Policy has been revised. This document will be the source of the underlying principals used in the management of capital asset practices.

Recommendation:

The recommendation from staff is to approve the attached resolution to adopt the Capital Asset Policy.



## CAPITAL ASSETS

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### Purpose

It is the intent of this policy to provide Department Directors and those designated as asset custodians with a comprehensive reference of all aspects of the life cycle of an asset. This includes acquisition, processing/record keeping, inventory control, and disposition of a capital asset.

### Overview of Capital Assets

Capital assets are specific items of property that (1) are tangible in nature, (2) have an estimated life of more than one year, and (3) have a significant value. The significant value test is important because the City of Shelby has individual assets that are tangible and long-lived, but whose value is so small that the time and expense incurred in maintaining detailed account and inventory records for them are not justified. The threshold set by the City of Shelby (herein referred to as the City) is \$5,000 per individual item.

### Classifications/Valuation of Capital Assets

Capital assets owned by the City should be controlled and recorded in MUNIS. Finance will be responsible for creating and maintaining the registry database. Capital assets should be accounted for at cost or, if the cost is not practicably determinable, at estimated cost. Donated capital assets should be recorded at their estimated fair value when received. The cost of a capital asset includes purchase price or construction cost and ancillary charges necessary to acquire the asset or to place it in the intended location and condition for use. Ancillary charges include costs such as transportation charges, site preparation, professional fees, legal claims directly attributable to asset acquisition, and certain interest costs during construction. Accounting classifications and valuation of capital assets are:

**Land** – A capital asset entry in this account reflects the acquisition cost of land and the rights to the land owned by the City. It includes all land held in fee simple and all rights to the land that have no termination date. If purchased, valuation of land includes such costs as purchase price, legal fees, filing, excavation, and other costs related directly to acquisition and preparation for use. Right of way and easements are recorded at purchase cost plus legal costs. If land is acquired by gift, the valuation recorded should be the appraised value at the time of acquisition. All land and permanent rights to land (e.g., easements) should be recorded and capitalized without regard to any significant value.

**Buildings** – A capital asset entry that reflects the acquisition cost of permanent structures owned by the City used to house persons and property. Permanently installed fixtures to or within these structures are considered parts of the structure. The cost of major improvements to structures is included in this account. If purchased, the valuation of buildings includes such costs as purchase price, acquisition legal fees, and other professional fees (related to design or construction). If acquired by gift, the valuation recorded should be the appraised value at the time of acquisition. Preliminary design and engineering are not included in this valuation and are expensed as incurred. All buildings should be recorded at acquisition cost without regard to significant value. Additions to buildings of less than \$10,000 should not be recorded.

**Improvements Other Than Buildings/Distribution/Collection System Improvements** – A capital asset entry that reflects the acquisition cost of permanent improvements, other than buildings, which add value to the land or improve the use of the land. Examples of such improvements are fences, retaining walls, drainage systems, sidewalks, driveways, water lines, and sewer lines. Note that when used in connection with capital assets, the terms “Improvements” and “Betterment” have different meanings. Improvements are assets permanently attached to land. Betterments are additions to or changes in existing depreciable assets intended to increase their efficiency or prolong their useful lives.

The basis of valuation is the same as for buildings. All improvements other than buildings should be recorded at acquisition without regard to significant value. Additions (betterments) to these improvements of less than \$5,000 should not be recorded.

**Equipment** – A capital asset entry that reflects the value of tangible property, not permanently affixed to real property, which is useful in carrying out operations for the City. Examples of equipment are machinery, furniture, tools, and computers. Vehicles are also considered equipment, but a separate account labeled Vehicles is used for cars, trucks, and other NCDMV tagged equipment. The basis of valuation of purchased equipment includes the net contract price, transportation charges, and the cost of installing special devices or other preparations required to place the asset in its intended use. The basis of valuation of donated equipment is the appraised value at the date acquired. For vehicles, it will also include taxes, tags, and fees necessary to put the vehicle in drivable service. Equipment costing \$5,000 and more should be recorded as capital assets. Additions to equipment costing \$5,000 or more should

be recorded as capital assets. Equipment costing less than the above should not be recorded except:

1. Assets costing less than \$5,000 for which property records are required to be maintained by the terms of a grant or other agreement should be capitalized regardless of value for each separate asset record.
2. Equipment costing less than \$5,000 that the City desires to control may be capitalized regardless of value for each asset record. An example would be a vehicle or trailer that requires license plates in order to use.

**Infrastructure** – A capital asset account that reflects the value of property that is the basic foundation or framework of the City. Infrastructure includes roads, bridges, curbs, gutters, streets, sidewalks, drainage systems and similar assets that are immovable and of value only to the City. The basis of valuation of infrastructure includes cost of land, materials, labor, transportation and any other costs incurred to put infrastructure into a condition for use. Infrastructure costing \$100,000.00 and more should be recorded as capital assets.

**Construction in Progress** – A capital account that reflects the cumulative total of construction projects that will be capitalized upon completion of the project but are not yet completed. Examples would include water and sewer lines and buildings under construction at year-end that will be capitalized upon completion.

## Depreciation

Due to the City’s required implementation of GASB 34, depreciation should be recorded in the accounts of all the City funds. This includes assets recorded in the General Fund, Special Revenue Funds, Capital Project Funds, and the Enterprise Funds. Depreciation will be calculated using the straight-line method over the estimated number of years deemed as the useful life of the asset. Capital assets will be depreciated on a straight-line basis using the approved schedule of useful life.

ESTABLISHMENT OF USEFUL LIVES IN YEARS			
	Buildings		50
	Improvements		20
	Furniture/Fixtures		10
	Automobiles		5
	Equipment (non-computer)		7
	Computer Equipment		3

Useful life may, on a case-by-case basis, need to be altered from the above.



## **Recording Capital Assets**

The City is required by NC General Statutes (G.S. 159-26) to record and control capital assets. Capital assets require both physical and fiscal controls. Fiscal controls, consisting of records listing the assets owned, location of the assets, custodial responsibilities and asset values, are intended to facilitate physical controls. The City may acquire capital assets by several methods: purchase, lease-purchase, construction, eminent domain, tax foreclosures, and gifts. Once assets have been acquired and properly recorded on the books of account, subsidiary records on each asset should be set up by Finance with the following information:

1. Type – Governmental or Enterprise (Proprietary)
2. Class
3. Sub-class code
4. Asset tag number
5. Description
6. Serial Number
7. Date of acquisition
8. Cost
9. Name of vendor
10. Check Number
11. Purchase Order number if applicable
12. Fund and account from which purchased
13. Department of custody
14. Location of asset and asset tag placement

## **Asset Accounting, and Internal Controls**

Maintaining a complete and accurate accounting for capital assets with significant value is important for several reasons. In addition to being required, a good system of capital assets accounting facilitates overall control and custody of the City's property. Additionally, it permits the assignment of direct responsibility for custody and proper use of specific assets to individual departments and provides data essential to the proper management of capital assets, including repairs, maintenance management, and acquisition of adequate insurance coverage. An accounting of capital assets is required for the preparation of a satisfactory and complete financial report. To meet the test of full disclosure, an annual financial report of the City must include complete capital asset information.

The stewardship responsibility involved in safeguarding such a large public investment is of the utmost importance to sound financial administration. Stewardship duties include ensuring that appropriate property is acquired, maintained, used, and disposed of in the City's best interests.

The Department Director will ensure that the asset is used for the purpose for which it was acquired and that there is no personal or unauthorized use. The Department Director will record the receipt of the asset, examine the asset to make sure that no damage was incurred during shipment, and confirm that the asset was received in good working order. The Department Director is also responsible for arranging necessary preventative maintenance and needed repairs to keep the item in proper working condition. Each department is responsible for reviewing its business practices and processes for capital assets and determining where risks exist and where and how controls can be established to mitigate these risks.

Another responsibility of stewardship is insurance protection of capital assets. Adequate insurance coverage can further reduce the risk of loss of capital assets. To determine the adequacy of insurance protection, complete and accurate property records are essential. Complete records will establish the ownership, value, condition, location, and custodian of all local government property. This information will allow officials and agents to best match the coverage to the asset. Knowing the value of assets permits the optimum insurance coverage and prevents excess or insufficient coverage. Excess insurance coverage results in unnecessary cost and insufficient coverage means excess risk. In addition, up-to-date capital asset records provide valuable information for proof-of-loss if a claim for loss is filed.

The Department Director/Asset Custodian will maintain up to date information on the department's assets. This includes but is not limited to maintaining a file of Capital Asset Registers for active assets, conducting a periodic internal review/inventory, notifying through proper procedures the acquisition, transfer, and disposal of department assets.

Yearly inventories should be taken by the authorized personnel within each department. An audit by the Finance Department will take place no less than once within a five-year period. Each capital asset (acquired after the initial inventory) must have its own file created to retain related information. This file will be maintained separately by Type and Department, in order by asset tag number in the Finance Department. The file will contain the signed Capital Asset Register which provides all required information and a copy of the invoice. All other information related to the asset (e.g., maintenance agreements, maintenance histories, ownership certificates, contacts for trouble shooting, etc.) will be held in a file by the Department Director/Asset Custodian. The Custodian is responsible for retaining this information along with a copy of the Capital Asset Register and for having easy and timely access to the records for all active assets.

Disposition of an asset, whether by transfer, sale, or loss is reported to Finance using the appropriate forms as outlined in the procedure section. The Finance department will remove the asset from the department's active list and dispose of the asset in MUNIS.

**TRANSFER:** A transfer of an asset occurs whenever it changes location, building, department, or account. The responsibility for notification falls to the transferring department. Finance will update the records to reflect the transfer.

**SALES:** Sales of capital assets must be approved by the Department Director and appropriate forms completed as outlined in the procedure section of this policy.

**LOSS:** Loss is incurred when an asset is destroyed or stolen. Appropriate forms are submitted along with any insurance claim information to the Finance department. Assets that are missing/lost will be reported immediately to the City Manager and a thorough investigation conducted.

Assets will be written off the books, along with accumulated depreciation, when the asset is no longer in use. Assets fully depreciated, but still in use, will remain on the books. Certain assets that are capitalized and depreciated as a group will be written off the year the group asset becomes fully depreciated.

## **Procedures**

Capital assets as defined in the policy are registered, recorded and tracked from the time of acquisition until they are disposed of. Department Directors are responsible for ensuring that capital assets are safeguarded, well maintained, documented, including having an easily accessible listing of their capital assets from the time of acquisition to disposal. Directors may delegate some of the responsibility to a department Asset Custodian. Once an asset has been recorded, any changes in status whether transferred, sold, damaged, stolen, or lost, must be recorded within that assets record. The following procedures shall be observed for all acquisitions, transfers, and disposals of assets.

## **Acquisition**

All capital assets are recorded in accordance with the acquisition method of the asset. Methods as defined by the policy are purchase, donation, and construction of assets.

**PURCHASE:** Once a need for the asset is determined, an estimated cost is established and budgeted for in a capital outlay account. No capital asset may be acquired in an operating account, nor may an operating expenditure be charged to a capital outlay account. A requisition is completed and sent to the Purchasing Department. Once a purchase order is issued, the asset may be ordered. Upon receipt of the asset, Finance should be notified by submitting all relevant documents and information from the vendor. An invoice and/or packing list would be the preferred form of communication. The information should include Year, Make, Model VIN/Serial Number, and original cost new. Once the Accounting Manager has assigned the Asset ID and receives verification that the invoice has been paid, a Capital Asset Register form will be completed for each asset. The form will contain all information as required per the Capital Asset Policy. The asset tag will be attached to the form and sent to the Department Director/Asset Custodian. The Director/Custodian will review the form for accuracy, supply any missing information, sign the form, and return the form to Finance. The asset tag should be removed and placed on the asset. No asset should be placed into service until the tag has been received and placed on the asset and confirmation of insurance is provided. The department will keep a signed

copy of the Capital Asset Register on file until the asset is either transferred or disposed. Once the original signed form has been returned, Finance will add the new asset to MUNIS and file the original paperwork. In addition, for all non-vehicle tagged items, Finance will notify Risk Management to add the equipment to the City's insurance policy. All active asset registers will be filed first by the type (Governmental or Proprietary) and then by department.

**DONATION:** Capital assets that the City receives through donation are recorded as follows. Documentation from the Donor should include Year, Make, Model, VIN/Serial Number, and the Fair Market Value established. The department receiving an asset will notify Finance to have the item added to the City's insurance policy.

When the ID is assigned, Finance will complete the Capital Asset Register form, attach the tag, and send to the Department Director/Custodian. The form should be reviewed for accuracy and complete any missing information. The department will keep a signed copy of the Capital Asset Register on file until the asset is either transferred or disposed. Once the original signed form has been returned, Finance will add the new asset to MUNIS and file the original paperwork. All active asset registers will be filed first by the type (Governmental or Proprietary) and then by department.

**CONSTRUCTION:** Capital assets to be created through construction such as buildings, utility lines, renovations, or system improvements are accounted for through a different process. Once a capital project is identified and estimated costs are determined, a project budget is set up and a project number assigned to track the costs. Bid proposals are obtained and reviewed. The Capital Project Ordinance is amended to include any engineering/professional services, and construction costs and contracts are awarded and signed. All Capital Project Ordinances are approved by the City Council. If a capital project is incomplete at year-end, the costs accumulated during the year are capitalized as construction-in-progress. When the project is completed, the total cost of the capital project is reclassified from construction-in-progress to the appropriate asset classification. Finance will assign an Asset ID and complete a Capital Asset Register form for the project. The asset tag will be placed on the paperwork and filed with other capital improvement assets. The departments will not receive a copy of the paperwork.

## Transfers

A transfer of an asset occurs whenever it changes location, building, department, or account. The responsibility for filing the Capital Asset Transfer form falls to the transferring department. All information on the form should be completed and appropriate signatures acquired. The form should be sent to the Accounting Manager in Finance along with the department's copy of the Capital Asset Register form. Finance will update MUNIS with the appropriate information and the Capital Asset Register form will be forwarded to the new department for their records.

## Disposal

Capital assets no longer owned or in possession of the City shall be removed from the capital asset records. Disposing of an asset may result from any of the methods described below. Regardless of the type of disposal, the department with current custody that is disposing of the asset must complete the Capital Asset Disposal Form. Note that no asset may be disposed of without prior approval from the Department Director.

**SELL:** If the plan is to sell an asset, the Capital Asset Disposal form should be completed by the disposing department. The top section of the form must be fully completed, and the department's copy of the Capital Asset Register should be attached. When the item is delivered to the Warehouse for sale on GovDeals, the paperwork is to be given to the Warehouse manager to sign and acknowledge receipt of the item. The Warehouse manager will forward the completed paperwork to Finance. Finance will notify Risk Management in HR to remove the asset from the City's insurance policy. Payment from GovDeals will be sent to Finance for deposit and Finance will record the asset disposal in MUNIS.

**SCRAP:** If the item is not worth selling through GovDeals and will be scrapped, please complete the appropriate section of the Capital Asset Disposal form. Notify Finance to remove the asset(s) from the City's insurance policy. Attach the department copy of the Capital Asset Register and send both forms to Finance.

**OTHER:** Items that may have been destroyed, stolen, or lost must also be reported to Finance for proper removal. Complete the appropriate section of the Capital Asset Disposal form, attach the department copy of the Capital Asset Register, and any other documentation requested and forward to Finance. Contact Finance to have the item removed from the City's insurance policy. Please note if the item was destroyed, stolen, or lost, it must be reported immediately to the City Manager.

Accurate recording of each asset establishes accountability that, in turn, provides a foundation for creating additional safeguards. A physical inventory is the only way to establish initial accountability. Such an inventory is required when establishing a capital assets accounting system and periodically thereafter to ensure the system's continued accuracy. Taking an inventory involves making a physical inspection of capital assets and listing them in some systematic manner. Every year in conjunction with the insurance verification process, each Department will conduct an audit of their department's physical inventory. The Accounting Manager will generate a physical inventory report from the MUNIS database of each department's assets. Any discrepancies should be thoroughly investigated and reported to the Accounting Manager in order to keep the database up to date. MUNIS will be updated yearly to accommodate all current fiscal year transactions. In addition, over a three- or four-year period, physical inventories will be performed for all departments by the Finance department.

The Finance department may implement other policies, procedures, and changes as necessary to this policy.

## CITY OF SHELBY CAPITAL ASSET REGISTER

Capital Asset Tag #:	Capital Asset GL ID Number:	0.00
Item Description:		
Serial Number:	City Vehicle Number:	
Manufacturer:	Est. Useful Life:	
Date Purchased:	Purchase Order Number:	
Vendor:		
Cost:	Check Number:	
G/L Account Number:	GFAAG Account #	

<b>Current Physical Location:</b>	
Building:	Room:
Fund #:	Department #:

Placement of Capital Asset Tag:	
Additional Information:	
Signature:	Date:

<b>FOR FINANCE USE ONLY</b>	
<b>ASSET RECORD UPDATED</b>	
Has Risk Management been contacted to add item to insurance policy?    Y / N	
Signature:	Type:            Class:            Subclass:            Date:

Revised November 2023

**Instructions:** Please review all information currently on the form for accuracy. Write in any changes that are needed. Supply information for areas that are blank in the top section. Complete the Current Physical Location section to include where the asset will be stored as well as the Fund and Department information. Remove the asset tag that is attached to the form and place the tag on the asset. List where on the asset you placed the tag and add any additional information as needed. Sign and date before making a copy to keep on file for your department. Send original form to the Accounting Manager in the Finance Department.

**IMPORTANT NOTE:** Going forward, the department copy of any Capital Asset Register for assets purchased after 12/1/23 will need to be attached to any transfer or disposal form when submitted. You should have a Capital Asset Register (on file) for each tagged item in your department's possession that was purchased after 1/1/23



## CITY OF SHELBY CAPITAL ASSET TRANSFER FORM

ASSET INFORMATION				
Asset Tag#:	Make/Model:			
Manufacturer:	Serial Number:			
Item Description (be specific):				
TRANSFER INFORMATION				
<b>Transferring from Fund:</b>	Dept:	Location:		
Signature of Department Manager Transferring the Asset:				Date:
<b>Transferring to Fund:</b>	Dept:	Location:		
Signature of Department Manager Receiving the Asset:				Date:
FOR FINANCE USE ONLY				
Signature:	Type:	Class:	Subclass:	Date:

Revised November 2023

**Instructions:** Transferring department will fill out all the fields in the **ASSET INFORMATION** section to request a change of department for a capital asset.

**Transferring Department:** Once Asset section and Transferring from information is completed and signed by the Department Manager, please forward this form along with the department copy of the Capital Asset Register to the receiving department.

**Receiving Department:** After the Department Manager signs this form acknowledging receipt of and accepting responsibility for the property, and completes the Transferring to information, please forward to the Accounting Manager in Finance.



## CITY OF SHELBY CAPITAL ASSET DISPOSAL FORM

Asset Tag#:	Make/Model:	
Manufacturer:	Serial Number:	
Item Description (be specific):		
Disposing from Fund:	Dept:	Location:
Has Fiance been notified to remove asset from City's insurance policy?		
Signature of Department Manager:		Date:

### Disposal Type

Complete appropriate section below:

#### SELL:

Reason for sale:
Date delivered to Warehouse for sale:
Warehouse Administration Signature:
By signature, I confirm receipt of asset to be placed for sale on GovDeals

#### SCRAP:

Reason for scrapping item:
Method of disposal:

#### OTHER:

Was item stolen?	Insurance claim filed?	Date:
Was item destroyed/totaled?	Insurance claim filed?	Date:
If not stolen or destroyed, please explain circumstances surrounding disappearance of asset:		

#### FINANCE USE ONLY

MUNIS disposal date:	Signature:
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Revised November 2023

**Instructions:** Department disposing of an asset should complete ALL information in the top section. Depending on the method of disposal, one of the three sections under **Disposal Type** should be completed.

**Sale:** If the deparment will be selling the asset it must be delivered to the



Warehouse along with the Capital Asset Register form for the asset.

The Warehouse Manager will sign acknowledgement of receipt of the asset to sell and return the form to the Accounting Manager in Finance.

**Scrap:** If the item is not worth selling through GovDeals and will be scrapped, please complete this section. List how the item is being disposed of (landfill, e-waste, scrap metal, etc). Send completed Disposal form along with Capital Asset Register to Accounting Manager in Finance.

**Other:** This section is used for items that may have been destroyed, stolen, or lost. Answer all questions and explain circumstances. Send completed Disposal form along with Capital Asset Register to Accounting Manager in Finance.

RESOLUTION NO. 28-2024  
A RESOLUTION ADOPTING THE CITY OF SHELBY’S CAPITAL ASSET POLICY

WHEREAS, the City of Shelby has heretofore enacted a variety of policies, procedures and practices governing the accounting system of the City; and,

WHEREAS, the purpose of the Capital Asset Policy is to provide Department Directors and those designated as asset custodians with a comprehensive reference of all aspects of the life cycle of an asset; and,

WHEREAS, the Capital Asset Policy is not meant to be all-inclusive, but is intended to offer direction and guidance to the City employees; and

WHEREAS, the Capital Asset Policy may be revised, amended, supplemented, updated, or otherwise changed from time to time by action of the City Council,

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

Section 1. The revised City of Shelby Capital Asset Policy is attached hereto as ATTACHMENT A and made a part of this resolution.

Section 2. The City Manager is hereby authorized and directed to implement and administer the policies set forth in Section 1 of this resolution. The City Clerk is likewise authorized and directed to cause the provisions of this policy to be properly recorded into the records as may be applicable.

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

Adopted and approved this the 15<sup>th</sup> day of April, 2024.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

Agenda Item: E-3

- 3) Approval of a resolution for the award of the contract for the City of Shelby Eaves Road Water Main Extension Project: Resolution No. 29-2024

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

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Summary of Available Information:

- Memorandum dated April 9, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager, and Brian Wilson, Director of Water Resources
- Memorandum dated April 8, 2024, from Brian Wilson, Director of Water Resources to Ben Yarboro, Assistant City Manager
- Ordinance No. 45-2022
- Engineering Contractor Recommendation Letter
- Bid Tabulation
- Eaves Road Water Main Extension Map and Subdivision Map
- Resolution No. 29-2024

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City Manager's Recommendation / Comments

Resolution No. 29-2024 is presented for City Council consideration at this time via the Consent Agenda. This item is considered routine as funding is appropriated (ARP Project Fund – Ordinance No. 45-2022) within an existing water resource budget. If approved Resolution No. 29-2024 would award a construction contract to Two Brothers Utilities for the construction of an 8” diameter water main to serve a proposed subdivision previously annexed on Eaves Road in the amount of \$183,762.70. This project was bid in accordance with the requirements of the NC General Statutes and City Purchasing Policy. Responsive bids were received from three bidders.

**It is my recommendation that Resolution No. 29-2024 be adopted and approved by City Council at this time via the Consent Agenda.**



Post Office Box 207 · Shelby, NC 28151-0207

## ***Memorandum***

**To:** Rick Howell, City Manager

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

**Cc:** Brian Wilson, Director of Water Resources

**RE:** Eaves Rd. Water Main Extension Project – Construction Contract Award Recommendation

**Date:** April 9, 2024

### **Background**

As thoroughly detailed in the attached memo from Brian Wilson, Director of Water Resources, the City of Shelby has completed the design and bidding process for an 840 linear foot water line extension to provide water service to a proposed subdivision on Eaves Rd (Parcel #5430). This 70 acre parcel was recently voluntarily annexed and has plans for approximately 190 single family residences. The proposed City water line extension simply extends the existing 8” water main on Eaves Rd. to the parcel frontage of this proposed subdivision. The private developer will still be responsible for the design, permitting, and construction of all water and sewer infrastructure that is required within the parcel boundaries to provide water and sewer service to the residences.

In accordance with North Carolina General Statutes, the City held a public bid opening on March 26, 2024 for the Eaves Rd. Water Main Extension Project. At this bid opening, 3 responsive bids were received with a low bid of \$183,762.70 by Two Brothers Utilities from Shelby, NC.

The private developer intends to begin construction on this subdivision in June 2024, and the City will wait until site work is imminent before issuing a Notice to Proceed to Two Brothers Utilities for the water main extension. Construction on the City’s water main extension is anticipated to take approximately 60 days to complete.

### **Recommendation**

City Staff recommends award of the construction contract to the low bidder, Two Brothers Utilities in the amount of \$183,762.70. Funding for this project was previously established via the ARP Project Fund (Ordinance 45-2022).

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

## *Memorandum*

**To:** Ben Yarboro, Assistant City Manager  
**From:** Brian Wilson, Director of Water Resources  
**RE:** Eaves Road Water Main Extension Project – Contingent Contract Award Recommendation  
**Date:** April 8, 2024

**Background**

The City of Shelby received plans for the Cleveland Hill Subdivision located on Parcel #5430 off Eaves Road in South Shelby. The developer requires water and sewer services for the development of the property. In an effort to provide these services to the developer, the City of Shelby will use American Rescue Plan (ARP) funding that is available for water and sewer project services, established with Ordinance 45-2022, to extend the existing waterline to the subdivision.

**Review**

City Staff selected Odom Engineering as the engineer for this project in November 2023. Upon completion of design, a bid opening was held on March 26, 2024, where the City of Shelby received bids for the Eaves Road Water Main Extension Project. Three (3) bids and a no bid letter were received for the project and were reviewed by Odom Engineering. The lowest responsible bidder as recommended by Odom Engineering was Two Brothers Utilities in the amount of \$183,762.70.

The following table shows the bids received for this project:

Prime Bidder	Base Bid
Two Brothers Utilities	\$183,762.70
Father and Son Enterprises	\$188,870.00
Piedmont Utility Group	\$202,417.66
Hoyle Construction	NO BID

This project consists of an 840 LF 8” water line extension that includes a 100 LF creek crossing and would take approximately 60 days to complete. The contingent

plan is for Two Brothers Utilities to begin this project the beginning of May 2024. The project would be contingent upon the developer proceeding with the necessary steps to develop the property prior to beginning the construction of the water line extension.

### **Recommendation**

City Staff recommends the contingent award of the construction contract to Two Brothers Utilities in the amount of \$183,762.70. Funding for this project is already available through the ARP Project Fund that was established with Ordinance 45-2022, approved by City Council in July 2022.

Please let me know if additional information is needed.

#### Attachments:

- Ordinance 45-2022
- Engineering Contractor Recommendation Letter
- Bid Tabulation
- Eaves Road Water Main Extension Map
- Eaves Road Subdivision Map

ORDINANCE NO. 45-2022

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

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to establish a capital project ordinance and budgets for the City of Shelby's American Rescue Plan Water and Sewer Projects; and

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

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

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA: The City of Shelby has identified a need to make repairs and improvements to certain water and sewer utility assets. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

Section 1. Appropriating Revenues:

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

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

Water Fund Capital Projects:

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

Sewer Fund Capital Projects:

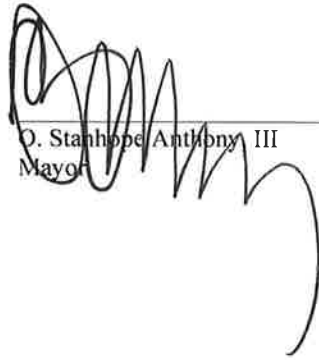
Revenues:		
Transferred from ARP Fund	62106000-39250-62880	\$190,000
Appropriation:		
Construction	621726-53000-62880	\$190,000

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

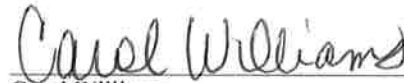
Section 3. The provisions of this capital project ordinance shall be entered in the minutes of the Shelby City Council and copies filed with the City Manager as Budget Officer, the Finance Director, and the City Clerk for their direction and guidance in receiving revenues and expending the monies due thereunder.

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


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

  
\_\_\_\_\_  
D. Stanhope Anthony III  
Mayor

ATTEST:

  
\_\_\_\_\_  
Carol Williams  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Andrea Leslie-Fite  
City Attorney



March 27, 2024

Mr. Brian Wilson  
Director of Water Resources  
City of Shelby  
PO Box 207  
Shelby, NC 28151-0207

RE: City of Shelby, NC  
Eaves Road Water Main Extension  
Bid Tabulation and Contractor Recommendation

Dear Mr. Wilson:

Bids were received on Tuesday, March 26, 2024, at 2:00 p.m. at the Utilities Operations Center for the Eaves Road Water Main Extension Project. Four (4) contractors responded with three bid submittals and one no bid for the project. The bid results were as follows:

**Eaves Road Water Main Extension – Base bid plus 10% contingency**

BID AMOUNT

- |                              |              |
|------------------------------|--------------|
| • Two Brothers Utilities     | \$183,762.70 |
| • Father and Son Enterprises | \$188,870.00 |
| • Piedmont Utility Group     | \$202,417.66 |
| • Marvin Hoyle Construction  | No Bid       |

The lowest bidder was Two Brothers Utilities, LLC of Shelby, North Carolina, with a bid amount of **\$183,762.70**. Odom Engineering has reviewed the bid tabulations and hereby recommends that the City of Shelby award this project to Two Brothers Utilities, LLC in the amount of **\$183,762.70**.

Sincerely,



David Odom, P.E.

Attachments: Bid Tabulation & Contractor Bids



**Project Name: Eaves Road Water Main Extension**  
**Owner: City of Shelby**  
**Tuesday, March 26, 2024**

QTY	DESCRIPTION	Two Brothers Utilities		Father and Son Enterprises, LLC		Piedmont Utility Group		Marvin Hoyle Construction	
		UNIT PRICE	TOTAL COST	UNIT PRICE	TOTAL COST	UNIT PRICE	TOTAL COST	UNIT PRICE	TOTAL COST
1	Mobilization	\$ 3,200.00	\$ 3,200.00	\$ 5,000.00	\$ 5,000.00	\$ 8,762.80	\$ 8,762.80		
2	8 inch Class 350 w/ Polywrap	\$ 78.65	\$ 56,628.00	\$ 120.00	\$ 86,400.00	\$ 86.96	\$ 62,611.20		
3	8 inch Class 350 DIP Restrained Joint DIP w/ polywrap	\$ 110.80	\$ 13,296.00	\$ 130.00	\$ 15,600.00	\$ 109.60	\$ 13,152.00		
4	Creek Crossing	\$ 27,000.00	\$ 27,000.00	\$ 5,000.00	\$ 5,000.00	\$ 24,725.00	\$ 24,725.00		
5	8 inch DIP 45 Bend	\$ 722.00	\$ 5,776.00	\$ 950.00	\$ 7,600.00	\$ 970.10	\$ 7,760.80		
6	8 inch DIP 22.5 Bend	\$ 714.00	\$ 2,856.00	\$ 950.00	\$ 3,800.00	\$ 963.21	\$ 3,852.84		
7	8 inch DIP 11.5 Bends	\$ 682.00	\$ 4,092.00	\$ 950.00	\$ 5,700.00	\$ 943.40	\$ 5,660.40		
8	8 inch DIP Tees	\$ 1,196.00	\$ 2,392.00	\$ 1,300.00	\$ 2,600.00	\$ 1,321.52	\$ 2,643.04		
9	8 inch Gate Valves	\$ 4,220.00	\$ 21,100.00	\$ 3,000.00	\$ 15,000.00	\$ 3,298.29	\$ 16,491.45		
10	8 inch Flange Caps	\$ 1,180.00	\$ 3,540.00	\$ 1,000.00	\$ 3,000.00	\$ 872.16	\$ 2,616.48		
11	Fire Hydrant Assembly with Valve	\$ 7,152.00	\$ 7,152.00	\$ 7,500.00	\$ 7,500.00	\$ 8,467.54	\$ 8,467.54		
12	Additional Fittings	\$ 5.00	\$ 2,500.00	\$ 10.00	\$ 5,000.00	\$ 7.74	\$ 3,870.00		
13	Asphalt Patch Repair	\$ 70.00	\$ 1,050.00	\$ 100.00	\$ 1,500.00	\$ 149.50	\$ 2,242.50		
14	Rip Rap	\$ 65.00	\$ 975.00	\$ 80.00	\$ 1,200.00	\$ 69.00	\$ 1,035.00		
15	Seeding & Matting	\$ 4,000.00	\$ 4,000.00	\$ 3,500.00	\$ 3,500.00	\$ 5,175.00	\$ 5,175.00		
16	Tree Removal/Disposal	\$ 10,000.00	\$ 10,000.00	\$ 2,500.00	\$ 2,500.00	\$ 9,200.00	\$ 9,200.00		
17	Rock	\$ 150.00	\$ 1,500.00	\$ 80.00	\$ 800.00	\$ 575.00	\$ 5,750.00		
18			\$ -		\$ -		\$ -		
<b>SUBTOTAL</b>			\$ 167,057.00		\$ 171,700.00		\$ 184,016.05		\$ -
Contingency (10%)			\$ 16,705.70		\$ 17,170.00		\$ 18,401.61		\$ -
<b>PROJECT BID</b>			\$ <b>183,762.70</b>		\$ <b>188,870.00</b>		\$ <b>202,417.66</b>		\$ -

No Bid

Low Bidder: Two Brothers Utilities

I certify that this Tabulation is a true and correct copy of the  
 Canvass of Bids received on Tuesday, March 26, 2023 at 2:00 PM.


David W. Odom, PE







# Parcel 5430 - Eaves Road Subdivision












**84**

-  Gravity Sewer Main
-  Force Sewer Main
-  Manhole
-  Lift Station
-  Water Main
-  Gas Main
-  Stormwater Line





840 LF Water Main Extension



1 inch = 450 feet



### Eaves Road Water Main Extension Project

- Water Main to be Installed
- Streams
- Ponds/Lakes
- Existing Water Main



**RESOLUTION NO. 29 – 2024**

**A RESOLUTION FOR THE AWARD OF THE CONTRACT FOR THE CITY OF SHELBY EAVES ROAD WATER MAIN EXTENSION PROJECT**

**WHEREAS**, City of Shelby staff received plans for a new subdivision located off Eaves Road in Shelby and staff has recognized the need for a extending water services to the proposed subdivision; and,

**WHEREAS**, The City of Shelby selected Odom Engineering for design, bidding, and construction observation services; and,

**WHEREAS**, Odom Engineering completed the design of an 840 linear foot extension of an 8” water line; and,

**WHEREAS**, Odom Engineering held a competitive public bid opening on March 26, 2024 consistent with the applicable North Carolina General Statutes for bidding of public construction contracts; and,

**WHEREAS**, The City of Shelby received bids from three (3) qualified contractors for the completion of the Eaves Road Water Main Extension Project; and,

**WHEREAS**, Odom Engineering and City Staff have reviewed the bids and recommend award of the construction contract for the specified work to Two Brothers Utilities in the amount of \$183,762.70; and,

**WHEREAS**, the Notice to Proceed for this water main extension construction contract will be contingent on the imminent commencement of site work on the subdivision by the private developer.

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

Section 1. The City Council of the City of Shelby hereby awards the contract to Two Brothers Utilities in the amount of \$183,762.70 for the construction of the Eaves Road Water Main Extension Project.

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

Section 3. The City Manager and his designees are hereby authorized to execute amendments and change orders to the applicable documents associated with this project.

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

Adopted and Approved this the 15<sup>th</sup> day of April, 2024.

Resolution No. 29-2024

April 15, 2024

Page 2

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

Agenda Item: E-4

- 4) Approval of a resolution approving conveyance of property (Habitat property):  
Resolution No. 30-2024

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

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Summary of Available Information:

- Memorandum dated April 10, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
- Request from Habitat
- Location Map
- Survey
- Quitclaim Deeds
- Resolution No. 30-2024

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City Manager's Recommendation / Comments

Resolution No. 30-2024 is presented for City Council consideration via the Consent Agenda. If approved this resolution would authorize the transfer of a city owned lot located on Gidney Street to Cleveland County Habitat for Humanity. This local agency is in the process of developing a small neighborhood on the eastern end of Gidney Street and this property would assist them. NC General Statute 157.9 allows for the transfer of property to an agency carrying out a public purpose. In this instance that public purpose is the provision of affordable housing. If approved the City is required to publish a public notice of the property transfer. The City has on occasion over the years worked with Habitat for Humanity on a variety of matters that have allowed for the construction of affordable housing units.

**It is my recommendation that Resolution No. 30-2024 be adopted and 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: April 10, 2024  
Subject: Property Conveyance – Habitat for Humanity

**Background**

In 2018, the City of Shelby partnered with Habitat for Humanity Cleveland County by providing assistance for the Vermont Place Subdivision near Gidney Street. The partnership included the City of Shelby providing an existing lot for which the Habitat for Humanity agreed to construct a single-family dwelling on the property for its home ownership program.

Habitat for Humanity has requested the City lots on East Warren Street be transferred to them. The City of Shelby is authorized to convey this property to Habitat by NCGS 157-9.

This partnership with Habitat promotes Action 9.3.2 of the Strategic Growth Plan (2005) to promote and encourage home ownership in the City of Shelby.

**Recommendation**

Staff recommends this proposed property conveyance.

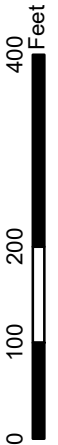
**Attachments**

Request from Habitat  
Location Map  
Survey  
Quitclaim Deeds  
Resolution





1 inch = 200 feet



### Parcel 18646, 22474, & 22491

Parcels 18646, 22474, & 22491

Other Parcels





323 W. Grover Street  
Shelby, NC 28150

January 20, 2024

Mayor Stan Anthony  
City of Shelby  
300 S. Washington Street  
Shelby, NC 28150

Dear Mayor Anthony,

Habitat for Humanity of Cleveland County is thankful for our previous partnership at Vermont Village and Young Oak Square. We now have five families living in Vermont Village and the area has been a showcase for us. We are so excited about our three houses at the corner of Young and Oak Streets in Shelby. Two of the houses will become homes to two local families in the spring. The third house will be framed next month. We are presently accepting applications for homeowner partner families to fill the third house at Young Oak Square and our next project of three houses in Shelby.

We request the donation of three parcels from the City of Shelby for our next area of development. We request 601 E Warren Street, 603 E Warren Street and 608 E Warren Street. We are excited about this opportunity in this area. We have received a directed grant from OSBM for \$400,000 and can use that money to build three houses in this area. While this amount will not cover the cost of the house entirely, we are confident we can raise the rest through donations and grants.

We would also request that the city use a grant for the costs of the water and sewer taps for the three homes. This would be extremely helpful to us as we raise money to complete the cost of these three houses.

We look forward to continuing to work with the City of Shelby. Scott Mull, our construction manager, will work with Walt Sharer for the renderings for the houses, and Will Rucker will be applying for permits and such.

Thank you again for your consideration for the donation of land and the use of a grant for the costs of the water and sewer taps.

Sincerely,

Amy L. Allen  
Executive Director



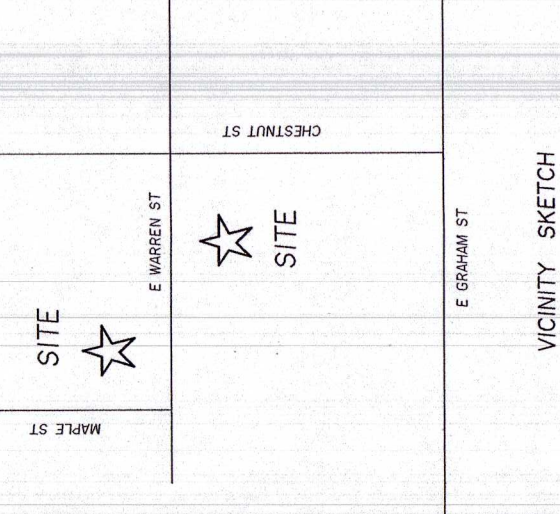
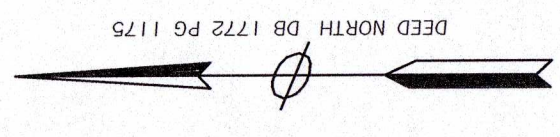
STATE OF NORTH CAROLINA  
COUNTY OF CLEVELAND

REVIEW OFFICER  
DATE

**CERTIFICATION OF EXCEPTION**

I ( WE ) HEREBY CERTIFY THAT I AM ( WE ARE ) THE OWNER(S) OF THE PROPERTY SHOWN AND DESCRIBED HEREON, WHICH WAS CONVEYED TO ME ( US ) BY DEED RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF CLEVELAND, NORTH CAROLINA, AND THAT THIS CERTIFICATION IS AFFIRMED TO THE PROVISIONS OF THE SHELBY UNIFIED DEVELOPMENT ORDINANCE.

OWNER  
Community Development Director  
DATE



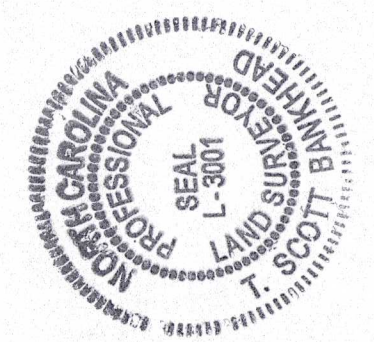
**GENERAL NOTES**  
- AREA CALCULATED BY COORDINATE COMPUTATION  
- ALL DISTANCES SHOWN HEREON ARE HORIZONTAL GROUND DISTANCES  
- BANKHEAD SURVEYING WAS NOT PROVIDED WITH ANY TITLE EXCEPTIONS  
- RECORDS OR UNRECORDED EASEMENTS  
- NO FEATURES (BUILDING, UTILITIES, ETC) LOCATED EXCEPT THOSE SHOWN HEREON  
- ALL DISTANCES SHOWN HEREON ARE HORIZONTAL GROUND DISTANCES

**LEGEND**  
● EXISTING IRON MONUMENT  
○ EXISTING STONE MONUMENT  
□ EXISTING CONCRETE MONUMENT  
— SUBJECT PROPERTY LINE  
--- PLANNED RIGHT OF WAY LINE  
- - - - - LINE PLOTTED PER DEED (UNLESS SHOWN WITH BEARING AND DISTANCE)

**EXISTING PARCELS OF LAND**  
THIS IS TO CERTIFY THAT THIS SURVEY IS OF ANOTHER CATEGORY AND IS AN EXCEPTION TO THE DEFINITION OF SUBDIVISION.

T. SCOTT BANKHEAD ( PLS )

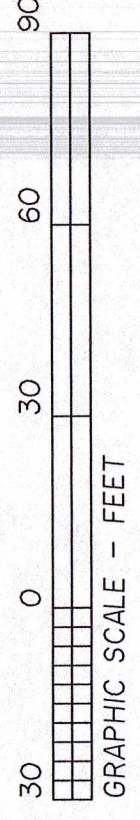
I, T. SCOTT BANKHEAD, PROFESSIONAL LAND SURVEYOR, CERTIFY THAT THIS PLAT WAS DRAWN FROM AN ACTUAL FIELD SURVEY PERFORMED UNDER MY DIRECTORSHIP AND THAT THE DISTANCES AND BEARINGS SHOWN ON THIS PLAT WERE NOT SURVEYED ARE INDICATED BY DASHED LINES DRAWN FROM THE DEED INFORMATION SHOWN HEREON. THAT THE RATIO OF PRECISION IS 1:10,000, AND THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH GS 47-30 AS AMENDED. WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER AND SEAL THIS



15th Day of March 2024  
Professional Land Surveyor - License No. L-3001

OWNER  
THE CITY OF SHELBY  
DEED REFERENCE: DB 1772 PG 1175; DB 1837 PG 150; DB 1638 PG 728

SURVEY FOR  
Habitat for Humanity in Cleveland County, Inc.  
CLEVELAND COUNTY, NORTH CAROLINA  
TAX MAP REF: S 14-8-14  
S 14-5-10 & 11  
PARCEL NUMBER: 22491; 18646; 22474  
SCALE 1" = 30' DATE 03/18/24



SURVEY BY  
BANKHEAD SURVEYING, PA  
407 EAST MARION STREET  
SHELBY, N.C. 28150  
( 704 ) 481-1040  
FIRM LICENSE NUMBER = C-0972



STATE OF NORTH CAROLINA  
COUNTY OF CLEVELAND

QUITCLAIM DEED

THE PREPARER OF THIS DOCUMENT HAS NOT PERFORMED ANY EXAMINATION OF TITLE TO THE PROPERTY DESCRIBED HEREIN, NOR CONDUCTED IN OR PARTICIPATED IN ANY CLOSING RELATED TO THE TRANSACTION INVOLVING THIS INSTRUMENT.

The City of Shelby, a municipal corporation duly formed and operating as such within the State of North Carolina, having its principal office at 300 South Washington Street Shelby, NC 28150, (hereinafter referred to as “Grantor”) for good causes and consideration received by Habitat for Humanity in Cleveland County, Inc, a duly formed non-profit registered and doing business in North Carolina at 323 West Grover Street Shelby, NC 28150 (hereinafter referred to as “Grantee”).

**WITNESSETH:**

**WHEREAS**, Habitat for Humanity Cleveland County desires to build affordable housing on this parcel of land and to enter into agreements with persons meeting the necessary income levels to qualify as low and moderate income households (LMI) as defined under N.C. Gen. Stat. § 157-3(15a)-(15b) and that Habitat as Grantee will verify these thresholds in furtherance of the City’s goal to provide affordable housing; and

**WHEREAS**, the City as Grantor is providing this parcel through a subsidy to Habitat, however, Grantor makes no guarantee that the property is suitable for the intended development and Grantee must meet all designee and permit requirements independently; and

**WHEREAS**, that the said Grantor remise and release, and by these presents do remise, release, and forever quitclaim unto the Grantee all right, title, claim, and interest of the said Grantor in and to a certain tract or parcel of land lying and being in the County of Cleveland and State of North Carolina, and more particularly described as follows:

**Parce** 18646

**Deed Book:**1637 **Page:** 150

**Physical Address:** 603 E. Warren Street, Shelby, NC 28150

Being located in the Eastern part of the City of Shelby, North Carolina, Cleveland County, on the North side of East Warren Street, being bounded on the North by an alley, on the East by L.T. Bridges, on the South by East Warren Street, and on the West by J.A. Weaver, and described by metes and bounds as follows:

BEGINNING at stake or rock on the North edge of the Extension of East Warren Street, J.A. Weaver's Southeast corner, the said corner being 63-1/3 feet South 85-320 East from the intersection of the North edge of Maple Street; and runs thence South 85-30 East with the North edge of East Warren Street, 60 feet to a stake, corner of L.T. Bridges' lot; thence with Bridges' West Line, North 5-30 East 175 feet to a stake on the South edge of a ten (10) foot alley; thence North 85-30 West with the edge of said alley 60 feet to a stake, J.A. Weaver's corner; thence with Weaver's line South 5-30 West 175 feet to the BEGINNING.

Title Reference: Deed Book 1212, Page 883 in the Cleveland County Registry.

### **COVENANTS AND CONDITIONS ATTACHED**

The consideration for the conveyance is the following set of conditions, covenants and restrictions, which shall be incorporated into this deed from Grantor to Grantee:

- a) Habitat will ensure that the property donation is to a qualifying low-or moderate-income (LMI) household earning no more than 80% of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development.
- b) Habitat will construct a single-family dwelling on each property, conveying the full subsidy received by Habitat from the City, for the benefit of a household meeting the (LMI) thresholds set forth immediately above and provide proof of the same to the City Manager or designee prior to any sale or conveyance.
- c) Habitat shall submit to the City Manager or designee an accounting of the subsidy transferring to the LMI households prior to sale to the LMI household.
- d) The exterior design of the single-family dwellings shall meet the code requirements for the designated zoning area and plans and necessary permits must be approved and obtained through the Planning and Development Services department of the City of Shelby prior to construction.

Reverter: Subject to the provisions above (a-d), title to all Property shall revert to Grantor upon the first to occur ("Reversion Triggering Event"):

1. If after five (5) years Habitat fails to complete construction, obtain necessary permits, and sale of the property to a LMI household as required under these covenants, the property shall revert to Grantor; or
2. Any effort by Grantee to sell the property to a household that fails to meet the LMI thresholds as defined above. "Effort by Grantee to sell the Property" shall mean Grantee entering into a legally binding listing agreement, purchase agreement, or option agreement with another party not meeting the LMI thresholds with respect to this Property; or
3. Any lease by Grantee of any portion of the property regardless of whether the lease is to a LMI qualifying household; or

4. Any attempt to assign or transfer ownership to another entity, other than a qualifying household, without prior approval from the City of Shelby. A Reversion Triggering Event will not be deemed to have occurred under this Section (4) if Habitat provides prior written notice to the City Manager or designee and approval is granted by the City of Shelby permitting the transfer to an approved entity with all the above covenants and restrictions attached and following any such assignment or transfer.

If all requirements above are met and Habitat conveys the property with an approved structure to a qualifying LMI household, that conveyance by Habitat shall be in Fee Simple Absolute, and the restrictions herein shall not transfer upon any subsequent sales or transfers.

**TO HAVE AND TO HOLD**, all right, title and interest in and to the aforesaid tract or parcel of land and all privileges thereunto belonging to said Grantee as free and discharged from all right, title, claim or interest of the said Grantor or anyone claiming by, through, or under them.

In Testimony Whereof, said Grantor have hereunto set its hands and seals the day and year first above-written.

I, the undersigned Notary Public of the County and State aforesaid, certify that Rick Howell personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed

Witness my hand and Notarial stamp or seal, this \_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_ My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary Public

Seal (Use Black Ink Only)

I, the undersigned Notary Public of the County and State aforesaid, certify that Rick Howell personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed

Witness my hand and Notarial stamp or seal, this \_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_ My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary Public

STATE OF NORTH CAROLINA  
COUNTY OF CLEVELAND

QUITCLAIM DEED

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The City of Shelby, a municipal corporation duly formed and operating as such within the State of North Carolina, having its principal office at 300 South Washington Street Shelby, NC 28150, (hereinafter referred to as “Grantor”) for good causes and consideration received of the Habitat for Humanity in Cleveland County, Inc, a duly formed non-profit registered and doing business in North Carolina at 323 West Grover Street Shelby, NC 28150 (hereinafter referred to as “Grantee”).

**WITNESSETH:**

**WHEREAS**, Habitat for Humanity Cleveland County desires to build affordable housing on this parcel of land and to enter into agreements with persons meeting the necessary income levels to qualify as low and moderate income households (LMI) as defined under N.C. Gen. Stat. § 157-3(15a)-(15b) and that Habitat as Grantee will verify these thresholds in furtherance of the City’s goal to provide affordable housing; and

**WHEREAS**, the City as Grantor is providing this parcel through a subsidy to Habitat, however, Grantor makes no guarantee that the property is suitable for the intended development and Grantee must meet all designee and permit requirements independently; and

**WHEREAS**, that the said Grantor remise and release, and by these presents do remise, release, and forever quitclaim unto the Grantee all right, title, claim, and interest of the said Grantor in and to a certain tract or parcel of land lying and being in the County of Cleveland and State of North Carolina, and more particularly described as follows:

**Parce** 22474

**Deed Book:** 1539 **Page:** 728

**Physical Address:** 601 East Warren Street

Located in the Eastern section of the ~~Town~~ [City] of Shelby, North Carolina, on the North side of East Warren Street, at the intersection of Warren and Maple Streets, known as 601 E. Warren Street, and being a part of the property described in Book 4-Q at Page 226, Cleveland County [Register of Deeds] ~~Public Registry~~, and described by meets and bounds as follows:

BEGINNING at stake in North edge of East Warren Street at its point of intersection with the East edge of Maple Street, and runs thence North 0 degrees 45 minutes West 115 feet to a stake; thence South 85 degrees 30 minutes East 77 feet to stake in the line of that lot formerly owned by Thomasson; thence South 5 degrees 30 minutes West 115 feet to a stake on the North edge of East Warrant Street; thence with the North edge of East Warren Street, North 85 degrees 30 minutes West 63-1/3 feet to the BEGINNING.

Title Reference: Book 1248, Page 1321, Cleveland County Registry.

### **COVENANTS AND CONDITIONS ATTACHED**

The consideration for the conveyance is the following set of conditions, covenants and restrictions, which shall be incorporated into this deed from Grantor to Grantee:

- a) Habitat will ensure that the property donation is to a qualifying low-or moderate-income (LMI) household earning no more than 80% of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development.
- b) Habitat will construct a single-family dwelling on each property, conveying the full subsidy received by Habitat from the City, for the benefit of a household meeting the (LMI) thresholds set forth immediately above and provide proof of the same to the City Manager or designee prior to any sale or conveyance.
- c) Habitat shall submit to the City Manager or designee an accounting of the subsidy transferring to the LMI households prior to sale to the LMI household.
- d) The exterior design of the single-family dwellings shall meet the code requirements for the designated zoning area and plans and necessary permits must be approved and obtained through the Planning and Development Services department of the City of Shelby prior to construction.

Reverter: Subject to the provisions above (a-d), title to all Property shall revert to Grantor upon the first to occur (“Reversion Triggering Event”):

1. If after five (5) years Habitat fails to complete construction, obtain necessary permits, and sale of the property to a LMI household as required under these covenants, the property shall revert to Grantor; or
2. Any effort by Grantee to sell the property to a household that fails to meet the LMI thresholds as defined above. “Effort by Grantee to sell the Property” shall mean Grantee entering into a legally binding listing agreement, purchase agreement, or option agreement with another party not meeting the LMI thresholds with respect to this Property; or
3. Any lease by Grantee of any portion of the property regardless of whether the lease is to a LMI qualifying household; or
4. Any attempt to assign or transfer ownership to another entity, other than a qualifying



household, without prior approval from the City of Shelby. A Reversion Triggering Event will not be deemed to have occurred under this Section (4) if Habitat provides prior written notice to the City Manager or designee and approval is granted by the City of Shelby permitting the transfer to an approved entity with all the above covenants and restrictions attached and following any such assignment or transfer.

If all requirements above are met and Habitat conveys the property with an approved structure to a qualifying LMI household, that conveyance by Habitat shall be in Fee Simple Absolute, and the restrictions herein shall not transfer upon any subsequent sales or transfers.

**TO HAVE AND TO HOLD**, all right, title and interest in and to the aforesaid tract or parcel of land and all privileges thereunto belonging to said Grantee as free and discharged from all right, title, claim or interest of the said Grantor or anyone claiming by, through, or under them.

In Testimony Whereof, said Grantor have hereunto set its hands and seals the day and year first above-written.

I, the undersigned Notary Public of the County and State aforesaid, certify that Rick Howell personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed

Witness my hand and Notarial stamp or seal, this \_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_ My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary Public

Seal (Use Black Ink Only)

I, the undersigned Notary Public of the County and State aforesaid, certify that Rick Howell personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed

Witness my hand and Notarial stamp or seal, this \_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_ My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary Public

STATE OF NORTH CAROLINA  
COUNTY OF CLEVELAND

QUITCLAIM DEED

THE PREPARER OF THIS DOCUMENT HAS NOT PERFORMED ANY EXAMINATION OF TITLE TO THE PROPERTY DESCRIBED HEREIN, NOR CONDUCTED IN OR PARTICIPATED IN ANY CLOSING RELATED TO THE TRANSACTION INVOLVING THIS INSTRUMENT.

The City of Shelby, a municipal corporation duly formed and operating as such within the State of North Carolina, having its principal office at 300 South Washington Street Shelby, NC 28150, (hereinafter referred to as “Grantor”) for good causes and consideration received of the Habitat for Humanity in Cleveland County, Inc, a duly formed non-profit registered and doing business in North Carolina at 323 West Grover Street Shelby, NC 28150 (hereinafter referred to as “Grantee”).

**WITNESSETH:**

**WHEREAS**, Habitat for Humanity Cleveland County desires to build affordable housing on this parcel of land and to enter into agreements with persons meeting the necessary income levels to qualify as low and moderate income households (LMI) as defined under N.C. Gen. Stat. § 157-3(15a)-(15b) and that Habitat as Grantee will verify these thresholds in furtherance of the City’s goal to provide affordable housing; and

**WHEREAS**, the City as Grantor is providing this parcel through a subsidy to Habitat, however, Grantor makes no guarantee that the property is suitable for the intended development and Grantee must meet all designee and permit requirements independently; and

**WHEREAS**, that the said Grantor remise and release, and by these presents do remise, release, and forever quitclaim unto the Grantee all right, title, claim, and interest of the said Grantor in and to a certain tract or parcel of land lying and being in the County of Cleveland and State of North Carolina, and more particularly described as follows:

**Parce 22491**

**Deed Book 1772, Page 1175**

**Physical Address: 608 East Warren Street, Shelby, NC 28150**

Being located in the eastern section of the City of Shelby and on the South side of East Warren Street, the property in question is bounded on the West by the property of Edna Cannady and others, and on the North by the said street and on the West by Brownie Ashley and being described by meets and bounds as follows:

BEGINNING at an iron set, said iron standing South 80-37-32 West 84.68 feet from a PK nail in the center line of the intersection of Chestnut and Warren Streets, from said beginning point thus established running thence South 00-30-00 West 133.50 feet to an iron set in the edge of a drive; thence South 85-30-00 East 74.72 feet to the point and place Beginning, containing 0.228 acres, more or less, and being the same property as shown on a survey for Frank Eugene Borders by T. Scott Bankhead, R.L.S., dated July 19, 1994.

Title Reference: See Deed of Record in Book 1772 at Page 472 of the Cleveland County Registry.

### **COVENANTS AND CONDITIONS ATTACHED**

The consideration for the conveyance is the following set of conditions, covenants and restrictions, which shall be incorporated into this deed from Grantor to Grantee:

- a) Habitat will ensure that the property donation is to a qualifying low-or moderate-income (LMI) household earning no more than 80% of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development.
- b) Habitat will construct a single-family dwelling on each property, conveying the full subsidy received by Habitat from the City, for the benefit of a household meeting the (LMI) thresholds set forth immediately above and provide proof of the same to the City Manager or designee prior to any sale or conveyance.
- c) Habitat shall submit to the City Manager or designee an accounting of the subsidy transferring to the LMI households prior to sale to the LMI household.
- d) The exterior design of the single-family dwellings shall meet the code requirements for the designated zoning area and plans and necessary permits must be approved and obtained through the Planning and Development Services department of the City of Shelby prior to construction.

Reverter: Subject to the provisions above (a-d), title to all Property shall revert to Grantor upon the first to occur (“Reversion Triggering Event”):

1. If after five (5) years Habitat fails to complete construction, obtain necessary permits, and sale of the property to a LMI household as required under these covenants, the property shall revert to Grantor; or
2. Any effort by Grantee to sell the property to a household that fails to meet the LMI thresholds as defined above. “Effort by Grantee to sell the Property” shall mean Grantee entering into a legally binding listing agreement, purchase agreement, or option agreement with another party not meeting the LMI thresholds with respect to this Property; or
3. Any lease by Grantee of any portion of the property regardless of whether the lease is

- to a LMI qualifying household; or
4. Any attempt to assign or transfer ownership to another entity, other than a qualifying household, without prior approval from the City of Shelby. A Reversion Triggering Event will not be deemed to have occurred under this Section (4) if Habitat provides prior written notice to the City Manager or designee and approval is granted by the City of Shelby permitting the transfer to an approved entity with all the above covenants and restrictions attached and following any such assignment or transfer.

If all requirements above are met and Habitat conveys the property with an approved structure to a qualifying LMI household, that conveyance by Habitat shall be in Fee Simple Absolute, and the restrictions herein shall not transfer upon any subsequent sales or transfers.

**TO HAVE AND TO HOLD**, all right, title and interest in and to the aforesaid tract or parcel of land and all privileges thereunto belonging to said Grantee as free and discharged from all right, title, claim or interest of the said Grantor or anyone claiming by, through, or under them.

In Testimony Whereof, said Grantor have hereunto set its hands and seals the day and year first above-written.

I, the undersigned Notary Public of the County and State aforesaid, certify that Rick Howell personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed

Witness my hand and Notarial stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_ My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary Public

Seal (Use Black Ink Only)

I, the undersigned Notary Public of the County and State aforesaid, certify that Rick Howell personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed

Witness my hand and Notarial stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_ My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary Public

**RESOLUTION NO. 30-2024**

**A RESOLUTION APPROVING CONVEYANCE OF PROPERTY**

**WHEREAS**, pursuant to N.C. Gen. Stat. § 157-1 *et. seq.*, the Housing Authorities Law, the City Council may, and presently does, operate and exercise the powers of a Housing Authority; and

**WHEREAS**, pursuant to N.C. Gen. Stat. § 157-9, the City of Shelby has the authority to dispose of property for the purpose of providing affordable housing; and

**WHEREAS**, pursuant to N.C. Gen. Stat. § 157-3(15a) and (15b), the City of Shelby has persons in need of affordable housing meeting the defined standards of low and moderate income (LMI), that, when adjusted for family size, is not more than sixty percent (60%) of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development but not more than 80% for moderate income families; and

**WHEREAS**, the City of Shelby owns three parcels of land (22491, 18646, 22474), located on East Warren Street in a residential area; and

**WHEREAS**, Habitat for Humanity Cleveland County (“Habitat”) desires to build affordable housing on these three parcels of land and to enter into agreements with persons meeting the above defined LMI thresholds in furtherance of the City’s goal to provide affordable housing; and

**Whereas**, the City of Shelby offers utility services to include water and sewer services upon payment of a “tap fee” to connect to those services and pursuant to the City’s authority under N.C. Gen. Stat. § 157-9, the City is hereby passing that cost as a subsidy to Habitat, however, any potential sewer or water extension fees shall be the sole expense of Habitat; and

**WHEREAS**, the City of Shelby is authorized to provide the above subsidized parcels to Habitat and in exchange Habitat shall provide this full subsidy of these parcels to identified families meeting the defined LMI threshold; and

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

**Section 1.** The City Manager of the City of Shelby is authorized to execute all documents necessary to convey title of land to include the following three parcels located on East Warren Street and more particularly described as follows:

Cleveland County parcel number 22474, 18646, 22491; Deed Reference: Book 1539, Page 728; Book 1637, Page 150; and Book 1772, Page 1175 located within the Cleveland County Register of Deeds.

**Section 2.** The consideration for the conveyance is the following set of conditions, covenants, and restrictions, which shall be incorporated in the deed given by the City to Habitat:

- a) Habitat will ensure that the property donation is to a qualifying low-or moderate-income (LMI) household earning no more than 80% of the local area median family income as defined by the most recent figures published by the U.S. Department of Housing and Urban Development.
- b) Habitat will construct a single-family dwelling on each property, conveying the full subsidy received by Habitat from the City, for the benefit of a household meeting the (LMI) thresholds set forth immediately above and provide proof of the same to the City Manager or designee prior to any sale or conveyance.
- c) Habitat shall submit to the City Manager or designee an accounting of the subsidy transferring to the LMI households prior to sale to the LMI household.
- d) The exterior design of the single-family dwellings shall meet the code requirements for the designated zoning area and plans and necessary permits must be approved and obtained through the Planning and Development Services department of the City of Shelby prior to construction.

Reverter: Subject to the provisions above (a-d), title to all Property shall revert to Grantor upon the first to occur (“Reversion Triggering Event”):

1. If after five (5) years Habitat fails to complete construction, obtain necessary permits, and sale of the property to a LMI household as required under these covenants, the property shall revert to Grantor; or
2. Any effort by Grantee to sell the property to a household that fails to meet the LMI thresholds as defined above. “Effort by Grantee to sell the Property” shall mean Grantee entering into a legally binding listing agreement, purchase agreement, or option agreement with another party not meeting the LMI thresholds with respect to this Property; or
3. Any lease by Grantee of any portion of the property regardless of whether the lease is to a LMI qualifying household; or
4. Any attempt to assign or transfer ownership to another entity, other than a qualifying household, without prior approval from the City of Shelby. A Reversion Triggering Event will not be deemed to have occurred under this Section (4) if Habitat provides prior written notice to the City Manager or designee and approval is granted by the City of Shelby permitting the transfer to an approved entity with all the above covenants and restrictions attached and following any such assignment or transfer.

If all requirements above are met and Habitat conveys the property with an approved structure to a qualifying LMI household, that conveyance by Habitat shall be in Fee Simple Absolute, and the restrictions herein shall not transfer upon any subsequent sales or transfers.

Resolution No. 30-2024  
April 15, 2024  
Page 2

**Section 3.** The deeds given by the City conveying the three tracts of land to Habitat shall convey a title in fee simple determinable.

Adopted and approved on this the 15th day of April 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

Agenda Item: E-5

5) Approval of Special Event applications:

- a) First Friday at Greenbrook Design, requested date: May 3, 2024
- b) Shelby Pride Festival, requested date: October 12, 2024

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

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Summary of Available Information:

- Memorandum(s) dated April 1, 2024, from Carol Williams, City Clerk to Rick Howell, City Manager
- Special Event Application(s)

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City Manager's Recommendation / Comments

**These events are 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:** April 1, 2024

**Re:** Special Event Permit Application

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## BACKGROUND:

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

- ✓ First Friday: requested date: May 3, 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 April 15, 2024 for Council's review and approval.

## ATTACHMENT:

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

criminal in nature, shall be subject to the maximum penalty authorized by G.S. 14-4, as amended.

## CITY OF SHELBY SPECIAL EVENT PERMIT APPLICATION

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

**1. EVENT NAME:**

First Friday

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

Networking

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

112 N. Calayette 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 \_\_\_\_\_

Whole street \_\_\_\_\_

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

Name: Stacey Walker / Greenbrook Design

Address: 112 N. Lafayette St. Shelby, MS

Phones: 980-404-9600 (Daytime) 704-692-0553 (Evening)

Stacey@greenbrookdesign.com  
E-mail address

Name: Sierra McLaughlin

Address: 112 N. Lafayette St. Shelby, MS

Phones: 980-404-9600 (Daytime) 704-418-0619 (Evening)

Sierra@greenbrookdesign.com  
E-mail address

**6. PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) May 3rd 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  
NOT 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.**

**12. ANY ADDITIONAL COMMENTS:**

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**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.

Sierra McLaughlin /   
SIGNATURE

Sierra McLaughlin 704-418-0619  
APPLICANT PHONE

112 N. Calhoun St. Shelby NC  
PHYSICAL ADDRESS

Sierra@greenbrookdesign.com  
E-MAIL ADDRESS

03/28/2024  
DATE

# Memo

**To:** Rick Howell, City Manager

**From:** Carol Williams, City Clerk

**Date:** April 1, 2024

**Re:** Special Event Permit Application

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## BACKGROUND:

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

- ✓ Shelby Pride Festival: requested date: October 12, 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 April 15, 2024 for Council's review and approval.

## ATTACHMENT:

- A. Special Event Permit Application packet received March 26, 2024



criminal in nature, shall be subject to the maximum penalty authorized by G.S. 14-4, as amended.

### CITY OF SHELBY SPECIAL EVENT PERMIT APPLICATION

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

**1. EVENT NAME:**

Shelby Pride Festival 2024

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

We are celebrating Cleveland County queer community for the second year.

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

See attached. Washington St., corner to corner in front of the United Methodist Church and Arts Council.

**4. PLEASE INDICATE:**

Approximately how many people will attend the event? 500

Approximately how many vehicles will be present? 5-10

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 NA

All lanes in travel direction NA



Whole street NA

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

Name: Melissa McCleave

Address: 4019 Littlejohn Circle, Shelby NC 28152

Phones: 704. 472.9270  
(Daytime) (Evening)

melissa.luna@me.com  
E-mail address

Name: Dylan Emory

Address: 308 Linden Street, Grover NC 28073

Phones: 704.691.4651  
(Daytime) (Evening)

demory27m@gmail.com  
E-mail address

**6. PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) Saturday, October 12, 2024

Alternate day(s) and date(s) Saturday, October 26, 2024

Requested hours of operation, from 12 AM/PM to 4 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? Yes, invited brewery/wine vendors will serve.

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, invited vendors will have food.

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: 911  
Address: 911  
Phones: 911

Indicate medical services that will be provided for the event.

AMBULANCE: 911  
DOCTOR (S): 911  
PARAMEDICS: 911

**11. CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:**

Requests: Barricades for the street closures and extra trash cans

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**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: Shelby Pride Festival 2024

Authorize Event/Vendor Coordinator: Melissa McCleave

Phone No.: 704.472.9270 Mobile No.: \_\_\_\_\_

Email: melissa.luna@me.com

**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**

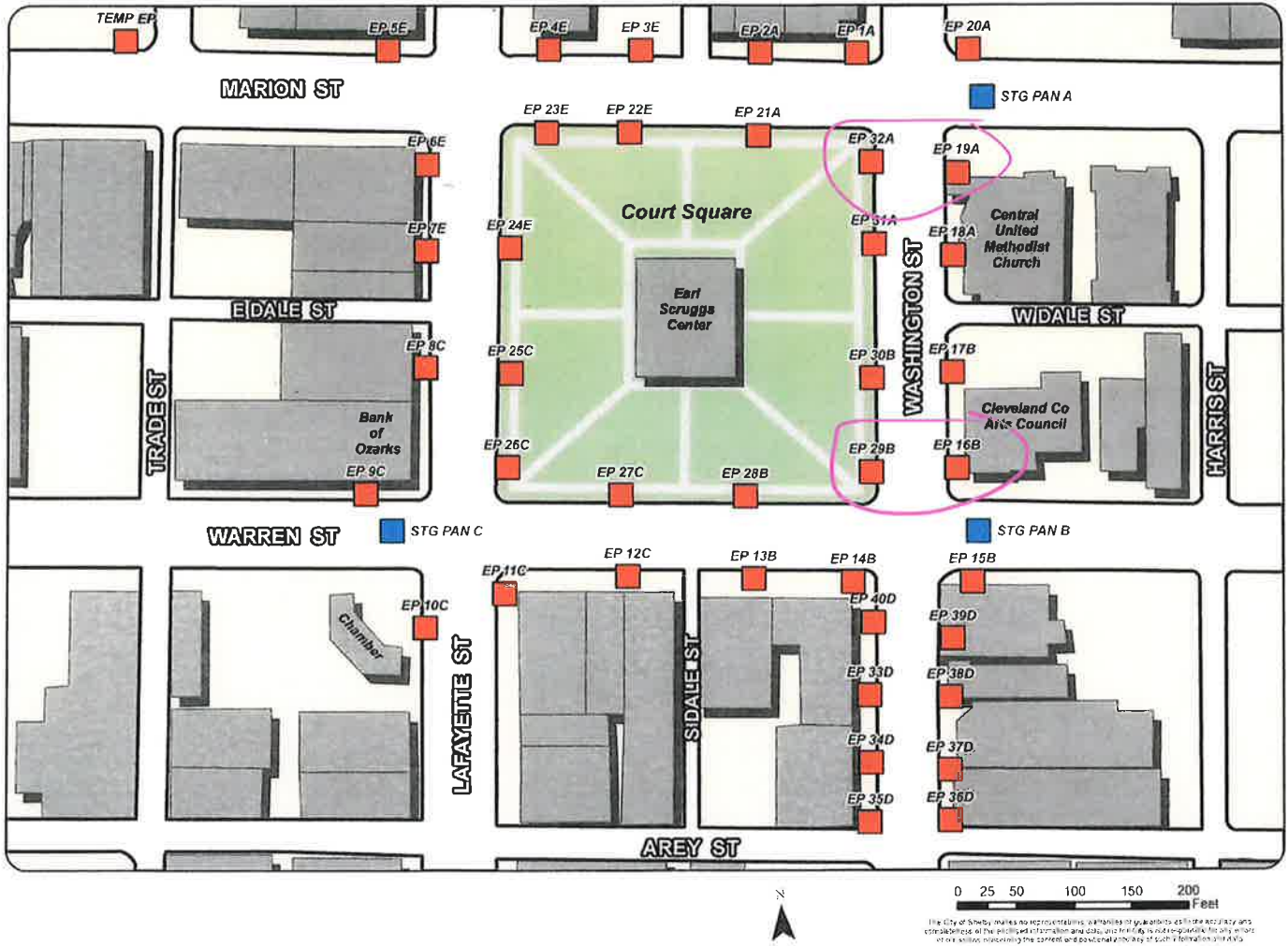
Total Number of Event Panels: 1-4 x \$15.00 x Number of Days 1 = \$ \_\_\_\_\_  
We will solidfy how many we need prior to the date and pay!  
Cost range is \$15.00 - \$60.00

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

**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

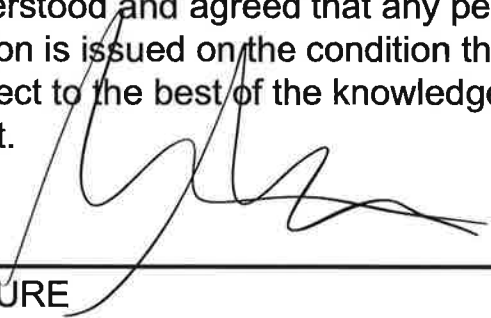
■ Stage Panel

**12. ANY ADDITIONAL COMMENTS:**

We are friendly and hope to bring a lot of community engagement!  
We are attaching a Clean Up Plan.  
If we need to submit any additional paperwork, we are happy to do so  
   
 

**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**

Melissa McCleave

704.472.9270

**APPLICANT**

**PHONE**

4019 Littlejohn Circle, Shelby NC 28152

**PHYSICAL ADDRESS**

melissa.luna@me.com

**E-MAIL ADDRESS**

February 26, 2024

**DATE**

F. Unfinished Business:

Agenda Item: F-1

- 1) Adoption of an ordinance to amend the City of Shelby Code of Ordinance to create the Carolina Harmony Trail Rules of Conduct: Ordinance No. 32-2024

**Unfinished Business Agenda Item: (Jason Lunsford, City Attorney)**

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Summary of Available Information:

- Memorandum dated April 2, 2024, from Jason Lunsford, City Attorney to Rick Howell, City Manager
- Ordinance No. 32-2024

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City Manager's Recommendation / Comments

Ordinance No.32-2024 is presented at this time for City Council consideration. If approved this ordinance sets forth the rules of conduct expected of trail users while utilizing the Carolina Harmony Trail as well as other city trails. These are generally simple and common-sense rules. Penalties for violations would subject a person to a civil citation and fines except where the behavior is regulated by state law.

The City Attorney has developed the proposed ordinance and will review it with City Council at this time.

**It is my recommendation that Ordinance No. 32-2024 be adopted and approved by City Council at this time.**

To: Rick Howell

From: Jason Lunsford, City Attorney

Date: April 2, 2024

RE: Carolina Harmony Trail Ordinance

**INTRODUCTION:**

The City of Shelby is planning construction of the Carolina Harmony Trail, a multiuse greenway starting from Uptown Shelby off East Marion Street and upon completion of all phases, will continue west and end at West Grover Street and to travel east and end at South Dekalb Street within Shelby city limits. All phases of the Carolina Harmony Trail will comprise 10.2 miles in length and pass through Shelby, Patterson Springs, and Earl, North Carolina. Presently, the City completed Phase 1A and is undergoing steps to complete the following phases. The trail has been used by many and well received based on collected feedback. Given the importance of public safety and the ability for all to enjoy the Trail, it is recommended that City Council adopt an Ordinance regulating the rules of conduct on the Trail.

An Ordinance amendment has been recommended for Council's approval that will specify the conduct to be followed while on the Trail and acts that are strictly prohibited. Signs will be displayed at the entrances of the Trail and at future entrances as additional phases are completed.

**RECOMMENDATION:**

Following any discussions and questions from City Council, it is recommended that City Council approve the Ordinance entitled: AN ORDINANCE TO AMEND THE CITY OF SHELBY CODE OF ORDINANCE TO CREATE THE CAROLINA HARMONY TRAIL RULES OF CONDUCT.

**ORDINANCE NO. 32-2024**

**AN ORDINANCE TO AMEND THE CITY OF SHELBY CODE OF ORDINANCE  
TO CREATE THE CAROLINA HARMONY TRAIL RULES OF CONDUCT**

**WHEREAS**, the City of Shelby recognizes the importance of providing high quality parks and recreational activities for the use and enjoyment of its citizens; and,

**WHEREAS**, parks and outdoor activities bring significant economic impacts while contributing to the health and wellbeing of local citizens and visitors from across the region through recreational use of the trail; and,

**WHEREAS**, the City is developing the Carolina Harmony Trail starting from Uptown Shelby off East Marion Street and upon completion of all phases, will continue west and end at West Grover Street and to travel east and end at South Dekalb Street within Shelby city limits. All phases of the Carolina Harmony Trail will comprise 10.2 miles in length and pass through Shelby, Patterson Springs, and Earl, North Carolina; and,

**WHEREAS**, the City also recognizes the importance of providing clear and well understood rules to ensure that citizens can enjoy the Trail together; and,

**WHEREAS**, rules and regulations are necessary to ensure that the Trail remains accessible, safe, and enjoyable; and,

**WHEREAS**, the City of Shelby has authority pursuant to Article 8 of Chapter 160A of the North Carolina General Statutes to adopt ordinances to protect the health, safety, or welfare of its residents and visitors, including against unlawful use and access of its public roads, parks, and facilities.

**NOW, THEREFORE, BE IT ORDAINED**, by the City Council of Shelby, North Carolina, that:

Section 1. The City of Shelby seeks to ensure the safety and continued use and enjoyment of the Carolina Harmony Trail through the implementation of a set Rules of Conduct while on any phase of the trail.

Section 2. The adopted rules are consistent with other rules in place for City Parks and trails and consistent with existing State laws.

Section 3. The City is authorized to enact laws to protect its citizens and the public property used and enjoyed by those citizens through Article 8 of the North Carolina General Statutes.

Section 4. This ordinance shall be effective on April 15, 2024.

Adopted this 15<sup>th</sup> day of April, 2024



Ordinance No. 32-2024  
April 15, 2024  
Page 2

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O. Stanhope Anthony, III  
Mayor

ATTEST

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Carol Williams  
City Clerk

APPROVED AS TO FORM

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Jason Lunsford  
City Attorney

**Ordinance No. 32-2024 (Proposed Article I Sec. 32-4)**

**Sec. 32-4. Definitions:**

**Tobacco.** Any product containing, made, or derived from tobacco that is intended for human consumption, whether chewed, smoked, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, or any component part or accessory of a tobacco product, including but not limited to cigarettes, cigars, little cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, vapes, and other smoking tobacco; snuff; snuff flour, Cavendish; plug and twist tobacco; fine-cut and other chewing tobacco; shorts; refuse scraps, clippings, cutting and sweepings of tobacco, e-cigarettes, hookah and other kinds and forms of tobacco. A tobacco product excludes any product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product, as a tobacco dependence product, or for other medical purposes and is being marketed and sold solely for such an approved purpose.

**Sec. 32-5. Rules of Conduct:**

- a. The following Rules shall be posted at all Trail entrances by the City Manager or designee:
  1. Only motorized vehicles intended for emergency assistance, safety, or maintenance are permitted, with the exception of personal mobility devices, such as wheelchairs or personal transportation devices used by Law Enforcement.
  2. No weapons allowed except as authorized by a valid concealed carry permit.
  3. Horseback riding, carts, carriages, or other horse-drawn apparatus are prohibited.
  4. The use of tobacco while on the trail is prohibited.
  5. Cyclists must travel at a safe speed. Maximum speed on trails is 15 mph.
  6. All cyclists under the age of 16 must wear a helmet.
  7. Bikes yield to pedestrians. Walkers and runners always have the right of way.
  8. Keep right and pass on the left.
  9. Announce yourself before passing. Politely warn trail users as you approach from behind, "Passing On The Left."
  10. Keep pets on short leash. Use 6-foot maximum leash length. Walk pets on the right-hand shoulder.
  11. Pet waste is to be removed and disposed of properly.
  12. In the event of an Emergency, call 911.
- b. The following activities are prohibited and any violation shall be punishable as a Class 3 misdemeanor with a maximum 20 days in jail, a fine up to \$50, or both, pursuant to N.C. Gen. Stat. § 160A-174 and N.C. Gen. Stat. § 14-4:

1. Littering.
2. The possession or consumption of alcoholic beverages.
3. Camping.
4. Open fires.
5. Failure to remove pet waste as provided in Chapter 4, Animals, of this Code.

(State Law reference – Littering N.C. § 14-399).

**Sec. 32-6. Ban on registered sex offenders from use of Trail:**

**(a) Definitions.** For purposes of this section, the following definitions apply:

*Carolina Harmony Trail* is a multi-use trail with access points in Shelby, Patterson Springs, and Earl. The sections maintained and within Shelby, North Carolina, hereinafter referred to as “the Trail,” are part of Shelby’s parks and recreation facilities and covers only those sections set aside and designated as a public trail by City Council and publicly-owned leased, operated or maintained property that is designated as a trail by the City including any adjacent public parking area as well as the driveway, entrance way or pedestrian walkway used by the public to access the trail.

*Official meeting.* A meeting that is required to be open to the public by the Open Meetings Law, pursuant to Chapter 143 Article 33C of the North Carolina General Statutes.

*Registered sex offender* is an individual who is registered by any state or federal agency as a sex offender and/or whose name is published or required to be published on any state or federal sex offender registry, including, but not limited to, the North Carolina Sex Offender and Public Protection Registry established pursuant to Chapter 14 Article 27A of the North Carolina General Statutes.

**(b) Prohibition.** No person registered as a sex offender, as defined above, with the State of North Carolina and/or any other state or federal agency as a registered sex offender shall enter into or upon any section of the Carolina Harmony Trail (“Trail”).

**(c) Penalties.** Violation of this section shall be a class 3 misdemeanor and subject to a fine of up to \$500 as provided by N.C. Gen. Stat. § 14-4. Each entry onto the Trail, regardless of the time period between such entries, shall constitute a separate offense under this article.

(d) Limited exceptions.

1. *Official meetings.* A registered sex offender who has the right to be present at an official meeting shall have the limited privilege of entering on and into the Trail for such time as is necessary to attend said meeting or function. However, any lingering or loitering resulting in exceeding the time in which the official meeting has ended shall be a violation of this section.

(e) *Severability.* Without limiting any other provision in this Code providing for the severability of any Code provisions, it is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Article are severable, and if any phrase, clause, sentence, paragraph, or section of this Article shall be declared unconstitutional or invalid by a court of competent jurisdiction by judgment or decree, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Article, since the phrases, clauses, sentences, paragraphs, and sections of this Article would have been enacted by the City Council without the incorporation into this Article of any such unconstitutional or invalid phrase, clause, sentence, paragraph, or section.

Agenda Item: F-2

- 2) Adoption of an ordinance to amend the City of Shelby Code of Ordinance to create the Uptown Shelby Social District: Ordinance No. 33-2024

**Unfinished Business Agenda Item: (Jason Lunsford, City Attorney)**

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Summary of Available Information:

- Memorandum dated April 2, 2024, from Jason Lunsford, City Attorney to Rick Howell, City Manager
- Uptown Shelby Social District Maintenance and Operation Plan
- Ordinance No. 33-2024

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City Manager's Recommendation / Comments

Ordinance No. 33-2024 is presented for City Council consideration at this time. If approved this ordinance would create the Uptown Shelby Social District within the authority granted by NC General Statute 160A-205.4. In addition to creating the district and its boundaries the ordinance also specifies the rules and regulations that are mandated under the statute. Participation by local businesses is completely voluntary. There is no direct cost for implementation to the City. The proposed boundary exactly mimics the current Uptown Shelby Municipal Service District.

The City Attorney has prepared the proposed ordinance and will present this item for your consideration.

**It is my recommendation that Ordinance No. 33-2024 be adopted and approved at this time.**

To: Rick Howell

From: Jason Lunsford, City Attorney

Date: April 2, 2024

RE: Uptown Shelby Social District Ordinance

#### INTRODUCTION:

In 2021 the North Carolina State Legislature granted cities the right to create a social district under North Carolina General Statute § 160A-205.4 and in accordance with N.C. Gen. Stat. § 18B-300.1. A Social District permits those 21 or older to consume alcohol, purchased from a permitted establishment within the social district, in a designated cup throughout the social district. This is seen as a beneficial way to encourage citizens to explore and enjoy uptown and promote the various businesses throughout the uptown area. Over 40 cities across North Carolina have already adopted a social district and the Uptown Shelby Association, Inc. has worked with the uptown businesses as well as City Council in moving forward with this initiative.

An Ordinance amendment has been recommended for Council's approval creating the Uptown Shelby Social District. The Ordinance specifies the rules and regulations that are mandated by the State of North Carolina and actions that are strictly prohibited. Participation is voluntary and signs will be displayed within the windows of the businesses identifying their level of participation. A map of the social district is found as an Exhibit to the Ordinance and a Management and Maintenance Plan detailing the implementation, updates, and other important information about the social district can be found online at the City's website or in person at the Clerk's office.

#### RECOMMENDATION:

Following any discussions and questions from City Council, it is recommended that City Council approve the Ordinance entitled: AN ORDINANCE TO AMEND THE CITY OF SHELBY CODE OF ORDINANCE TO CREATE THE UPTOWN SHELBY SOCIAL DISTRICT. Following the approval of City Council, a copy of the Ordinance and the Management and Maintenance Plan must be sent to the North Carolina Alcoholic Beverage Control (ABC) Commission for prior approval. Once Approved by the ABC Commission, the City may formally authorize the Uptown Shelby Social District.

**UPTOWN SHELBY SOCIAL DISTRICT**



**Maintenance and Operation Plan**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>Introduction .....</b>	<b>1</b>
<b>Management .....</b>	<b>1</b>
<b>Days and Hours of Operation .....</b>	<b>2</b>
<b>District Boundaries .....</b>	<b>2</b>
<b>District Logo .....</b>	<b>2</b>
<b>City Property and the Social District .....</b>	<b>2</b>
<b>Participating Businesses with ABC Permits .....</b>	<b>2</b>
<b>Participating Businesses without an ABC Permit .....</b>	<b>3</b>
<b>Rules and Regulations .....</b>	<b>4</b>
<b>Security and Enforcement .....</b>	<b>4</b>
<b>Sanitation and Maintenance .....</b>	<b>4</b>
<b>Special Events .....</b>	<b>4</b>
<b>Exhibit A Uptown Social District Map .....</b>	<b>5</b>
<b>Exhibit B Uptown Shelby Social District Ordinance .....</b>	<b>6</b>



## Introduction

The State Legislature, through Session Law 2021-150, granted municipalities the right to create social districts under N.C. Gen. Stat. § 160A-205.4 and following the guidelines provided for under N.C. Gen. Stat. § 18B-300.1. A social district allows consumers to purchase from permitted businesses alcoholic beverages in designated cups for consumption within the designated area. After careful consideration and approval from City Council, the City of Shelby created the Uptown Shelby Social District. This Social District and this Maintenance and Operation Plan must still be approved by the North Carolina Alcoholic Beverage Control (ABC) Commission and will open to the public shortly after approval is received. The City will provide all updates and changes of the district on the City website and in person at the Clerk's Office.

## Management

This plan along with the ordinance adopting the Uptown Shelby Social District and corresponding information, which also includes the map of the district, is posted on the City website and available for inspection at the Clerk's Office.

All property owners located within the Social District may voluntarily participate and participation shall be denoted by placing a corresponding sign on the property window. Property owners shall pick from one of four signs: (1) Sold Here, (2) Welcomed Here, (3) Not Permitted, and (4) Sold Here & No Outside Beverage. All signs shall be provided by the City or its designee and be uniform under the City's published plan.

The following requirements apply to all property owners located within the Social District:

1. A permittee may be included in the Social District even if it chooses to exclude open containers of alcoholic beverages purchased from other permittees in the social district.
2. A permittee business may elect to allow a customer to bring and consume an alcoholic beverage into their establishment that was purchased at a different participating permittee within the social district.

**Look for these window clings at your local Uptown Shelby Businesses.**



## **Days and Hours of Operation**

The Social District shall be restricted to Monday through Sunday, from 10am Eastern Standard Time until 10:00pm Eastern Standard Time.

## **District Boundaries**

Exhibit A

## **District Logo**



## **City Property and the Social District**

It shall be unlawful for any person to possess an open container of an alcoholic beverage on any property owned, occupied, or controlled by the City of Shelby, including sections of the Carolina Harmony Trail, unless specifically permitted by the City through Ordinance adopting the Social District, special event permits, and applicable State law. Any City properties designated as eligible will be signed accordingly.

## **Participating Businesses with ABC Permits**

Any alcoholic beverage sold and purchased for consumption within the Social District shall:

- (a) Only be consumed within the boundaries depicted on the Social District Map, and
- (b) Be disposed of before the person in possession of the alcoholic beverage exists the Social District.
- (c) All containers must be discarded upon entering any permittee or non-permittee not participating or any permittee that may be participating but not allowing alcohol purchased from a different permittee (Sold Here & No Outside Beverage).

Additionally, the permittee shall only sell and serve alcoholic beverages on its licensed premises.

1. The permittee shall only sell an open container of an alcoholic beverage for consumption in the Social District and to be consumed off premises in a container meeting all the following requirements as provided within the Social District Plan:
  - a. The container clearly identifies the permittee from which the alcoholic beverage was purchased.
  - b. The container clearly displays the approved Social District Logo.
  - c. The container is not comprised of glass.
  - d. The container displays the following statement, “Drink Responsibly – Be 21” in no less than 12-point font.
  - e. The container shall not hold more than 16 fluid ounces.
  - f. No alcohol shall be sold in a social district cup outside of the permitted hours.

A depiction of the container meeting all of the following:



2. Any sale of an alcoholic beverage for which consumption by the customer is not for the purpose of entering into the Social District may be poured and consumed within any container the business desires so long as the business meets all applicable laws and regulations.

### **Participating Businesses without an ABC Permit**

Participation is voluntary and within the discretion of the property owner(s) and at no time is a non-permittee owner located within the boundaries of the Social District required to allow alcohol

within its premises. Property owners will denote their participation using one of the provided signs depicted above at their choice. Property owners may change their choice of participation as well.

### **Rules and Regulations**

In adopting Ordinance \_\_\_\_\_, which created the Social District, City Council approved the enactment of Article \_\_\_\_\_ which sets out all rules and regulations pertaining to the district.

The Ordinance also specifically provides that violators of the social district may face either civil punishment or criminal punishment. Specifically, any person who violates or fails to comply with the provisions of this Article is guilty of a class 3 misdemeanor as provided by N.C. Gen. Stat. § 160A-175 and N.C. Gen. Stat. § 14-4. Also, any person who aids, abets, assists in, or contributes to a violation of this Article shall be punished as an infraction as provided by N.C. Gen. Stat. § 14-3.1. Additionally, any permittee or non-permittee that fails to abide by the rules and regulations set out may face a civil penalty of \$100 per occurrence and such collection may be commenced through civil action if failure to pay within 15 days from the date the violator is notified.

### **Security and Enforcement**

The City of Shelby Police Department and NC ALE (Alcohol Law Enforcement) Officers will enforce the rules and regulations set forth under this plan and the attached Ordinance establishing the Social District. The City retains the right to prohibit an ABC permittee from participating in or suspending a permittee's ability to participate in the Social District due to violations.

To report potential violations, please call the Shelby Police Department at 704.484.6845, the N.C. Alcohol Enforcement Division (1.877.ALE.AGENT or 1.877.253.24368) or in the event of an emergency, please call 911.

### **Sanitation and Maintenance**

Trash receptacles are placed throughout Uptown Shelby and will be placed at the boundaries of the Social District to encourage consumers to properly dispose of any used cups and unconsumed alcohol.

### **Special Events**

North Carolina law allows special events located within a social district to receive a permit from the ABC Commission for the sale of alcohol within the event area. The special event permittee may also participate in the Social District if all requirements under North Carolina law, and adopted by the City of Shelby, are followed, which includes providing and consuming alcohol in designated social district cups.

Special event permittees shall have the choice to participate and to allow others to participate within their designated event area. Proper signage to that effect is required as compliance with the Social District rules and regulations.

# EXHIBIT A

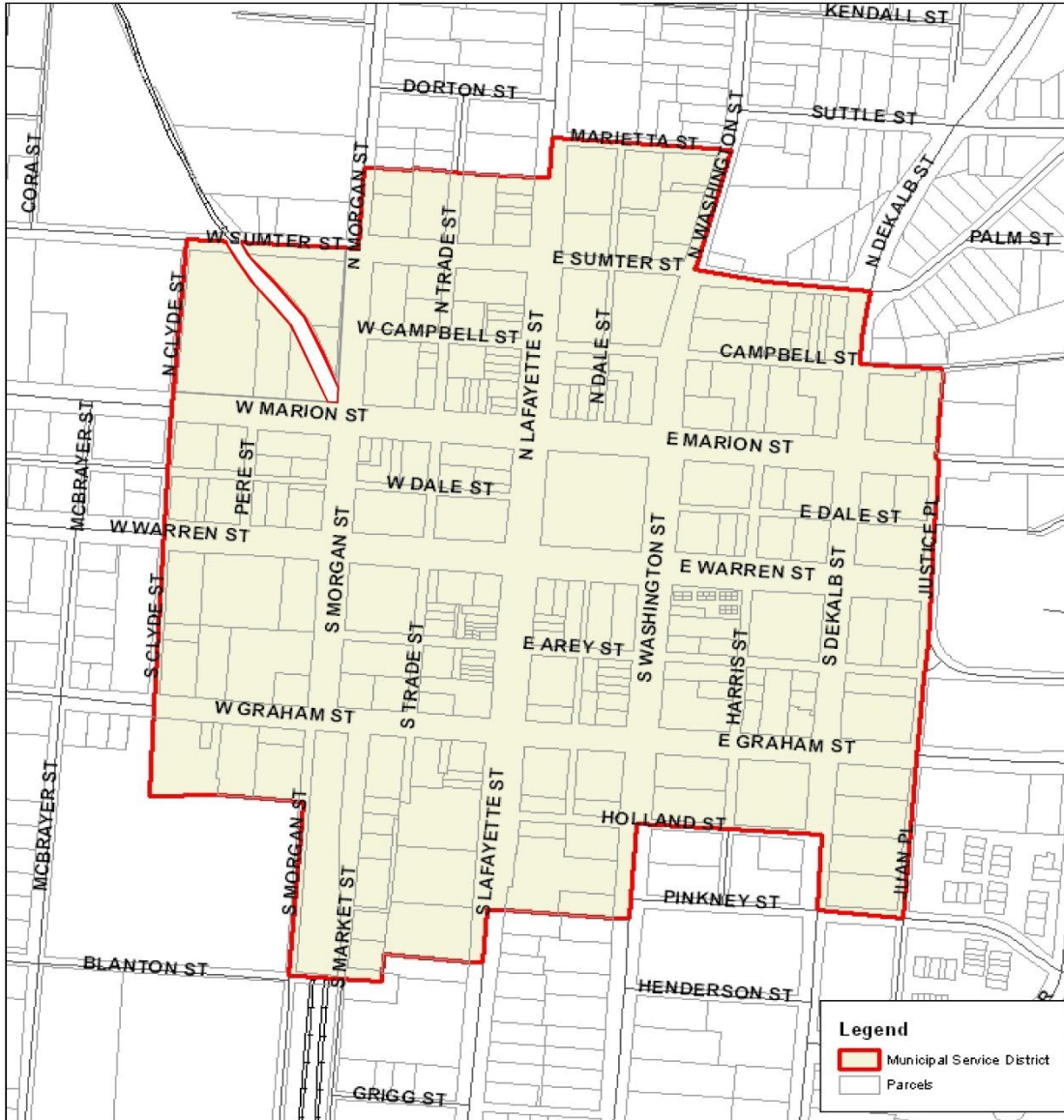
## Social District Map



# UPTOWN SHELBY SOCIAL DISTRICT



Map Information:  
Datum: NAD 1983  
Coordinate: State Plane  
North Carolina (Meter)  
Projection: Lambert Conformal Conic  
US National Grid  
Grid Zone Designation (GZD): 17S  
100,000m Square ID: MVMU



**Legend**

- Municipal Service District
- Parcels

Scale 1:4,800 1 inch = 400 feet 0 200 400 800 Feet

**ORDINANCE NO. 33-2024**

**AN ORDINANCE TO AMEND THE CITY OF SHELBY CODE OF ORDINANCE TO  
CREATE THE UPTOWN SHELBY SOCIAL DISTRICT**

**WHEREAS**, pursuant to N.C. Gen. Stat. § 160A-205.4 the City may adopt an ordinance designating one or more social districts for use in accordance with N.C. Gen. Stat. § 18B-300.1; and

**WHEREAS**, under the above laws, the North Carolina General Assembly authorized municipalities to designate social districts within the city limits to permit the sale and consumption of alcoholic beverages both within and outside of designated establishments and along the streets of the social district; and

**WHEREAS**, the City partnered with Uptown Shelby Association, Inc. to propose a social district serving the uptown area within the designated map; and

**WHEREAS**, the City believes that the creation of a social district will increase the economic vitality and growth of the uptown area of the City.

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

Section 1. The Uptown Shelby Social District shall be established and limited to the area depicted on the map dated and found on the City’s website or upon inspection with the City Clerk. The Uptown Shelby Social District is restricted to the following Exhibit A. Except as specifically stated herein, alcohol is prohibited on the Carolina Harmony Trail. The Section of the Carolina Harmony Trail beginning at West Marion and North Morgan Street heading North to Sumter Street is specifically excluded from the Social District. All other sections of the Carolina Harmony Trail heading from West Marion to Blanton Street is hereby incorporated into the Social District.

Section 2. The Social District shall be restricted to Monday through Sunday, from 10am Eastern Standard Time until 10:00pm Eastern Standard Time.

Section 3. Staff shall establish an approved management and maintenance plan to be submitted to the Alcoholic Beverage Control (ABC) Commission for final approval. The plan shall be maintained and posted, along with a rendering of the boundaries of the social district and days and hours during which alcoholic beverages may be consumed in the social district on the City’s website.

Section 4. This ordinance shall be effective on \_\_\_\_\_, 2024.

Adopted on this 15<sup>th</sup> day of April, 2024.

Effective \_\_\_\_\_, 2024

Ordinance No. 33-2024  
April 15, 2024  
Page 2

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O. Stanhope Anthony, III  
Mayor

ATTEST

---

Carol Williams  
City Clerk

APPROVED AS TO FORM

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Jason Lunsford  
City Attorney



**ARTICLE \_\_\_\_ SOCIAL DISTRICT.**

**SECTION \_\_\_\_ Purpose and Intent.**

- (a) Pursuant to the provisions of N.C. Gen. Stat. § 160A-205.4, a municipality may by ordinance, designate one or more social districts within the city for use in accordance with N.C. Gen. Stat. § 18B-300.1. The social district(s) established by the City are described herein, along with the days and hours of operation.
- (b) The Social Districts shall be created, designated, and managed in accordance with the requirements contained in N.C. Gen. Stat. § 160A-205.4 and Chapter 18B.
- (c) The City has established an approved management and maintenance plan(s). The plan(s) are maintained and posted, along with a rendering of the boundaries of the social district and days and hours during which alcoholic beverages may be consumed in the social district on the City’s website.
- (d) Permittees shall be responsible for operating its business in accordance with all state and city laws, ordinances, rules, and regulations governing social districts.
- (e) The provisions of Section 30-5 – “Sale, use of alcoholic beverages on city property” shall remain in full effect.
- (f) To the extent required by applicable State law, any portion of the social district herein established that overlaps with a premise(s) subject to a permit for on-premises consumption of alcohol issued by the North Carolina Alcoholic Beverage Control Commission for a special event shall be suspended during the event to the extent the social district and the permitted premises are in conflict.

**SECTION \_\_\_\_ Definitions.**

The following words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning.

*Customer* means a person who purchases an alcoholic beverage from a permittee that is in a social district.

*Non-permittee* means and refers to a business that is located in a social district and does not hold any ABC permit.

*Open container* means any alcoholic beverage where the seal of the original manufacturer is broken or an alcoholic beverage that is possessed in a container other than the unopened manufacturer’s container. (State law reference N.C. Gen. Stat. § 18B-300).

*Permittee* means and refers to an establishment holding any of the following ABC permits issued by the North Carolina Alcoholic Beverage Control Commission:

1. An on-premises malt beverage permit issued pursuant to N.C. Gen. Stat. § 18B-1001(1).
2. An on-premises unfortified wine permit issued pursuant to N.C. Gen. Stat. § 18B-1001(3).
3. An on-premises fortified wine permit issued pursuant to N.C. Gen. Stat. § 18B-1001(5).
4. A mixed beverages permit issued pursuant to N.C. Gen. Stat. § 18B-1001(10).
5. A wine shop permit issued pursuant to N.C. Gen. Stat. § 18B-1001(16).
6. A distillery permit issued pursuant to Gen. Stat. § 18B-1100(5).

*Persons* means and refers to an individual, firm, partnership, association, corporation, limited liability company, other organization or group, or other combination of individuals acting as a unit.

*Premises* means and refers to a fixed permanent establishment, including all areas inside or outside the permitted establishment, where the permittee has control through a lease, deed, or other legal process.

*Social district* means and refers to a designated area established under Section \_\_\_\_ and is managed in accordance with the requirements contained in requirements contained in N.C. Gen. Stat. § 160A-205.4 and Chapter 18B.

#### **SECTION \_\_\_\_ Established and Designated Social District.**

The Social District shall be created, designated, and managed in accordance with requirements contained in N.C. Gen. Stat. § 160A-205.4 and Chapter 18B. Participation is voluntary and within the discretion of the property owner(s) and at no time is a non-permittee owner located within the boundaries of the Social District required to allow alcohol within its premises.

The Uptown Shelby Social District shall be established and limited to the area depicted on the map dated and found on the City's website or upon inspection with the City Clerk. All markings on the map shall be posted clearly delineating the boundaries of the social district and updated from time to time as necessary in coordination with the City's approved management and maintenance plans.

- (a) The Social District shall be restricted to the following days and times:
  - i. The Social District shall be restricted to Monday through Sunday, from 10am Eastern Standard Time until 10:00pm Eastern Standard Time.
  - ii. At all other times in which alcohol may be sold or consumed, such activities are restricted to the state laws and ordinances already prescribed and enforced. No alcohol shall be sold in a social district cup outside of the permitted hours.

- iii. Patrons may not leave a permittee and enter the social district with any open container outside of the stated hours unless a special permit is issued by the City.
- (b) Any alcoholic beverage sold and purchased for consumption within the Social District shall:
- i. Only be consumed within the boundaries depicted on the Social District Map, and
  - ii. Be disposed of before the person in possession of the alcoholic beverage exists the Social District.
  - iii. All containers must be discarded upon entering any permittee or non-permittee not participating or any permittee that may be participating but not allowing alcohol purchased from a different permittee (Sold Here & No Outside Beverage).

**SECTION \_\_\_\_ Participation in General.**

All property owners located within the Social District may voluntarily participate and participation shall be denoted by placing a corresponding sign on the property window. Property owners shall pick from one of four signs: (1) Sold Here, (2) Welcomed Here, (3) Not Permitted Here, and (4) Sold Here & No Outside Beverage. All signs shall be provided by the City or its designee and be uniform under the City’s published plan. The following requirements apply to all property owners located within the Social District:

- 1. A permittee may be included in the Social District even if it chooses to exclude open containers of alcoholic beverages purchased from other permittees in the social district.
- 2. A permittee business may elect to allow a customer to bring and consume an alcoholic beverage into their establishment that was purchased at a different participating permittee within the social district meeting all the requirements set forth under this Article.

**SECTION \_\_\_\_ Requirements for Permittee Sales, Sales of Open Containers.**

Permittee businesses must comply with the following requirements:

- 1. The permittee shall only sell and serve alcoholic beverages on its licensed premises.
- 2. The permittee shall only sell an open container of an alcoholic beverage for consumption in the Social District and to be consumed off premises in a container meeting all the following requirements as provided within the Social District Plan:
  - a. The container clearly identifies the permittee from which the alcoholic beverage was purchased.

- b. The container clearly displays the approved Social District Logo.
  - c. The container is not comprised of glass.
  - d. The container displays the following statement, “Drink Responsibly – Be 21” in no less than 12-point font.
  - e. The container shall not hold more than 16 fluid ounces.
  - f. No alcohol shall be sold in a social district cup outside of the permitted hours.
3. Any sale of an alcoholic beverage for which consumption by the customer is not for the purpose of entering into the Social District may be poured and consumed within any container the business desires so long as the business meets all applicable laws and regulations.
  4. Nothing in this subsection or within this Article shall be construed to authorize the sale and delivery of alcoholic beverages in excess of the limitations set forth in N.C. Gen. Stat. § 18B-1010.

All containers must be discarded upon exiting the social district boundaries.

**SECTION \_\_\_\_ Requirements for non-permittee.**

1. All non-permittee businesses that are part of the Social District and that allow customers to bring alcohol into their premises (Welcomed Here) shall clearly post signage on any exits that do not open to the Social District indicating that alcoholic beverages may not be taken past that point.
2. A participating non-permittee business shall display the uniform sign at all times during the times provided under Section \_\_\_\_ Established and Designated Social District.
3. During the days and hours when the Social District is active as provided for within this Article, a non-permittee business that allows customers to bring alcoholic beverages onto its premises (Welcomed Here) shall allow law enforcement officers to access to the areas of the premises accessible by customers.

**SECTION \_\_\_\_ Restrictions on consumption of alcohol within a social district.**

1. Only alcoholic beverages purchased from a permittee located within the Social District may be consumed within the Social District.
2. Only open containers meeting the requirements established within this Article and provided by a designated permittee are allowed within the Social District except for open containers sold by and consumed on the premises of the permittee, or under the existing Sidewalk Café ordinance 10-135.
3. No person may bring an alcoholic beverage into a non-permittee business that is not displaying the uniform sign or is displaying the sign “Not Permitted Here.”

4. Open containers of alcoholic beverages shall only be possessed and consumed within the hours established under this Article unless consumed on permittee's premises in compliance with all applicable permits and laws or a special permit is issued by the City.
5. Nothing in this Article or subdivision shall be construed as authorizing the sale and delivery of alcoholic beverage drinks in excess of the limitation established in N.C. Gen. Stat. § 18B-1010.
6. All containers must be discarded upon exiting the social district boundaries.

**SECTION \_\_\_\_ Enforcement.**

Code enforcement shall notify a permittee or non-permittee business owner in writing by certified mail who violates or fails to comply with the provisions of this Article. Violators shall be subject to one or a combination of the following:

- (a) The City specifically retains the right to revoke or suspend a permit any time it deems such revocation to be in the best interest of the public health, safety or welfare, or where the permittee has failed to comply with applicable city requirements or is found to have provided false or misleading information in the permit application.
- (b) Civil penalty of \$100 per occurrence for any permittee or non-permittee, which may be recovered by the City in a civil action in the nature of a debt if the permittee or non-permittee does not pay the penalty within 15 days from the date the violator is notified of the penalty.
- (c) Any person who violates or fails to comply with the provisions of this Article is guilty of a class 3 misdemeanor as provided by N.C. Gen. Stat. § 160A-175 and N.C. Gen. Stat. § 14-4.
- (d) Any person who aids, abets, assists in, or contributes to a violation of this Article shall be punished as an infraction as provided by N.C. Gen. Stat. § 14-3.1.

Map of Social District



# UPTOWN SHELBY SOCIAL DISTRICT

Map Information:  
 Datum: NAD 1983  
 Coordinate: State Plane  
 North Carolina (Meter)  
 Projection: Lambert Conformal Conic  
 US National Grid  
 Grid Zone Designation (GZD): 17S  
 100,000m Square ID: MVMU



**Legend**  
 Municipal Service District  
 Parcels

Scale 1:4,800 1 inch = 400 feet 0 200 400 800 Feet

Agenda Item: F-3

3) Natural Gas Installation Policy:

- a) Adoption of an ordinance amending the City of Shelby's Schedule of Fees: Ordinance No. 34-2024
- b) Approval of a resolution to adopt the proposed City of Shelby Natural Gas Line Installation Policy and the proposed City of Shelby New Development Natural Gas Service Agreement: Resolution No. 31-2024

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

Summary of Available Information:

- Natural Gas Installation Policy Presentation
- Memorandum dated April 10, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager, and Beth Beam, Director of Finance
- Memorandum dated April 9, 2024, from Ronnie Davis, Energy Services Operations Manager to Ben Yarboro, Assistant City Manager, Jeff Champion, Natural Gas Superintendent, and Bryant Nodine, Business Manager
- Memorandum dated April 10, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager, and Beth Beam, Director of Finance
- Memorandum dated April 9, 2024, from Ronnie Davis, Energy Services Operations Manager to Ben Yarboro, Assistant City Manager, Jeff Champion, Natural Gas Superintendent, and Bryant Nodine, Business Manager
- Memorandum Dated April 10, 2024, from Beth Beam, Director of Finance to Rick Howell, City Manager
- Supporting Documents
- Ordinance No. 34-2024
- Resolution No. 31-2024

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City Manager's Recommendation / Comments

Ordinance No. 34-2024 and Resolution No. 31-2024 are presented for City Council consideration at this time. I have summarized the changes that are proposed and what effect each will have if adopted.

As market conditions have changed over the past several years it has prompted management and staff to review current costs for the City to provide service to customers and the pricing of these services to those customers. NC General Statute 159-13(b)(14) requires that municipal utilities be run as enterprises and therefore City Council may make no appropriation or transfer from an enterprise fund to any other fund unless it is



generating excess revenue beyond what is needed for operating expenses, capital outlay and debt service on outstanding utility or enterprise borrowings. The City's natural gas fund has been profitable for quite some time and the City has transferred some of these profits to the general fund as a subsidy in the annual budget. But as market conditions have changed and the cost of labor, material, and other services increased the amount available for transfer has come under increasing pressure. These two items will appropriately shift the burden of these costs more toward the customer and reduce the overall "payback" to the natural gas system. The proposed changes are intended to be a compromise between managing the payback on costs to acquire new natural gas customers while still providing an attractive opportunity for those that desire natural gas service.

- a) Ordinance No. 34-2024 would adjust the Schedule of Fees and Charges as presented and is included in your agenda packet.
- b) Resolution No. 31-2024 would adopt a proposed natural gas line installation policy for new developments and implements a requirement for developers desiring natural gas service to enter into an agreement with the City setting forth the terms outlined in the provided material.

**It is my recommendation that Ordinance No. 34-2024 and Resolution No. 31-2024 be adopted and approved by City Council at this time.**



## *Memorandum*

**To:** Rick Howell, City Manager

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

**Cc:** Beth Beam, Finance Director

**RE:** City of Shelby Natural Gas Line Installation Policy, City of Shelby New Development Natural Gas Service Agreement recommendation

**Date:** April 10, 2024

### Background

As detailed in the attached memorandum from Ronnie Davis, Energy Services Operations Manager, the City of Shelby owns and operates a natural gas system that serves a large portion of Cleveland County. In recent years, there has been a substantial amount of growth and development that have led to increased demands on the natural gas system. Through working with many customers and developers, it has become evident to City staff that establishing formal policies and agreements that address issues related to natural gas installation would be beneficial to both the customer and the City. The purpose of the proposed policy and agreement is to establish the roles and responsibilities of all parties. City staff has recently prepared the following:

- City of Shelby Natural Gas Line Installation Policy
- City of Shelby New Development Natural Gas Service agreement

The City of Shelby Natural Gas Line Installation Policy provides the customer with the requirements for new natural gas service line and main line extensions. This policy also outlines the application, natural gas availability determination, basis of costs for installation, payment terms, and rebate opportunities for the customer based on appliances installed.

The City of Shelby New Development Natural Gas Service Agreement is an agreement that must be executed by a developer requesting natural gas installation in a subdivision. This agreement establishes the terms and conditions that the City and the builder must comply with in regards to the natural gas main installation. Some of the key components of this agreement are as follows:

[www.cityofshelby.com](http://www.cityofshelby.com)

- Builder agrees to promote natural gas on the site
- City has the right to market and advertise natural gas with the development
- Builder agrees to provide City with the necessary easements
- Builder agrees to provide survey points required for the installation of the NG infrastructure
- City agrees to install NG infrastructure as required to provide natural gas service to the site
- City will own, operate, and maintain the natural gas system
- The Builder will pay for the NG main installation in accordance with the City of Shelby Fee Schedule
- The Builder will be eligible for a refund as detailed in the Agreement if the project is cancelled by the Builder

This proposed Policy and Agreement will create clarity to the natural gas installation process and ensure consistency when dealing with multiple projects.

**Recommendation**

City Staff recommends that City Council approve the resolution adopting the proposed City of Shelby Natural Gas Line Installation Policy and the proposed City of Shelby New Development Natural Gas Service Agreement.

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

Attachments



## *Memorandum*

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

**From:** Ronnie Davis, Energy Services Operations Manager

**Cc:** Jeff Champion, Natural Gas Superintendent  
Bryant Nodine, Business Manager

**RE:** Natural Gas Line Installation Policy, Natural Gas Installation Fees, New Development Service Agreement

**Date:** April 9, 2024

### Background

The City of Shelby owns and operates a number of natural gas regulator stations and distribution lines throughout the City of Shelby and a large portion of Cleveland County. In regard to the policies and fees associated with installing natural gas, the City has made no changes to the cost to install a natural gas line since the mid 1990's. The City's goal will always be to provide the best value possible to our existing and potential customers, but costs associated with the construction of natural gas have steadily increased. With current pricing and the increased costs we experience, the payback related to the installation of new natural gas main and services has become unreasonably long. When installing new natural gas lines to serve either individuals or a new subdivision, the City of Shelby has been responsible for the majority, if not all, of the associated costs. The associated costs for these installations include city staff expenses, contracted labor and materials. The customer has minimal costs for these installations, and there have been incentives such as free footage that has allowed many customers to receive a natural gas service line installed at no cost and then in many cases receive a rebate. This results in the City paying the costs associated with the installation and then writing the customer a rebate check (typically ranging from \$200 - \$500).

In the case of new subdivisions, the City has historically installed natural gas main throughout the subdivision for free, with no guarantee that the developer will actually install any services off the new natural gas line. This is obviously very costly for the City with the payback currently being over 8 years. Based on the expected rate of growth to be experienced in the near future throughout the City of

Shelby, City staff feels it is necessary to establish a Natural Gas Line Installation Policy to address the rising costs of the installation of natural gas infrastructure.

Recently, City staff completed the process of reviewing the natural gas line installation policy by comparing the policies of several other municipalities in the State and developed a policy to assist with the burden of the costs associated with new natural gas services for both individuals as well as new subdivisions. Additionally, staff have established a natural gas service agreement for new developments that desire to have natural gas available in their subdivisions. The natural gas service agreement will not only help with the costs of the natural gas line for the new subdivision, but it will also protect the City from installing these lines and not having any customers in the subdivision by having the developer pay part of the installation costs, therefore, having them invest in the system which creates additional incentive for them to install services off of the new main.

### **Review**

The new policy will change the charge per foot cost of a service line from \$5 per foot to \$8 per foot. The free footage for installations based on appliance type will also be eliminated. The current policy allows free footage on the installation of a natural gas service if the customer installs the required appliances. The proposed policy requires the developers of new subdivisions to pay \$10 per foot for the extension of the natural gas main throughout their subdivision. The developer will then pay the \$8 per foot required for service line installation.

### **Recommendation**

City Staff recommends that City Council approve the resolution adopting the new natural gas line installation policy and new development service agreement.

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

#### Attachments:

- City of Shelby Natural Gas Line Installation Policy
- City of Shelby New Development Service agreement
- City of Shelby Natural Gas Service Application

The purpose of this policy is to provide residential, commercial, and industrial customers with the requirements for new natural gas service line installations and main extensions to homes, businesses, multi-family dwellings, and subdivisions within and adjacent to the City of Shelby's natural gas service area.

### **1. Single Family Homes, Duplexes and Stand-Alone Businesses**

Customers interested in a natural gas service to their existing or new construction home, or stand-alone business must contact the City of Shelby to schedule a site visit with a City of Shelby Natural Gas representative. Customers must provide the parcel address, a list of gas appliances, such as those listed below, to be installed, and the anticipated gas load to the representative.

- Water Heater
- Tankless Water Heater
- Range
- Dryer
- Furnace
- Dual Fuel Heat Pump
- Gas Logs

Once it has been determined if gas is currently available or if a gas main extension is feasible, the costs to extend the main and install the gas service will be determined and communicated to the customer in writing. If the customer agrees to the costs, the natural gas representative will meet with the customer to sign the City of Shelby Natural Gas Service Application and the Natural Gas Service Installation Provisions form. All fees must be paid in full prior to the City of Shelby installing the natural gas main extension and gas service. Customers will not be added to the installation list until all fees are paid in full.

Current main extension and service line fees can be found in the City of Shelby Fees Schedule. All fees in the City of Shelby Fees Schedule are reviewed annually and are subject to change.

If the prospective customer is the lessee in a rental agreement and not the property owner, the City of Shelby will not enter into this agreement with the lessee. Instead, the City of Shelby will only enter into this Agreement with the property owner and the property owner must agree to the main extension and service line, sign all applicable forms, and pay the associated costs.

### **2. Multi-Family Complexes, Subdivisions, and Multi-Business Complexes**

Builders interested in natural gas services to subdivisions, multi-family and multi-business complexes must contact the City of Shelby to schedule a site visit with a City of Shelby Natural Gas representative. Builders must provide site plans that include designs for the streets, wet utilities, mechanical, electrical, natural gas, plumbing and landscaping plans to the City of Shelby Engineering Department by mailing to:

City of Shelby Engineering Department  
300 S. Washington Street  
Shelby, NC 28150

The site plans shall include the number of natural gas residential or business services that will be installed, the anticipated load, and the appliances, such as those listed below, to be installed in each residential or business unit in the development.

- Water Heater
- Tankless Water Heater
- Range
- Dryer
- Furnace
- Dual Fuel Heat Pump
- Gas Logs

Once City of Shelby staff have reviewed and approved the site plans, a “Will Serve Letter” with cost estimates and the Natural Gas Service Agreement will be made available to the Builder via e-mail from the City of Shelby Utility Projects Coordinator. The cost estimates will be valid for a period of 90 days from the date of issue of the letter.

Any additional or major revisions to the construction plan may be at the City of Shelby’s sole discretion, and the Builder may be charged a redesign fee that must be paid prior to the additions being provided. In this case, the City of Shelby Utility Projects Coordinator would notify the Builder via e-mail within thirty (30) days.

The Builder agrees to provide the City of Shelby with the necessary consents, agreements, easements, and access to install the infrastructure agreed upon in the Natural Gas Service Agreement in accordance with an applicable time frame agreed upon. The Costs and expenses incurred to obtain the items mentioned are borne to the builder.

### **3. Builder Costs Associated with Natural Gas Infrastructure**

The City of Shelby will install all the natural gas mains, valves, test boxes, line markers and associated appurtenances to the Builder’s site once the Builder signs the Natural Gas Service Agreement and a timeframe for construction is agreed upon. The builder agrees to pay all estimated fees associated with the installation of infrastructure necessary to serve all units in the development in full within 90 days of issuance of the Will Serve Letter.

Any changes to the site development plan, construction plan and natural gas load data after the Will Serve Letter is issued may result in additional engineering costs and potential changes in the line extension costs that the Builder is responsible for. Relocation of any natural gas mains and service lines, and/or gas meter upgrade fees will result in additional costs to the Builder. The City



of Shelby Utility Projects Coordinator will send an e-mail notification within thirty (30) days of any such notification.

All fees in the City of Shelby Fees Schedule are reviewed annually and are subject to change.

#### **4. Infrastructure Requirements**

The natural gas infrastructure design and installation shall follow the City of Shelby's Standard Details, Unified Development Ordinance (UDO), and the latest edition of the North Carolina Utility Commission (NCUC), and Pipeline and Hazardous Materials Safety Administration PHMSA.

#### **5. Natural Gas Incentives**

The City of Shelby provides incentives for installing natural gas appliances to residential, commercial, and industrial customers. A list of the available incentives can be found in the City of Shelby Fees Schedule. A City of Shelby Natural Gas New Customer Rebates and Incentives Installation Agreement will be made available to the customer or builder for signature. The customer or builder who applies for the rebate must be the one who paid for the appliance and must have a receipt showing proof of payment to be included with the New Customer Rebates and Incentives Installation Agreement.

All incentives are reviewed annually and are subject to change.

Based on the mutual promises and covenants herein, the parties agree as follows:

**1. Parties:**

- a. \_\_\_\_\_ (hereinafter referred to as the “**BUILDER**”).
- b. City of Shelby, a North Carolina municipal corporation, located at 300 S. Washington St., Shelby, NC 28151. (hereinafter referred to as “**CITY**”).

**2. Definitions:**

- a. The “**Site**” is a residential or commercial development known as \_\_\_\_\_ . More specifically, this agreement pertains to the natural gas facilities/infrastructure that will be constructed parcel(s) \_\_\_\_\_ in Cleveland County, NC.
- b. “**Gas Service**” shall include:
  - i. the provision of the natural gas to the Customers within the Site, and;
  - ii. the installation, operation and maintenance of the natural gas distribution system (the “**Infrastructure**”) required to provide natural gas to each meter location within the Site.
- c. “**Customer(s)**” shall mean any person or entity (builder, owner, business, etc.) within the Site that may become customer(s) of the City of Shelby.
- d. A “**Section**” is a portion of the Site with an approved plat, construction specifications, and drawings ready for installation of streets and utilities, and utility services including Natural Gas Service.
- e. The City of Shelby is a municipal energy provider which has been granted the required certificates, franchises, and approvals to lawfully provide Natural Gas Service to an area which includes the Site.

**3. Purpose:**

- a. By virtue of this Agreement, the **BUILDER** requests **CITY** to install and provide Natural Gas Service to the Site according to terms and conditions defined in this Agreement.
- b. The general purpose of this Agreement is to provide for the installation and operation by **CITY** of the Infrastructure within the Site and the provision of Natural Gas Service by **CITY** to Customers within the Site.

- c. By virtue of this Agreement, the parties herein agree to cooperate in the design of the Infrastructure, to coordinate the installation of the Infrastructure with the installation of other utilities, and to establish a plan for provision of Natural Gas Service by CITY.
- d. The City of Shelby Natural Gas Line Installation Policy as approved by the Shelby City Council (the “**POLICY**”) is hereby made a part of this Agreement and is on file and available at City of Shelby offices in Shelby, NC. To the extent that there is any inconsistency between the Policy and the terms of this Agreement, the terms of this Agreement shall control.

**4. Term:**

The commitments specified in Section 6 and 7 below shall become effective on the date executed by CITY (the “**Executed Date**”) and shall remain in effect until construction and installation of the Infrastructure to the last location within the Site as defined in Section 2(a) above is complete (the “**Term**”).

**5. Term of Financial Obligation:**

**It is agreed that any applicable invoiced cost will be provided by CITY to BUILDER and will be due to and addressed to CITY within 90 days of the date of the execution of this document.** Any cost estimate, invoiced cost, and all agreements considered in this City of Shelby New Development Natural Gas Service Agreement will become null and void if payment(s) have not been received by the City of Shelby within this timeframe.

**6. Commitments to the City of Shelby:**

- a. BUILDER agrees to provide the requirements detailed in the City of Shelby Will Serve Letter that was provided to the BUILDER by CITY and is attached to this document as Attachment A.
- b. BUILDER agrees to promote CITY as the Natural Gas Service provider for the Site.
- c. During the term of this Agreement, the BUILDER agrees that CITY shall have exclusive rights to market and advertise Natural Gas Service within development information centers and/or model facilities as such may exist.
- d. The BUILDER agrees to provide to CITY the necessary consents, agreements, easements and access to effectuate the provision of Natural Gas Service, to effectuate the intent of this Agreement and to enter onto the Site to install the Infrastructure consistent with the development of the Site. The costs and expenses incurred to obtain the items mentioned, be

borne by the BUILDER.

- e. BUILDER agrees to provide all natural gas requirements for the Commercial Development in writing prior to the initial design by CITY Planning Department for CITY review. Any subsequent changes to the natural gas requirements after the infrastructure has been installed may result in additional costs to the BUILDER, Tenant, or the Owner at the time of the request. Any additional charges will be made in accordance with CITY's current Natural Gas Line Installation Policy.
- f. The BUILDER agrees to provide Site plans in an AutoCAD.dwg or ESRI shape file that includes designs for streets, wet utilities, mechanical, electrical, natural gas, plumbing, and landscaping plans, etc. BUILDER will also provide notice via e-mail to [naturalgas@cityofshelby.com](mailto:naturalgas@cityofshelby.com) of construction start dates and construction schedules that are reasonable and industry typical for the type of work to be performed.
- g. BUILDER agrees to provide, at its own cost, survey points for grades, lot corners, street right of way(s) (ROW), curb and gutter locations, and other locations reasonably necessary for installation of the Infrastructure.
- h. Upon installation of Infrastructure in accordance with Section 3(c), above, and as shown and attached as Exhibit A, BUILDER agrees to pay the cost of Infrastructure relocations required due to BUILDER request or incorrect survey information.
- i. In the event that the BUILDER has been provided with a mutually agreed to construction design plan as mentioned in Section 7(b)(ii) and the CITY is then requested by BUILDER to provide additional or major revisions to the construction design plan, at the CITY's sole discretion, the BUILDER may be charged a re-design fee per occurrence that must be paid prior to additional designs being provided. In addition, if BUILDER fails to pay an invoice prior to the expiration date causing this agreement to become null and void (Section 5), at the CITY's sole discretion, the CITY may charge the BUILDER the actual re-design cost per occurrence that must be paid prior to additional invoices being provided. The re-design cost will be the actual re-design cost charged by the consulting engineer if required for the specific project. Once the BUILDER's Agreement has been executed by the BUILDER, any re-design will necessitate a new Agreement and this Agreement will become null and void.
- j. CITY agrees to install Natural Gas Infrastructure at locations within the Site designated by CITY and mutually agreed upon by the BUILDER; and as needed to comply with City, County and/or State ordinances and regulations.

## **7. Commitments to BUILDER:**

- a. CITY agrees to provide BUILDER marketing and other promotional materials and

information for promotion within the Site.

b. The Infrastructure:

- i. CITY will install Natural Gas Infrastructure (to be owned, operated and maintained by CITY) as required to provide Natural Gas Service to each section and/or Customer meter location within the Site. The Natural Gas distribution facilities will be designed and constructed to allow for the best availability of service on each lot within the development, and in such a manner as to provide a high level of reliability and service quality for the end user.
- ii. The Natural Gas Infrastructure may include, but is not limited to, gas mains, service lines, regulator stations, farm taps, odorizing equipment, telemetry, and metering equipment as needed to provide Natural Gas Service. Installation of the Infrastructure will be according to construction plans prepared by CITY and approved by the BUILDER prior to installation. Natural Gas Service construction plans will be subject to CITY construction standards, applicable law, North Carolina Utility Commission (NCUC), United States Pipeline and Hazardous Materials Safety Administration (PHMSA), and regulations of entities with regulatory authority.
- iii. CITY will install the Natural Gas Infrastructure according to a schedule mutually acceptable to both parties ("Final Schedule"). A proposed schedule shall be submitted by BUILDER for review by CITY staff thirty (30) days prior to BUILDER's proposed start date. Following the submission from BUILDER of the proposed schedule, each party agrees to negotiate in good faith to establish a commercially reasonable Final Schedule for installation of the Infrastructure within the Site. CITY agrees to use good faith efforts to meet deadlines and construction schedules set forth by the BUILDER.
- iv. In the event that CITY is not allowed by the BUILDER to begin construction of the Infrastructure within one hundred eighty (180) calendar days of the execution of this Agreement, or, once construction begins, if CITY is prevented, at the fault of the BUILDER, for more than thirty (30) calendar days, not to include observed holidays or acts covered under Paragraph 15. Force Majeure, then at CITY's sole discretion, this Agreement may become null and void and any unused portion of the actual amount paid will be reimbursed to the BUILDER; and a new Agreement, cost estimate and Infrastructure design will be required.
- v. CITY will use its reasonable best efforts, subject to good engineering practice, standard Natural Gas utility construction practices, NCUC, PHMSA, and regulations of entities with regulatory authority, to meet BUILDER requirements regarding the placement of Infrastructure, pipelines, test stations, pipeline markers, telemetry, valve boxes, etc. to enhance the aesthetics of the project.

## **8. Cost of Infrastructure:**

- a. By virtue of this Agreement, Infrastructure and Natural Gas facilities will be furnished and installed by CITY upon payment by the BUILDER of a non-refundable contribution in aid of construction in the amount of \_\_\_\_\_ (the “**Contribution**”).
- b. If the BUILDER chooses to install gas services to each dwelling or unit, the BUILDER agrees to pay for the service to each dwelling or unit as specified in the CITY’s Natural Gas Line Installation Policy and City of Shelby Fees Schedule.
- c. In the event that the BUILDER has been provided with a previously and mutually agreed to project design and the CITY is then requested to provide additional or major revisions to the project design; at the CITY’s sole discretion, but upon prior e-mailed notice by CITY staff to BUILDER, the BUILDER may be charged a re-design fee that must be paid prior to additional designs being provided. In addition, if a BUILDER fails to pay an invoice prior to the expiration date; at the CITY’s sole discretion, the CITY may charge the BUILDER the actual re-design cost that must be paid prior to additional invoices being provided.
- d. If the project is released for construction and then cancelled by the BUILDER, the original aid in construction; less any and all actual costs, and 5% of the original cost or \$2,000.00, whichever is less, to cover engineering and materials fees will be reimbursed.

## **9. Provision of Easements:**

- a. Easements granted to CITY shall be non-exclusive and irrevocable and include the full right, power, and authority to install, use, maintain, repair, and replace the Natural Gas Infrastructure and to use such Natural Gas Infrastructure to provide Natural Gas Service within and outside the Site.
- b. The BUILDER may use easement areas for purposes that do not unreasonably interfere with CITY’s use of the easement areas and comply with the terms of the standard City of Shelby Utility Easement document.
- c. The BUILDER shall be entitled to relocate easements and easement areas provided that substantially equivalent easement areas are provided prior to such relocation and the BUILDER pays the cost of relocation of CITY’s Infrastructure to the new easement areas.

## **10. Indemnification and Insurance Requirements:**

- a. Defend, Indemnify, and Hold Harmless

- i. To the fullest extent permitted by law, the BUILDER hereby releases and shall defend, indemnify, and hold harmless CITY, CITY's officers, directors, employees, and agents (collectively, the "indemnified parties") from and against any and all liability, damages, loss, suits, claims, actions, penalties or fines, causes of action, costs and expenses of whatsoever nature (including reasonable attorneys' fees), caused by or arising out of or in connection with, directly or indirectly, property damage or personal injury or death suffered by any person or entity arising out of or in connection with this agreement, the act, failure to act or negligence of the BUILDER, its servants, agents, employees, contractors, subcontractors and/or any employees or agents of any of them and/or any breach by services provider of this agreement (collectively, the "liabilities"). Such indemnification shall, without limitation, be deemed a continuing indemnification without limitation of duration, which shall survive the expiration or termination of this agreement and the activities and operations of services provider.

The BUILDER shall not have any right or claim against any indemnified party by way of subrogation or assignment, BUILDER hereby waiving and relinquishing any such right. To the extent the BUILDER is obligated to provide insurance hereunder, BUILDER shall require its insurance carrier to endorse all applicable policies waiving the carrier's right of recovery under subrogation or otherwise in favor of the indemnified parties and provide a certificate of insurance verifying this waiver.

b. Insurance

- i. Without limiting any liabilities or any other obligations of BUILDER, BUILDER shall provide and maintain the minimum insurance coverage listed below. Coverage will be provided with forms and insurers acceptable to CITY, until all obligations under this Agreement are satisfied.
  1. Comprehensive General Liability insurance with a minimum combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence and a general aggregate of not less than TWO MILLION DOLLARS (\$2,000,000). The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (with coverage for contractual and employee claims), blanket contractual liability (including coverage for liabilities assumed under this Agreement), and products and completed operations.
  2. The policies of insurance shall be in such form and issued by an insurer licensed to do insurance business in the State of North Carolina that is satisfactory to CITY. All policies identified above are to be written with insurance companies rated A-VII or greater according to the AM Best rating organization and on a form satisfactory to CITY.



3. The policies required above shall be endorsed to include CITY and CITY's officers, directors, agents, and employees as additional insureds and shall be specified as primary insurance and non-contributory regardless of other insurance carried by CITY. The coverage afforded to CITY as an additional insured shall not be restricted to "ongoing operations," coverage for vicarious liability, or circumstances in which the BUILDER is primarily negligent. Any policy that limits coverage afforded to CITY as additional insureds to liabilities arising out of the acts or omissions of CITY, or which contain other similar limitations, shall not be in compliance with the requirements of this Agreement.
  4. A certificate of insurance acceptable to CITY shall be issued to CITY as evidence that policies providing the required coverages, conditions and limits are in full force and effect. Such certificate(s) shall provide that all insurance requirements contained in this Agreement have been met and contain provisions that coverage afforded under the policies will not be canceled, terminated or materially altered until at least 30 days prior written notice has been given to CITY Purchasing Manager via: City of Shelby Finance Department, 300 S. Washington Street, Shelby, NC 28150.
  5. CITY reserves the right to require certified copies of any or all policies or policy endorsements.
  6. BUILDER hereby waives all rights of subrogation against CITY and its directors, officers, employees, agents and insurers and all policies of insurance required to be obtained shall contain a provision stating that the insurance carriers and underwriters waive all rights of subrogation in favor of CITY and its directors, officers, employees, agents and insurers.
  7. Failure on the part of BUILDER to procure or maintain required insurance shall constitute a material breach of contract upon which CITY may immediately terminate this Agreement.
- c. Damage to CITY's Equipment or Materials
- i. In the event that CITY's equipment or Materials are damaged by the BUILDER or their sub- contractors, CITY shall be reimbursed by the BUILDER for said damages in a timely manner. CITY is responsible for investigating claim, providing proof of damage, and obtaining estimates for repair.
- d. Term of Insurance Requirements

- i. The BUILDER shall be required to provide the insurance coverages listed as a condition of the execution of this Agreement and shall continue to maintain said coverages for two (2) years following the completion of the Term of this Agreement.

## **11. Severability**

If a court of competent jurisdiction holds that a provision or requirement of this Agreement violates any applicable law, each such provision or requirement shall continue to be enforced to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Agreement shall remain in full force and effect.

## **12. Electronic Version of Contract**

Shelby may convert a signed original of this Agreement to an electronic record pursuant to a North Carolina Department of Natural Resources approved procedure and process for converting paper records to electronic records for record retention purposes. Such electronic record of this Agreement shall be deemed for all purposes to be an original signed contract.

## **13. Notice**

All notices, payments, consents, or presentments to be given pursuant to this Agreement by any party shall be in writing and shall be deemed given when personally delivered or when sent by certified or registered mail, return receipt requested, or by facsimile with printed confirmation, to the other parties, addressed to the parties as shown in Section 1 of this Agreement.

## **14. Representation on Authority of Parties**

The person signing this Agreement on behalf of Builder and the person signing on behalf of the CITY represent and warrant that the person is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

## **15. Force Majeure**

Neither party shall be liable for delays in delivery or performance, or for failure to deliver or perform when caused by any of the following: Acts of God, acts of the public enemy, acts or failures by the other party, acts of civil or military authority, governmental priorities, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, delays in transportation, loss or damage to goods in transit, and other causes beyond the

reasonable control of the party. In the event of such delay, the date of delivery or performance shall be extended for a period equal to the effect of the time lost by reason of the delay. The delayed party shall use its reasonable efforts to minimize the period of delay wherever possible.

## **16. Choice of Law**

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, are governed by the laws of North Carolina. The Builder, by signing this Agreement, agrees and submits, solely for matters concerning this Agreement, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Cleveland County, North Carolina. The place of this Agreement and all transactions and agreements relating to it, and their situs and forum, shall be Cleveland County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

## **17. Counterparts**

This Agreement may be executed in multiple counterparts, and each counterpart shall be considered as if it were an original.

## **18. Complete Agreement**

This Agreement constitutes the complete and final agreement between the Parties with respect to the subject matter hereof and may not be contradicted by evidence of prior or contemporaneous oral agreements of the Parties. There are no oral agreements between the Parties.

## **19. Assignment**

This agreement may not be assigned without the express written consent and permission of the City.

## **20. Termination**

Either party, by mutual consent, in writing, pursuant to Paragraph 13 above, may terminate this Agreement upon notice to the other party at least ninety (90) days prior to termination of its decision to terminate this Agreement.

## **21. Headings**

The Section and Paragraph headings used within this Agreement are not material parts of the Agreement and should not be used to construe the meaning thereof.

## **22. Waiver of Breach**

The failure of any party hereto to enforce any of this Agreement shall not be construed to be a waiver of such or any other provision, nor in any way to affect the validity of all or any party to this Agreement or the right of such party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

## **23. Miscellaneous**

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors-in-interest, legal representatives and assigns. BUILDER agrees that its obligations under this Agreement shall constitute covenants running with the land.

EXECUTED to be effective as of the date executed by CITY as shown below.

BUILDER: \_\_\_\_\_

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

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

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

CITY: **City of Shelby**

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

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

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

**EXHIBIT A**

See attached

Date \_\_\_\_\_  
 Location \_\_\_\_\_  
 Name \_\_\_\_\_  
 Home/Cell Phone \_\_\_\_\_ Work Phone \_\_\_\_\_  
 Mailing Address \_\_\_\_\_

(Any rebates will be mailed to this address)

**NOTE: AFTER METER INSTALLATION, ALL CUSTOMERS ARE BILLED \$ \_\_\_\_\_ MONTHLY PER METER CHARGE.**

**SHELBY UTILITIES SERVICE AGREEMENT (Includes Meter Tampering Awareness)**

- This agreement, when signed by the customer, is a contract under which the City of Shelby agrees to furnish natural gas services to the customer. The customer agrees to receive and pay for such services in accordance with applicable rate schedules, Utility Service Regulations and the terms of this agreement.
- There is no outstanding debt for utility services, fees or penalties due the City of Shelby, either under an agreement signed by me or by another person who is now or has been a member of my household or who resides at the above address.
- I agree that the City of Shelby may exercise the right to discontinue services and remove its equipment in case of violation of any of the terms of this agreement, or if any of the information I have provided is found to be fraudulent.
- I am aware that it is unlawful to alter, tamper with, reconnect or bypass a meter that has been installed for the purpose of measuring the use of electricity, gas or water. Meter tampering is a crime and anyone caught violating the law will be prosecuted.

Thank you for allowing the City of Shelby to provide your natural gas services. Please contact us if we can be of any assistance.

\_\_\_\_\_  
 Customer/Property Owner Signature/Date

\_\_\_\_\_  
 City of Shelby Representative Signature/Date

**CUSTOMER CATERGORY:**

- Existing Customer  New Customer  Builder/Developer/New Construction  Commercial  Meter Upgrade  
 Gas Line Relocation

**FEES ARE AS FOLLOW:**

Service Line	_____ ft.	@ \$ _____	= \$ _____
Main Extension	_____ ft.	@ \$ _____	= \$ _____
Additional Fees	_____ ft./ea.	@ \$ _____	= \$ _____

(Additional fees are and not limited to: gas service installed under asphalt or cement, meter upgrade, gas line



relocation)

Free Service Line \_\_\_\_\_ ft./ea. @ \$ \_\_\_\_\_ = \$ \_\_\_\_\_  
**Balance Due** \$ \_\_\_\_\_

**PAYMENT METHOD:**  Check  iCloud (*Check: Code to Misc. Code 5 – Gas Connections  
GL:64006000.36741*)

- I understand that I may apply for a rebate for qualifying natural gas appliance(s) by submitting a completed Natural Gas Rebate Form within twelve months of installation of qualifying appliance along with paid invoice for qualifying appliance.

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Builder Signature

*Natural gas appliances that may qualify for rebates: Primary Heat, Dual Fuel Heat Pump (15.2 SEER 2), Water Heater, Range, Dryer. The City of Shelby Natural Gas Rebate Plan that is effect on date of application shall be used.*

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*Memorandum*

**To:** Rick Howell, City Manager

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

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

**RE:** Natural Gas Installation Policy and Fee Schedule Amendment

**Date:** April 10, 2024

**Background**

As detailed in the attached memorandum from Ronnie Davis, Energy Services Operations Manager, the City of Shelby has owned and operated a natural gas system since 1955. This system currently serves over 9,850 customers and has 511 miles of natural gas main and 248 miles of natural gas service lines. As the costs of installation and materials have continued to increase through the years, it has become necessary to closely review the fees currently charged for installation of natural gas lines and meters.

Through this review, it was determined that the following three (3) areas related to natural gas installations that had to be evaluated:

- Natural gas main line extensions
- Natural gas service installation
- Rebates/Incentives

The following is a summary of each of these items and includes both the current policy and the proposed changes:

- **Natural Gas Main Line Extensions**
  - **For individual customers:** The current policy states that the City will install up to 500 feet of main line at no cost if the customer is installing either a furnace or a hot water heater. The current cost to the City is \$13.50 per foot for the installation of NG main. ***The proposed policy states that the City will install 100 feet of main at no charge and all additional main that is required will cost the customer \$10 per foot.***

- For subdivisions/development: The historical approach has been for the City to install all NG main lines for new developments at no charge to the developer. This has a cost of approximately \$13.50 per foot to the City and there is no legally binding agreement that the developer will connect houses in the future to this main. As land is sold, new builders may have different desires than the original developer and the City is left with an underutilized NG main that was installed 100% at the City's expense. ***The proposed fee for NG main line extension for subdivisions/developments is \$10 per foot which will be paid by the developer prior to installation.***
- **Natural Gas Service Installation**
  - The City's current fee for service line installation is \$5 per foot and has not been modified since the mid-1990's. The average service length for new customers is approximately 60 feet, which equates to a potential cost to the customer of \$300. However, the existing cost to the City to install a NG service that is 60 feet long averages \$1,473 which equates to a cost of \$24.55 per foot. This results in a 5.9 year payback (which exceeds the goal of a 4 year payback). ***The proposed change is to modify the cost for a service line from \$5 per foot to \$8 per foot.***
- **Rebates/Incentives**
  - The City currently offer rebates and incentives for natural gas customer based on the appliance(s) that are being installed. One part of this rebate is a check to the customer after the installation of an appliance and then other part of the program is providing free service line based on the appliance(s) being installed. As mentioned above in the section on natural gas service installation, the City incurs significant costs with installing services. The only fee that a customer could potentially pay would be a service line fee, so the proposed rebates/incentives program would remove the free footage that is currently provided. ***Below is a table that shows the existing and proposed rebates/incentives.***

<b>Natural Gas Rebates &amp; Incentives</b>				
	<b>Current</b>		<b>Proposed (2024)</b>	
	<b>Rebate Amount</b>	<b>Free Service Line Footage</b>	<b>Rebate Amount</b>	<b>Free Service Line Footage</b>
<b>Furnace</b>	<b>\$ 400.00</b>	<b>100</b>	<b>\$ 200.00</b>	<b>0</b>
<b>Dual Fuel Heat Pump</b>	<b>\$ 200.00</b>	<b>50</b>	<b>\$ 200.00</b>	<b>0</b>
<b>Water Heater</b>	<b>\$ 200.00</b>	<b>75</b>	<b>\$ 200.00</b>	<b>0</b>
<b>Tankless Water Heater</b>	<b>\$ 150.00</b>	<b>75</b>	<b>\$ 200.00</b>	<b>0</b>
<b>Range</b>	<b>\$ 100.00</b>	<b>25</b>	<b>\$ 100.00</b>	<b>0</b>
<b>Dryer</b>	<b>\$ 100.00</b>	<b>50</b>	<b>\$ 100.00</b>	<b>0</b>
<b>Gas Logs</b>	<b>\$ -</b>	<b>25</b>	<b>\$ -</b>	<b>0</b>

**Review**

The combination of the aforementioned proposed changes are intended to be a reasonable compromise between maintaining a manageable payback on costs related

to new natural gas extensions and services while still providing an attractive utility opportunity for customers who desire to use natural gas. The result of the proposed fee and rebate/incentive changes reduces the payback 8.3 years to 4.9 years for new subdivisions and from 5.9 years to 4.3 years for individual customers where only a new service line and meter is required. The City's goal is to maintain a payback of approximately 4 years, so these proposed changes largely accomplish this goal.

**Recommendation**

City Staff recommends City Council approve the proposed changes to the Natural Gas Fees and Rebates/Incentives section of the Fiscal Year 2024 Fee Schedule. These changes will be effective immediately if approved by City Council approval.

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

Attachments:

- Proposed Natural Gas Fees and Rebates Fee Schedule



**Effective August 7, 2018 Upon Council Approval**  
 Replaces Incentives Effective ~~7/10/2010~~ 8/7/2018

**NATURAL GAS FEES AND REBATES**

**Single Family Homes, Duplexes, and Stand-Alone Businesses**

	<b><u>Requirement</u></b>	<b><u>Cost</u></b>
Gas Main Extensions	Up to 100' of main	Free
	All over 100' of main	\$10.00 ft
Gas Service Lines	All service footage	\$8.00 ft
Gas Service Line Relocation	Up to 30' of service	\$250 minimum
	All over 30' of service	\$8.00 ft (\$250 minimum)

**Multi-Family Complexes, Subdivisions, and Multi-Business Complexes**

	<b><u>Requirement</u></b>	<b><u>Cost</u></b>
Gas Main Extensions	All main footage	\$10.00 ft
Gas Service Lines	All service footage	\$8.00 ft
Gas Service Line Relocation – Residential	Up to 30' of service	\$250 minimum
	All over 30' of service	\$8.00 ft (\$250 minimum)
Gas Service Line Relocation – Commercial	Up to 60' of service	\$500 minimum
	All over 60' of service	\$8.00 ft (\$500 minimum)

**Miscellaneous Service Fees**

	<b><u>Requirement</u></b>	<b><u>Cost</u></b>
Gas Meter Reset	N/A	\$40.00
Gas Meter Upgrade – Residential Meter	Inches to Pounds	\$75.00
Gas Meter Upgrade – Commercial Meter	N/A	Actual Cost

**Rebates (New and Existing Customers)**

<b><u>Appliance</u></b>	<b><u>Rebate Amount</u></b>
Primary Heat	\$200.00 1 <sup>st</sup> standard furnace \$100.00 2 <sup>nd</sup> standard furnace
Dual Fuel Heat Pump (Qualifying dual fuel heat pumps must have at least a 15.2 Seasonal Energy Efficiency Ratio (SEER 2) rating.)	\$200.00 1 <sup>st</sup> dual fuel furnace \$100.00 2 <sup>nd</sup> dual fuel furnace
Water Heater (Tank or Tankless)	\$200.00 1 <sup>st</sup> water heater \$100.00 2 <sup>nd</sup> water heater
Range (also includes cooktop)	\$100.00
Dryer	\$200.00

**Commercial and Industrial Incentives**

Please contact the Director of Energy Services for commercial and/or industrial rebates.

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*Memorandum*

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

**From:** Ronnie Davis, Energy Services Operations Manager

**CC:** Jeff Champion, Natural Gas Superintendent  
Bryant Nodine, Business Manager

**RE:** Fiscal Year 2024 Fee Schedule – Natural Gas Fees and Incentives Changes

**Date:** April 9, 2024

**Background**

The City of Shelby Fee Schedule does not currently include fees for natural gas line installation. With the adoption of the new City of Shelby Natural Gas Line Installation Policy, along with the New Development Service Agreement, City Staff feels it is necessary to include the adopted fees along with updating the Natural Gas Incentives that are currently part of the Fee Schedule. The City of Shelby offers incentives to new and existing customers for the installation of new natural gas appliances. The current natural gas incentives have not been revised since August 2018.

City Staff has compared the proposed fees and incentives with those of several other municipalities in the State to ensure that they are in line with what other municipalities offer. Doing our research to compare these fees and incentives ensures that we do not harm the affordability of our natural gas infrastructure to those who wish to install a new service.

There are several changes that were made to the proposed Natural Gas Fees and Incentives Fee Schedule. The changes include:

- Adding the costs for “Single Family Homes, Duplexes, and Stand-Alone Businesses”
- Adding the costs for “Multi-Family Complexes, Subdivisions, and Multi-Business Complexes”
- Adding “Miscellaneous Service Fees”
- Modifying the “Existing Customer Rebates”
- Modifying the “New Customer Rebates and Incentives”



### **Review**

In review, we are proposing to add all costs related to the installation of natural gas lines to single family homes, duplexes, stand-alone businesses, multi-family complexes, subdivisions, and multi-business complexes to the existing Natural Gas Fee Schedule so that there is no confusion about the cost to install a new service. We are also proposing to adjust the rebates for new and existing customers.

### **Recommendation**

City Staff recommends City Council approve the changes to the Natural Gas Fees and Incentives portion of the Fiscal Year 2024 Fee Schedule as proposed.

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

Attachments:

- Natural Gas Fees and Incentives Fee Schedule



To: Rick Howell, City Manager  
From: Beth B. Beam, Director of Finance  
Date: April 10, 2024  
Subject: Customer Services Policy Manual and Customer Services Fee Schedule

Background:

The City of Shelby continually reviews its policies to ensure compliance with new/changing laws and mandates. We also review our policies to ensure that they protect the interest of the City and follow recommended best practices. The City's Customer Services Policy Manual was recently revised and approved by the City Council on February 19, 2024.

Review and Comments:

The Customer Services Policy Manual and related Customer Service Fee Schedule has been revised due to the Natural Gas fee schedule changes and additions.

Recommendation:

The recommendation from staff is to adopt the revised Customer Services Policy Manual and Customer Service Fee Schedule as a part of the Natural Gas Resolution.



**Effective April 15, 2024**  
Replaces schedule effective July 1, 2023

**CUSTOMER SERVICE FEES**

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

\*New Account Application fee appears on first months bill

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

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

\*\*\*\*The City will adjust fees for services provided by outside vendors as instructed by vendors.



***CUSTOMER SERVICES***

***POLICY***

***MANUAL***

***for City of Shelby Utilities***

***COURTEOUS \* RESPONSIVE \* ACCURATE***

**Effective April 15, 2024**

Adopted and approved the 19th day of February, 2024  
Revision adopted & approved the 15<sup>th</sup> day of April, 2024

PO Box 207 – Washington at Graham St. – Shelby, North Carolina 28151-0207

## Table of Contents

Article I. Introduction	4
Section 1 Customer and Meter Services Mission Statement	
Section 2 Employee Values	
Section 3 Purpose of Customer Service Policy	
Article II. Responsibilities of the City and The Customer	5
Article III. Services Provided	5
Article IV. Service Hours, Location, and Contact Information	6
Section 1 Mailing Address	
Section 2 Holiday Observances	
Article V. Start Service	7-8
Section 1 Application for Utility Services	
Section 2 Deposit Requirements	
Article VI. Stop Service	8-10
Section 1 Voluntary Discontinuance of Service	
Section 2 Involuntary Discontinuance of Service	
Section 3 Extreme Weather Disconnect Guidelines	
Section 4 Reconnection of Utility Services	
Article VII. Understanding Your Bill	11-14
Section 1 Meter Readings	
Section 2 Monthly Billing Procedures	
Section 3 Selection of Rates	
Section 4 Adjustments and Billing Errors	
Section 5 Meter Tampering	
Section 6 Appeals Process	
Article VIII. Payment Options	14-15
Section 1 Automatic Bank Draft	
Section 2 Credit Card Payment Plan	
Section 3 Application of Payment	
Section 4 Credit Balances	
Article IX. Credit and Payment Information	15-16
Section 1 Payment Extensions	
Section 2 Insufficient Funds or Credit	
Section 3 Collection of Delinquent Accounts	
Article X. Programs and Services	16

Appendix A	Schedule of Fees and Charges	17
Appendix B	Utility Deposit Policy	18-20
Appendix C	Customer Service Agreement	21
Appendix D	NC Statues 14-151.1 Meter Tampering	22-23
Appendix E	Medical Alert Guidelines	24
Appendix F	NC GreenPower Program	25
Appendix G	Neighbor Helping Neighbor Program	26
Appendix H	Community Gatekeepers Program	27

## **Article I. INTRODUCTION**

### **Section 1. Customer and Meter Services Mission Statement**

The mission of this department is to provide our customers with courteous, responsive, and accurate services, as well as uniform procedures, rates, and charges that will treat all customers in a fair and indiscriminate manner while recognizing the distinct needs and requirements of each customer.

### **Section 2. Employee Values**

City employees voted the following values most important:

- Honesty
- Integrity
- Teamwork
- Dependability

We will continue to strive for total honesty and integrity in order to provide a strong foundation for building trust in our community.

As City of Shelby employees, we are held to a higher level of accountability. Therefore, we accept no less than the highest order of responsibility for our decisions and actions.

### **Section 3. Purpose of Customer Service Policy**

The purpose of this Customer Service Policy is to inform our customers of the manner in which the City will provide service to them, and to outline our responsibilities in providing these services. This policy is intended to offer direction and guidance to the City and its customers while recognizing some circumstances may arise that are not covered within this written manual and may require specific advice or recommendations. This policy also outlines the responsibilities and duties of the customer.

This policy may be revised, amended, supplemented, or otherwise changed from time to time by action of the City Council.

Specific policies and procedures related to each utility and its operation are contained in the utility's service policy.

## **ARTICLE II. RESPONSIBILITIES OF THE CITY AND THE CUSTOMER**

Responsibilities of the City of Shelby's Customer Services Department include the following:

1. To treat each customer fairly and equally.
2. To review the needs of each customer and provide services that best meet the customer's needs.
3. To respond to customer complaints and concerns promptly and courteously.
4. To provide information on a customer's account when requested by the customer.
5. To provide meter reading, billing, payment posting, and new account initiation with the greatest amount of convenience and accuracy.
6. To be respectful of the customer's property.

The following "Responsibilities of the Customer" are general guidelines and not all-inclusive, but are expressed as to be followed in the relationship between the City and its customers.

1. To be responsible in paying their account in a prompt manner each month.
2. To provide information requested for provision of service by the City.
3. To be respectful and cooperative in dealing with City personnel.
4. To safeguard City property that is installed on the customer's property to provide for delivery and metering of service.
5. To bring inaccuracies or errors in billing to the City's immediate attention.
6. To notify the City of any extenuating circumstances pertaining to the customer's account
7. To allow city personnel unobstructed access to meters.

## **ARTICLE III. SERVICES PROVIDED**

The City of Shelby is a full-service utility community. The Shelby utility system provides water service, wastewater collection, electric service, natural gas service, and stormwater management to residential, commercial, and industrial customers. Technicians in the Meter Services Department read over 25,000 meters throughout the month and utility bills are mailed out in one of three billing cycles. Customer Services and Meter Services staff are available to assist citizens with various utility services. Customer Services provides information pertaining to new accounts and programs, utility connections, rates, water and energy conservation, and similar customer service issues. Customer Services also receives and directs calls concerning issues with a utility, such as outages and other system problems. The Payments Division processes utility bill payments and connection fees, payments for building permits, business licenses, landfill charges, and various other revenue collected by the City.



## **ARTICLE IV. SERVICE HOURS, LOCATION AND CONTACT INFORMATION**

The Customer Services Department is located inside City Hall at 300 South Washington Street and is open every business day from 8:00 a.m. to 5:00 p.m. Requests for same-day service must be made before 4:00 p.m. Our telephone number is 704-484-6866. The fax number is 704-669-6607.

Request for services outside regular business hours can be made by calling 704-484-6866. Please listen carefully to automated prompts. The City charges for these services in accordance with the Schedule of Fees and Charges, example located within Appendix A. Current fee schedule located within City-wide Schedule of Fees and Charges.

Emergency services are available 24 hours daily by calling 704-484-6866. Should an emergency call be a customer-related problem, the customer may be required to pay a service fee in accordance with the Schedule of Fees and Charges, example located within Appendix A. Current fee schedule located within City-wide Schedule of Fees and Charges.

### **Section 1. Mailing Addresses**

For the most effective service, please send all payments and correspondences for Customer Services, Payments, and Meter Services to:

PO Box 207, Shelby, NC 28151-0207.

### **Section 2. Holiday Observances**

New Year's Day	Fourth of July
Martin Luther King, Jr.	Labor Day
Good Friday	Veteran's Day
Memorial Day	Thanksgiving (2 days)
Juneteenth	Christmas (2 days)

For specific dates, please contact Customer Services at 704-484-6866.

## ARTICLE V. START SERVICES

### Section 1. Application for Utilities Services

Only the Owner(s) or Tenant(s) can apply for utility service with the City. The City requires proof that the applicant is the owner or tenant of the premises to be served. The following procedures apply with regard to application for utilities services:

- a. Anyone desiring utility services with the City must contact the Customer Services Department located at Shelby City Hall, 300 South Washington Street. An application can be completed in the office with a scheduled appointment or online through the customer portal at [www.silverblaze.cityofshelby.com](http://www.silverblaze.cityofshelby.com). The applicant must be of legal age, provide all requested information, and execute a Service Agreement, found in Appendix C. As a part of the application process, the City may require that the applicant provide photo identification, social security number or Federal Tax ID number, and driver's license number. If social security number or Federal Tax ID number are not provided, the required deposit will be twice the scheduled amount in the Customer Utility Deposit Policy located within Appendix B. Applications may also be accepted by telephone or facsimile in a format determined by the City. If the person furnishing the information is not the applicant, that person must show satisfactory proof, as determined by the City, of their authority to act for the applicant. If the applicant is a tenant, the applicant must furnish the name of the owner of the premises to be served, along with a copy of the tenant's lease agreement or other information indicating the owner's permission to obtain utility services by the tenant.
- b. Application for services by builders, contractors, and developers with reliable payment histories with the City may be exempt from the formal application procedures for construction requiring temporary utility services. These applications will be accepted by telephone, when accompanied by location and other relevant data for the services.
- c. Application for existing services (connects and/or disconnects) are typically completed within 72 hours. Please reference Appendix A, Schedule of Fees and Charges, for expected costs.
- d. On previous accounts receivable, the City will search its records to determine if a previous account existed for new applicants or other members of the customer's household. If an account did previously exist and it contains a balance due the City, the balance must be settled in order to establish a new account. The City will not allow any customer to establish or continue service if there is any outstanding debt due the City either by an agreement signed by the customer or by another person who is currently or was previously a member of the household or who resides at the service address.
- e. Customers may transfer from one location to another as long as bills are not past due. Deposit requirements may differ at the new location due to the services available at the location.

Forms of application (service agreement), schedules, rates, and copies of service regulations are available at City Hall and will be furnished to the customer on request.

The City of Shelby is not responsible for any damages caused by turning on utility services.

All services are turned on at the meter. As of January 2006, the City is not responsible for lighting gas pilot lights except in situations involving meter maintenance.

All agreements and contracts for service between the City and its customers, including the rate schedules and these service regulations, are subject to such changes and modifications as may be made and approved by City Council, or otherwise imposed by lawful authority.

Federal regulations mandate that the City provide notice as to the request for and use of collected social security numbers. *See* 5 USCS § 552a. Federal regulations also mandate that the City inform applicants for utility services that the City is authorized to collect this information under North Carolina state law as a utility provider. *See* N.C. Gen. Stat. § 132-1.10. The City requests use of the Tax ID numbers and social security numbers for the purpose of running a soft credit check to then determine a utility customer's potential need for a security deposit based on the applicant's credit. The information collected is part of the routine practice of the City as a utility provider and customer information and privacy is of utmost concern. State law, N.C. Gen. Stat. § 143-64.60, prevents the City from denying services for the refusal to provide a Tax ID number or social security number, but the City is permitted to collect this information for the limited purpose of determining a customer's creditworthiness. Thus, if an applicant refuses to provide this information, the City is permitted to charge a higher deposit to ensure the City's interest as a utility provider is protected. *See* N.C. Gen. Stat. § 160A-314.

## **Section 2. Deposit Requirements**

The City of Shelby may require the customer to make an initial deposit, based on the current Customer Utility Deposit Policy listed in Appendix B, as a guarantee of the payment for utilities used. The deposit for utility service is collected as security so that all bills will be paid in full by their due date. The City recognizes that most customers pay their bills in full and on time; however, we seek to protect customers from the detriment of uncollectible accounts by other customers. In some cases, the City will allow customers to provide alternative guarantees of payment in lieu of the required deposit. The Deposit Policy includes requirements for residential and commercial accounts; deposit refund policies, deposit and service disconnect policies, and definition of good/bad payment history. Customers may find a reference under Appendix B, Deposit Policy.

## **ARTICLE VI. STOP SERVICES**

### **Section 1. Voluntary Discontinuance of Service**

In order to ensure discontinuation of services at a time requested by the customer, notice to the City in advance is required. When a customer desires to discontinue service, notice should be given to the City at least twenty-four (24) hours in advance of a workday. Failure to provide timely notice may result in additional fees billed to the customer. The customer will be responsible for all services consumed up until the time the services are disconnected by the City. Service requests to

discontinue service are accepted by telephone, in person at City Hall, and through the City's website at [www.silverblaze.cityofshelby.com](http://www.silverblaze.cityofshelby.com).

After an account is closed, all funds (including deposits, refunds, fees, and charges) will be applied first against amounts owed the City on the closed account. Then, any other accounts the customer may have with the City will be satisfied using the remaining funds. When all accounts are cleared, a check for the remaining money will be issued to the customer for any net credit.

## **Section 2. Involuntary Discontinuance of Service**

- a. The City reserves the right to discontinue furnishing utility services to a customer, at any time without notice, upon the occurrence of any one or more of the following events:
  1. Failure of the customer to pay bills for utility service, deposits, or to increase deposit amount as required. See Appendix B.
  2. 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.
  3. 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 City property, City personnel, the customer, or to the public.
  4. 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.
  5. Whenever the customer has denied an authorized City representative access to the City's meters, lines, or other apparatus installed on the customer's premises.
  6. Whenever it is necessary to prevent fraud upon the City.
- b. The City will discontinue the supply of utilities to a customer whenever requested by any public authority having jurisdiction.
- c. The City reserves the right to discontinue the supply of utilities under any of the above conditions irrespective of any claim of a customer pending against the City, or any amounts of money on deposit with the City as required in Section 5.
- d. Whenever the supply of utilities is discontinued in accordance with this policy, the City shall not be liable for any damages, direct or indirect, that may result from such discontinuance or reconnection.
- e. As a general rule, the City will not disconnect a customer's utility service after 1:00 p.m. on a Friday, on the day before a holiday, or on a weekend or holiday. Please refer to the Holiday schedule under Article IV, Section 2. However, in certain instances in which a service presents a hazardous, life threatening, or otherwise undesirable condition or in instances of meter tampering, the City reserves the right to discontinue utility service at any time (as stipulated earlier in this section).

### **Section 3. Extreme Weather Disconnect Guideline**

If the temperature is below 32 degrees, the City will not perform any involuntary disconnections. Involuntary disconnections will be performed if the daily temperature reaches 32 degrees or above. On a day when a severe heat advisory is issued by the National Weather Service, the City will not perform any involuntary disconnections. These guidelines do not pertain to tampering and theft of service cases. Under these circumstances utilities will be terminated when the incident is discovered.

### **Section 4. Reconnection of Utility Services**

- a. If utility services are discontinued for any of the reasons covered by Section 2, "Discontinuance of Service," the City will schedule the service reconnection after the conditions causing discontinuance are corrected.
- b. If utilities are discontinued because of improper use, or if in the City's opinion its meters, lines, or other apparatus were tampered with, the City may refuse to reconnect the customer's service until the customer completes the following:
  1. Paid all utility charges or required deposits that are currently owed.
  2. Paid to the City an amount estimated by the City to be sufficient to cover the utilities used but not recorded by metering devices and not previously paid for, plus a special reconnection charge, example provided under Appendix A, Schedule of Fees and Charges, plus any actual cost for damages to City apparatus.
  3. Made such changes in lines or equipment as may, in the opinion of the City, be proper for the City's protection.
  4. Achieved compliance with ordinances or regulations on utility use when disconnected for violation thereof.
- c. If utility services are discontinued by the City at the request of any public authority having jurisdiction, the customer's service will not be reconnected until authorization to do so is obtained from the public authority.
- d. When it becomes necessary for the City to discontinue utility service for nonpayment of past due utility bills, service will be reinstated only after payment of all past due utility bills and any deposit that may be required by Section 5. Any applicable collection charges for nonpayment will be added to the next utility bill.
- e. When it becomes necessary for the City to discontinue utility service for any reason other than nonpayment of past due utility bills, service will be reinstated only after payment of all past due utility bills and any deposit that may be required by Section 5. Applicable reconnect charges are summarized in the example of the Schedule of Fees and Charges contained in Appendix A. Applicable penalties and any reconnection fee in effect at the time of discontinuance of service must be paid before service will be restored. Services will not be restored after 10:00 p.m.

## ARTICLE VII. UNDERSTANDING YOUR BILL

### Section 1. Meter Readings

- a. When meters are installed by the City to measure utility services used by its customers, all charges for units consumed, except basic facility charges, shall be calculated from the readings of such meters. Water meter readings are used as the basis for determining sewer bills.

It is the City's policy to read every utility meter each month. Meters are read on a cyclical basis, and monthly bills are mailed periodically throughout the month to each customer with a utility account. The reading dates are scheduled to fall within the same weekly period each month. The City will strive to maintain a billing cycle of no less than 26 days or more than 35 days in the billing period. This does not include first bills and final statements for closed accounts.

The City reserves the right to estimate usage when extenuating circumstances prevail. Unless it is unavoidable, it is the policy of the City to not estimate an account for two (2) consecutive months. When we do have to make an estimate, we base it on the customer's previous utility usage. Because the metering system is based on "continuous read" meters, estimating consumption for one month will not affect total consumption over a two-month period. Any error in estimating will automatically be adjusted when the meter is read the next time.

- b. All metering devices installed for the purpose of metering utility service shall be located on the exterior of structures, easily and safely accessible by City personnel, so that they will be accessible for reading and servicing. If metering devices are made inaccessible, the City has the right to disconnection of service, after proper notification by the City.
- c. In the event a meter reader is unable to gain access to a meter, including business and residential addresses, the meter is automatically estimated. In the event any authorized employee is refused admittance to the premises by the tenant or owner or is hindered by the tenant or owner from making an examination of the meters, the City reserves the right to disconnect utility services until free access is granted to an authorized employee.
- d. The City has remote meter reading available in some areas. With this technology, customers with remote read meters will no longer be required to unlock gates or contain animals to have the meters read. The remote read meters will communicate with our meter technicians via radio frequency.
- e. The City will test each of the customer's meters for accuracy upon request once per calendar year. These tests will be charged to the customer based on the example of the Schedule of Fees and Charges located in Appendix A. The City may also randomly test meters currently in service at any time at no charge to the customer.

## **Section 2. Monthly Billing Procedures**

Meters are read and bills are prepared each month. Before a customer is billed, meter readings and usage are audited to determine any unusual changes in the amount of utilities used. When differences are found, we immediately reread the meter before the account is billed to ensure accuracy.

Utility charges shall begin when the utility meter is installed. All installed meters are billed on active accounts.

The City reserves the right to estimate usage when extenuating circumstances prevail. Unless it is unavoidable, it is the policy of the City to not estimate an account for two (2) consecutive months. When we do have to make an estimate, we base it on the customer's previous utility usage. Because the metering system is based on "continuous read" meters, estimating consumption for one month will not affect total consumption over a two-month period. Any error in estimating will automatically be adjusted when the meter is read the next time.

Utility bills are mailed to each customer once each month and are payable as of the billing date. We make every effort to give our customers a fair amount of time to pay their bills. The bill also informs our customers about dates for scheduled bank drafting, late penalty dates, and disconnect dates for past due bills. Non-receipt of a bill for utilities by the customer shall not release or diminish the obligation of the customer with respect to the payment thereof. Utility bills are mailed monthly. The customer should contact the City if a bill is delayed or not received. If payment is received past the close of business on the due date, a penalty according to rates established in the example of the Schedule of Fees and Charges found in Appendix A will be applied. Current fee schedule located within City-wide Schedule of Fees and Charges.

## **Section 3. Selection of Rates**

The City will select the appropriate rate schedule of those available in which the customer will be billed for each utility service. Copies of the City's rate schedules may be obtained from the Customer Services office or on the City's website. See Customer Service Hours and Location for contact information. The City encourages commercial and industrial customers to provide information about their operating conditions or other factors that may affect the selection of the rate schedule best suited for their operation.

## **Section 4. Adjustments and Billing Errors**

If it is found that a utility has directly or indirectly, by any device whatsoever, charged, demanded, collected, or received from any consumer a greater or lesser compensation for any service rendered or to be rendered by such utility than that prescribed in the schedules of such utility, or if it is found that any consumer has received or accepted any service from a utility for a compensation greater or lesser than that prescribed in such schedules, or if, for any reason, a billing error resulted in a greater or lesser charge than that incurred by the consumer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided:

## A. Overcharges

If the interval of overcharge can be determined, the amount of overcharge may be refunded to the customer for the entire interval, provided that such time period shall not exceed three (3) years. If the interval of overcharge cannot be determined, the City may refund the overcharge incurred for the previous twelve months. Usage and demand (when applicable) may be estimated if exact usage cannot be determined. If an overcharged customer owes a past due balance to the City, the City shall deduct that past due amount from any refund due from the City.

## B. Undercharges

If the interval of undercharge can be determined, the amount of undercharge may be billed to the customer for the period of undercharge, provided that the time period for which the undercharge shall be calculated and time period for collection shall not exceed three (3) years. If the period of time over which the undercharge occurred cannot be determined, the City will collect the undercharged amount during the 12 months before the undercharge was discovered. Usage and demand (where applicable) will be estimated if exact usage cannot be determined. If the meter error is found upon test to be not more than 2% fast or slow, the utility shall not be required to make a billing adjustment. (NCUC Docket No. E-100, Sub 17, 5/10/74; NCUC Docket No. E-100, Sub 29, 11/29/77.)

**Water and Sewer usage adjustment policy-** If a customer has a water leak, broken pipe, toilet problem, or other similar issue causing a higher than normal water and/or sewer bill, the City will allow one adjustment to the water and/or sewer bill per three-year period for each location. Documentation showing repairs were made is required before an adjustment will be applied. Following proper documentation, the City will read the water meter to verify. The adjustment will not exceed two months billing cycle from date of first occurrence as indicated by the documentation presented for repairs even if multiple months are affected. Full water and sewer charges will apply to other billings. The customer will be required to sign a document stating they understand the water and sewer adjustment policy. The document will be kept on the account for the three-year period.

## Section 5. Meter Tampering

Any customer whose service was disconnected because the meter, lines, or other apparatus serving their residence or business was tampered with in any manner shall pay such deposit as required to protect the City from loss of revenue, in addition to penalties and re-connection fees as defined in the example of the Schedule of Fees and Charges found in Appendix A. Current fee schedule located within City-wide Schedule of Fees and Charges.

An offending customer may also be subject to any civil or criminal penalties as may be imposed by City, State, or Federal regulations.

Tampering with utility meters is expressly prohibited by NC General Statute 14-151, as provided under Appendix D, and is punishable by fines and/or imprisonment.



## Section 6. Appeals Process

Any customer who believes an error was made in an account balance or the amount of a bill has the right to appeal a decision based on the following order of sequence:

First Appeal:	To the Customer Service Representative
Second Appeal:	To the Customer Service Manager
Third Appeal:	A scheduled appointment with the Director of Finance
Final Appeal:	A written request to the City Manager or his designee

## ARTICLE VIII. PAYMENT OPTIONS

- 1) By Mail – Please enclose the bottom portion (stub) of your bill with your check or money order in the envelope provided. City of Shelby, PO Box 207, Shelby, NC 28151-0207.
- 2) In The Customer Services Payment Division – Located on the first floor of City Hall at 300 S. Washington St., Shelby, NC 28150. Please bring your bill with you.
- 3) In Our Night Depository – Located in the back of City Hall at 300 S Washington St., Shelby, NC 28150. Use it anytime night or day. Envelopes are provided.
- 4) Automatic Bank Draft – Contact Customer Services at 704-484-6866 or refer to this policy for additional details.
- 5) Automatic Credit Card Payment Plan –Visit our secure website at [www.silverblaze.cityofshelby.com](http://www.silverblaze.cityofshelby.com).
- 6) Pay Online – over our secure website at [www.silverblaze.cityofshelby.com](http://www.silverblaze.cityofshelby.com),
- 7) Pay via our IVR phone system – call 704-484-6866 option 3
- 8) Pay via the bill pay kiosk located at the rear entrance of City Hall, 300 S. Washington St., Shelby, NC 28150.

### Section 1. Automatic Bank Draft

The City provides a convenient program to allow for a customer's utility bill to be drafted from their checking account. This relieves the customer from having the possibility of lost or late payments and saves a trip to City Hall or the cost of an envelope and stamp. At the customer's option, the City will draft from the customer's bank account each month for the amount of the bill. The scheduled draft date is printed on the utility bill. The bill will be mailed in time to allow the customer the opportunity to review the bill and contact Customer Services with questions or concerns.

By allowing the draft, a customer does not forego their right to contest a bill or to have a correction for a billing error. The correction would be made in the form of a refund, a credit, or a charge to the account. If the draft is returned due to insufficient funds, the same remedies regarding returned checks shall apply.

To discontinue our bank draft program, please contact Customer Services Payments Division at 704-484-6866 before the processing date printed on your statement.

## **Section 2. Credit Card Payment Plan**

This plan is designed for customers that choose to have their utility bill paid by credit card on a regular monthly basis. The City accepts Master Card, Visa, American Express, and Discover credit or debit cards. The credit card transaction will take place on the date printed on their utility bill.

Each customer must enter their credit card information on the web portal at [www.silverblaze.cityofshelby.com](http://www.silverblaze.cityofshelby.com). The customer will have the responsibility to ensure that all credit card information is correct and complete.

Before the credit card expiration date, customers are required to update credit card information in order to continue their monthly credit card payments without interruption.

To discontinue our credit card payment plan, please visit the web portal at [www.silverblaze.cityofshelby.com](http://www.silverblaze.cityofshelby.com) to login and make the changes before the processing date printed on your statement.

## **Section 3. Application of Payment**

The City reserves the right to apply any payment or payments made by the customer in whole or in part to any account due the City by the customer in connection with the furnishing of utility services.

## **Section 4. Credit Balances**

Any credit balance will remain on the account until the account is closed, either voluntarily or involuntarily. The City will not refund a credit balance on an active account. The City will follow the deposit refund balance policy, see Appendix B, Section 1.5, when refunding a credit balance.

# **ARTICLE IX. CREDIT INFORMATION**

## **Section 1. Payment Extensions**

Payment options may be available prior to disconnection that will save the customer from additional fees. Contact with a customer service representative prior to disconnection is always more favorable than making arrangements after service is involuntarily interrupted. Only

authorized customer listed on the utility account should make requests for extensions. No more than one (1) payment extension will be granted in a three (3) month period. If the customer does not honor the terms of the extension, they will not be granted another extension for a period of twelve (12) months from the date of the breached arrangement. If payment is not made as agreed to in the Payment Extension Agreement, service will be discontinued without further notice and all payments, including any disconnect and reconnect charges, will be due and payable before reconnection.

Payment extensions will allow the customer to make their past due payment for a maximum period of two (2) full weeks from the disconnection date. Payment extensions are not granted on a customer's first bill at a location.

## **Section 2. Insufficient Funds or Credit**

- a. No returned check, return bank draft, credit card, or other insufficient funds will be held more than five (5) days after notification. The customer will be notified that the payment was not accepted and that service will be terminated on a specified date unless an acceptable payment is made. If a customer's utility service was terminated for nonpayment and payment for restoration is made with a check that is subsequently returned, service will be terminated without further notification.
- b. The City reserves the right to require utility bills to be paid in cash, money order, certified bank check, or cashier's check from any customer having two or more insufficient funds or closed account, in connection with returned checks, automatic bank drafts, or credit card within any one-year period.
- c. When a customer has a check returned, a service charge will apply in addition to any other charges and fees as prescribed in the example of the Schedule of Fees and Charges within Appendix A. Current fee schedule located within City-wide Schedule of Fees and Charges.

## **Section 3. Collection of Delinquent Accounts**

Final billing statements are referred to a collection agency after sixty days. After ninety days the unpaid account is also submitted to the NC Debt Setoff Program. This program garnishes the amount due the City from the customer's NC state tax refund.

## **ARTICLE X. PROGRAMS AND SERVICES**

Medical Alert Program (Appendix E)

NC GreenPower (Appendix F)

Neighbor Helping Neighbor (Appendix G)

**Appendix A – EXAMPLE OF SCHEDULE OF FEES AND CHARGES**



**SCHEDULE OF FEES AND CHARGES**  
 Current fee schedule updated as needed in the city-wide Schedule of Fees and Charges.  
 Effective July 1, 2023 – April 14, 2024

<b><u>CUSTOMER SERVICE FEES</u></b>	<b>8:00 AM TO 4:00 PM</b>	<b>WEEKEND, HOLIDAY, &amp; AFTER 4:00 PM</b>
Application fee*	\$10.00	N/A
Service Call**	N/C	\$60.00
New Customer Service **	N/C	\$60.00
Returned Check	\$25.00	N/A
Non-Pay Collection Charge***	\$50.00	N/A
Non-Pay Reconnect **	N/C	\$60.00
Late Payment Fee	\$10.00	N/A
Remove or Lock Meter	\$40.00	N/A
Meter Interference (Per GS § 14-151)	Criminal or Civil Action, including felony or the greater of triple losses or \$5,000.00	
Damage to City-issued utility equipment/meters	Fee = Replacement cost of equipment	
Disconnect/Reconnect <b>ELECTRIC</b> Service at Riser	\$60.00	\$125.00
Disconnect/Reconnect <b>ELECTRIC</b> Service at Pole	\$60.00	\$125.00
Temporary <b>ELECTRIC</b> Service	N/C	N/A
First Meter Test	N/C	N/A
2nd Request Test (within 12 months)	\$40.00	N/A
First Utility Bill Reprint	N/C	N/A
2 <sup>nd</sup> Utility Bill Reprint (within 12 months)	\$1.00	N/A
Meter Test (if tampering is involved)	\$40.00	N/A
N/C = no charge    N/A = not available or applicable		Original schedule Est. June 1, 2008

\*New Account Application fee appears on first month’s bill

\*\* Service calls to reconnect services will not be performed after 10:00 p.m.

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

\*\*\*\*The City will adjust fees for services provided by outside vendors as instructed by vendors.

## **Appendix B**

### **CUSTOMER UTILITY DEPOSIT POLICY**

#### **1.1 Deposit Requirement**

The City of Shelby may require the customer to make an initial deposit, based on the current Schedule of Fees and Charges, as a guarantee of the payment for utilities used. The deposit for utility service is collected as security so that all bills will be paid in full by their due date. In some cases, the City will allow customers to provide alternative guarantees of payment or proof of credit worthiness in lieu of required deposit.

#### **1.2 Residential Customer Deposit Alternatives**

Any customer who must pay a deposit for residential utility service may choose one of the following:

- A. Pay initial cash deposit (See Current Schedule of Fees and Charges.)
- B. Customers who can provide a letter of credit reference (showing equivalent or similar service) from their previous utility provider may be exempt from this requirement. However, if a customer's payment record deteriorates, a security deposit may be required for continued service.
- C. If the customer is the owner of the premises to be served, then a deposit will not be required. The City of Shelby reserves the right, however, to check applicant's credit references. If the customer's payment record does not exemplify a good credit/payment history, as defined in Section 1.6, a security deposit may be required for continued utility service.

#### **1.3 Commercial/Non-Profit/Industrial Customers**

Commercial/Non-Profit/Industrial Customers shall, at the time of application for service per account, pay a deposit as specified in the Schedule of Fees and Charges. Payment may be in the form of:

- A. Initial Cash Deposit.
- B. Irrevocable bank letter of credit or a surety bond in the amount of the specified deposit, issued by an insurance company or bank authorized to do business in North Carolina.
- C. Jointly owned Certificate of Deposit for the amount of the specified deposit, held by the City of Shelby, with interest paid by a local financial institution directly to the customer.
- D. If the customer is the owner of the premises to be served or the owner of a comparable business and can provide a letter of credit reference that displays an excellent credit history, then a deposit will not be required. However, if a customer's payment record deteriorates, a security deposit may be required for continued service.

**FOR DEPOSIT REQUIREMENTS OVER \$2,000**, the City requires surety bonds in the amount of the specified deposit, issued by an insurance company or bank authorized to do business in North Carolina. An original signed copy of the bond form must be provided to the Customer Services department. Surety bonds must be renewed annually, and an original copy of the renewed bond form must be provided to the Customer Services department upon each renewal. If the surety bond is not renewed by the required renewal date, a notice will be mailed to the customer stating that the bond must be renewed within 30 days of the date on the notice. If the bond renewal is not received by the date specified in the notice, services will be disconnected until such time the bond renewal is received. The City must also be notified of any changes regarding the surety bond or the insurance company that guarantees the bond. In the event the customer purports to be unable to secure a surety bond and provides satisfactory documentation of two bond application refusals, the deposit requirements for under \$2,000 will be accepted.

- E. A commercial customer can elect to go on auto draft in lieu of a deposit, excluding deposits \$2,000.00 or more that require a surety bond. The customer must sign an agreement to stay on auto draft for a twelve (12) month period to establish good credit history with the City of Shelby. Meaning the first twelve (12) bills are successfully drafted from the customer's account without any returned drafts, insufficient funds or any other issue. A deposit will be quoted to the customer in the agreement and if the customer's payment record deteriorates, the quoted deposit will be immediately required. The customer must sign the agreement when establishing services with the City of Shelby.

#### **1.4 Deposits and Service Disconnect**

Notwithstanding the initial deposits specified in the above sections, any customer whose service is involuntarily terminated for non-payment, meter tampering or other reasons shall pay such deposit as required in the Schedule of Fees and Charges to protect the City of Shelby from loss of revenue. These deposits shall be held and refunded only as stated in this policy. Within ten (10) days of written notice, any customer who fails to make required cash deposits or provide surety bonds or irrevocable letter of credit when specified shall be subject to disconnection of service until such deposit has been provided.

#### **1.5 Deposit Refunds**

Deposits may be refunded under the following circumstances:

- A. A deposit will be refunded promptly and automatically when service is voluntarily discontinued. All outstanding amounts on the final bill will be deducted from the deposit amount.
- B. The City of Shelby will return a customer's deposit when that customer has exhibited good credit as defined in Section 1.6.

- C. A deposit will not be refunded if the customer has another account with The City of Shelby that has a past due balance. The remaining credit on the account will be transferred to the other account which has a past due balance.

### 1.6 Definition of Good Credit/Payment History

Good Credit/Payment History can be defined as having no late payments, no returned checks, and no involuntary disconnections in the most recent twelve-month period at the customer's current service address. Payments are considered late at such time as the \$10.00 late penalty is applied to the outstanding bill.

### **CITY OF SHELBY SCHEDULE OF UTILITY DEPOSITS**

#### WATER

RESIDENTIAL	\$30.00
COMMERCIAL/INDUSTRIAL	TWO (2) MONTHS ESTIMATED BILL- PEAK USAGE MONTHS

#### SEWER

RESIDENTIAL	\$30.00
COMMERCIAL/INDUSTRIAL	TWO (2) MONTHS ESTIMATED BILL- PEAK USAGE MONTHS
RESIDENTIAL SEWER ONLY (no other utility services on account)	\$60.00 Residential
COMMERCIAL SEWER ONLY (no other utility services on account)	TWO (2) MONTHS ESTIMATED BILL- PEAK USAGE MONTHS

#### ELECTRIC

RESIDENTIAL	\$120.00
COMMERCIAL/INDUSTRIAL	TWO (2) MONTHS ESTIMATED BILL- PEAK USAGE MONTHS

#### GAS

RESIDENTIAL	\$140.00
SMALL COMMERCIAL	\$140.00
LARGE COMMERCIAL/INDUSTRIAL	TWO (2) MONTHS ESTIMATED BILL- PEAK USAGE MONTHS

**Appendix C- Customer Service Agreement. Hard copy available.**



## Appendix D

### **§ 14-151. Interfering with gas, electric, and steam appliances or meters; penalties.**

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(a) It is unlawful for any person to willfully, with intent to injure or defraud, commit any of the following acts:

(1) Connect a tube, pipe, wire, or other instrument or contrivance with a pipe or wire used for conducting or supplying illuminating gas, fuel, natural gas, or electricity in such a manner as to supply the gas or electricity to any burner, orifice, lamp, or motor where the gas or electricity is or can be burned or used without passing through the meter or other instrument provided for registering the quantity consumed.

(2) Obstruct, alter, bypass, tamper with, injure, or prevent the action of a meter or other instrument used to measure or register the quantity of illuminating fuel, natural gas, water, or electricity passing through the meter by a person other than an employee of the company owning or supplying any gas, water, or electric meter, who willfully detaches or disconnects the meter, or makes or reports any test of, or examines for the purpose of testing any meter so detached or disconnected.

(3) In any manner whatever change, extend, or alter any service or other pipe, wire, or attachment of any kind, connecting with or through which natural or artificial gas or electricity is furnished from the gas mains or pipes of any person, without first procuring from the person written permission to make the change, extension, or alterations.

(4) Make any connection or reconnection with the gas mains, water pipes, service pipes, or wires of any person, furnishing to consumers natural or artificial gas, water, or electricity, or turn on or off or in any manner interfere with any valve or stopcock or other appliance belonging to that person, and connected with the person's service or other pipes or wires, or enlarge the orifices of mixers, or use natural gas for heating purposes except through mixers, or electricity for any purpose without first procuring from the person a written permit to turn on or off the stopcock or valve, or to make the connection or reconnections, or to enlarge the orifice of mixers, or to use for heating purposes without mixers, or to interfere with the valves, stopcocks, wires, or other appliances of them, as the case may be.

(5) Retain possession of or refuse to deliver any mixer, meter, lamp, or other appliance which may be leased or rented by any person, for the purpose of furnishing gas, water, electricity, or power through the appliance, or sell, lend, or in any other manner dispose of the appliance to any person other than the person entitled to the possession of the appliance.

(6) Set on fire any gas escaping from wells, broken or leaking mains, pipes, valves, or other appliances used by any person in conveying gas to consumers, or interfere in any manner with the wells, pipes, mains, gateboxes, valves, stopcocks, wires, cables, conduits, or any other appliances, machinery, or property of any person engaged in furnishing gas to consumers unless employed by or acting under the authority and direction of that person.

(7) Open or cause to be opened, or reconnect or cause to be reconnected any valve lawfully closed or disconnected by a district steam corporation.

**(8)** Turn on steam or cause it to be turned on or to reenter any premises when the steam has been lawfully stopped from entering the premises.

**(9)** Reconnect electricity, gas, or water connections or otherwise turn back on one or more of those utilities when they have been lawfully disconnected or turned off by the provider of the utility.

**(10)** Alter, bypass, interfere with, or cut off any load management device, equipment, or system which has been installed by the electricity supplier for the purpose of limiting the use of electricity at peak-load periods. However, if there has been a written request to remove the load management device, equipment, or system to the electric supplier and the electric supplier has not removed the device within two working days, there is no violation of this section.

**(b)** Any meter or service entrance facility found to have been altered, tampered with, or bypassed in a manner that would cause the meter to inaccurately measure and register the electricity, gas, or water consumed or which would cause the electricity, gas, or water to be diverted from the recording apparatus of the meter is prima facie evidence of intent to violate and of the violation of this section by the person in whose name the meter is installed or the person or persons so using or receiving the benefits of the unmetered, unregistered, or diverted electricity, gas, or water.

**(c)** For the purposes of this section, the term “gas” means all types and forms of gas, including, but not limited to, natural gas.

**(d)** Criminal violations of this section are punishable as follows:

**(1)** A violation of this section is a Class 1 misdemeanor.

**(2)** A second or subsequent violation of this section is a Class H felony.

**(3)** A violation of this section that results in significant property damage or public endangerment is a Class F felony.

**(4)** Unless the conduct is covered under some other provision of law providing greater punishment, a violation that results in the death of another is a Class D felony.

**(e)** Whoever is found in a civil action to have violated any provision of this section is liable to the electric, gas, or water supplier in triple the amount of losses and damages sustained or five thousand dollars (\$5,000), whichever is greater.

**(f)** Nothing in this section applies to licensed contractors while performing usual and ordinary services in accordance with recognized customs and standards.

## Appendix E

### *City of Shelby*

#### **Medical Alert Program**

1. The customer has the responsibility of notifying the City of Shelby if there is someone in the household who is either:
  - a. Chronically or seriously ill
  - b. On a life support system (heart/lung respirator, etc.)
2. The customer must provide a letter of certification from a doctor or hospital advising of the above condition. These letters will be reviewed and brought up-to-date once a year by a designated employee in the Customer Services Department. A customer who complies with these notification procedures will have a white seal placed on their meter to designate their household as containing a chronically ill or life support customer.
3. The customer has the responsibility to carefully handle his account so that service will not be interrupted for failure to pay. With the medical alert designation, the City of Shelby will make a good faith effort to make personal contact with the customer or member of their household before service is terminated. Each customer listed with the Medical Alert program should have a back-up plan for movement of the patient in the event of a disruption of power.
4. The City of Shelby will exercise all diligence in keeping the power flowing to a life support patient. However, due to conditions beyond the control of the City and its employees (storm damage, loss of generation, etc.), electric power cannot be guaranteed 100 percent of the time.

## Appendix F

### WHAT IS NC GREENPOWER?

NC GreenPower is an independent, nonprofit organization established to improve North Carolina's environment through voluntary contributions toward renewable energy. A landmark initiative approved by the N.C. Utilities Commission, NC GreenPower is the first statewide green energy program in the nation administered independently by a nonprofit organization and supported by all of the state's utilities. The program is designed to improve the environment by encouraging the development of renewable energy resources through consumers' voluntary contributions to NC GreenPower.

Your support will help add more renewable energy to the power supply in our state.

#### Reasons to Sign Up:

**You can make a difference.** It is in your power to impact the future of our children by improving the quality of life and air quality.

**It's affordable and tax-deductible.** For as little as \$4 a month, you can help protect our environment. Your monthly tax-deductible contribution will add green energy to North Carolina's power supply. Over a year, that's the equivalent of not driving a car 74 days or of planting 150 full-grown trees.

**It's easy.** Supporting NC GreenPower is an effective way to advance the availability of renewable energy resources in our state. Most of us want to do something to help, but our limited resources and time make it difficult to act. NC GreenPower provides us the opportunity to support cleaner energy sources.

**It's cleaner and environmentally sustainable.** With green energy sources such as wind, solar and organic matter we can generate cleaner electricity. It's a great way to keep us all healthier.

**It's smart.** Traditional energy sources like fossil fuels are nonrenewable and inevitably will run out. Working today to build up our supply of renewable energy sources will give us a more secure energy future.

**It is the right thing to do.** NC GreenPower protects the environment to make North Carolina greener.

## Appendix G

### ***BILL PAYMENT ASSISTANCE PROGRAM***

#### Neighbor Helping Neighbor

The City of Shelby has a program in place to assist customers that are having difficulty paying their utility bills. The winter months bring anxiety and discomfort to many in our community because of the difficulty in paying winter heating bills. The Bill Payment Assistance Program will provide funds to our aged, infirmed, and low-income members of our community in situations of extreme hardship. This program provides the opportunity for a neighbor to help another neighbor during times of family crisis.

The program is funded by contributions made by City of Shelby utility customers who elect to add \$1 or more per month to their utility bill. All contributions are tax deductible. Customers can make contributions independently of their utility bills in our Customer Services Payments Department located at City Hall.

The City recognizes that it cannot be involved with the provision of social services, therefore, the Bill Payment Assistance Program is provided in conjunction with the Salvation Army. For a customer to be eligible for assistance from this program, they must apply to the Salvation Army for assistance. All funds will be retained by the City, and disbursed on behalf of customers after proper notification from the Salvation Army. A utility customer may be eligible one time per calendar year for assistance, and total assistance per calendar year may not exceed \$200. This program does not supplant any federal, state, or local funds that may otherwise be available for assistance, but is to provide additional support should other funds not be available.

## Appendix H

### *COMMUNITY GATEKEEPERS PROGRAM*

The Gatekeepers Program assists elderly citizens who are sometimes unable to help themselves. There are many who healthy, active people in our community are, but there are others who are not so fortunate. They live alone and have little communication with others. If they become sick or unable to care for themselves, they can easily go unnoticed and unattended.

This program raises the awareness of employees who, in the course of their daily work activities, come into contact with citizens in the community. Gatekeepers are educated to recognize signs and symptoms that may indicate an elderly or special needs person is in need of help. Gatekeepers are not expected to assume the role of social workers or counselors. Gatekeepers are asked to keep a watchful eye while conducting daily work activities and make a simple referral for those people in need.

Gatekeepers look for changes in a person's overall ability to manage activities of daily living. Gatekeepers could directly observe any one or a combination of the following:

- Inability to communicate, including confusion, memory loss, becoming withdrawn, hostile, or angry.
- Personal appearance, such as poor hygiene, strong odors, poor grooming, or wearing dirty or inappropriate clothes.
- The condition of the home, such as extreme neglect, excessive clutter, or neglected pets.
- Physical losses such as difficulty seeing, speaking, or hearing, mobility of balance, significant weight loss, injuries, or untreated wounds.
- Difficulty in paying bills or unusual transactions.
- Inability to cope with recent loss of a spouse, family member or pet.
- Neglect, abuse, isolation, or wandering.

Referrals are reported to the Customer Services Department. When the referral is received, the initial contact will be to a third-party reference contact if available and then to the Department of Social Services or other social service agencies. Forcing assistance is not the goal but our citizens deserve to be informed of alternatives and options that will preserve their independence and enhance their quality of life.

**ORDINANCE NO. 34 – 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 Fees and Rebates; and,

**WHEREAS**, the City of Shelby now desires to revise its Fee Schedule, specifically the Natural Gas Fees and Rebates 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 15th day of April, 2024.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

**RESOLUTION NO. 31 – 2024**  
**A RESOLUTION TO ADOPT THE PROPOSED**  
**CITY OF SHELBY NATURAL GAS LINE INSTALLATION POLICY**  
**AND THE PROPOSED CITY OF SHELBY**  
**NEW DEVELOPMENT NATURAL GAS SERVICE AGREEMENT**

**WHEREAS**, the City of Shelby owns and operates a natural gas system that provides service throughout the City of Shelby and a large portion of Cleveland County, North Carolina; and,

**WHEREAS**, the City of Shelby does not currently have a formal policy established providing guidance for the installation of new natural gas lines to individual customers and new subdivisions; and,

**WHEREAS**, City staff recognizes the need to establish a formal policy for the installation of new natural gas lines to individual customers and new subdivisions; and,

**WHEREAS**, City staff has developed the City of Shelby Natural Gas Line Installation Policy and the City of Shelby New Development Natural Gas Service Agreement; and,

**WHEREAS**, the proposed policy and agreement have been thoroughly reviewed to ensure that it meets the needs of the natural gas utility while continuing to provide a high level of service to our natural gas customers.

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

Section 1. The Shelby City Council hereby approves that the City of Shelby Natural Gas Line Installation Policy and City of Shelby New Development Natural Gas Service Agreement are hereby adopted as City Policy.

Section 2. City of Shelby staff are hereby authorized and directed to implement and administer the policies set forth in the City of Shelby Natural Gas Line Installation Policy and City of Shelby New Development Natural Gas Service Agreement effective April 16, 2024.

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

Adopted and Approved this the 15th day of April, 2024.

ATTEST:

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O. Stanhope Anthony III  
Mayor

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Carol Williams  
City Clerk



G. New Business:

Agenda Item: G-1

- 1) Stormwater Infrastructure Assistance Program:
  - a) Adoption of FY 2023-2024 Budget Ordinance Amendment: Ordinance No. 35-2024
  - b) Approval of a resolution awarding the contract for the City of Shelby Stormwater Infrastructure Assistance Program at 1020 E Dixon Blvd., 1102 E Dixon Blvd., and Grove Street in Shelby, North Carolina: Resolution No. 32-2024

**New Business Agenda Item: (Justin Wright, Engineering Manager)**

Summary of Available Information:

- Memorandum dated April 8, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager
- Memorandum dated April 8, 2024, from Justin Wright, Engineering Manager to Ben Yarboro, Assistant City Manager
- Supporting Documents
- Ordinance No. 35-2024
- Resolution No. 32-2024

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City Manager's Recommendation / Comments

- a) Ordinance No. 35-2024 is presented for City Council consideration at this time. If approved this ordinance would appropriate \$465,000 from the Stormwater Fund reserves to the Stormwater Assistance program for the purpose of funding the 1020 E. Dixon Blvd /1102 E. Dixon Blvd / Grove Street stormwater project. The total cost of the project is \$609,500.16. The remaining balance of \$144,500.16 is already available within the Stormwater Fund budget. The owners of these two properties will share \$299,022.43 of this project cost. The owners of these properties will reimburse the City for their share of the cost as required by City policy.
- b) Resolution No. 32-2024 is presented for City Council consideration at this time. If approved this resolution would award a contract to Enviro Pond, LLC in the amount of \$609,500.16 for the construction of the Stormwater Assistance Program project located at 1020 E. Dixon Blvd /1102 E. Dixon Blvd / Grove Street.



## *Memorandum*

**To:** Rick Howell, City Manager

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

**RE:** Stormwater Infrastructure Assistance - Construction Contract Award for 1020 E. Dixon Blvd. and 1102 E. Dixon Blvd.

**Date:** April 8, 2024

**Summary**

As outlined in the attached memo from Justin Wright, Engineering Manager, the City of Shelby Stormwater Division received an application in May 2021 for Stormwater Infrastructure Assistance to address stormwater piping issues that have caused a large sinkhole on private property located at 1020 E. Dixon Blvd. After determining that the project was eligible for assistance, further field inspections were completed. Through this process, stormwater system failures were found in the following locations:

- 1020 E. Dixon Blvd. (Fastop)
- 1102 E. Dixon Blvd. (KFC)
- Grove St. public right of way (City owned street)

After contacting the owner of 1102 E. Dixon Blvd. and determining they were interested in participating in this stormwater project, a design was completed by TGS Engineers and the project was advertised and bid. This project consists of the replacement of failing stormwater piping and manholes.

The lowest responsive, responsible bidder for this project was Enviro Pond, LLC from Shelby, NC with a bid of \$609,500.16. As previously mentioned, there are 3 portions of this project. The 2 portions of this project on private properties will be funded 50% by the City and 50% by the property owner (with a \$50,000 maximum contribution by the City on each of the private properties). The portion of the project within the Grove St. public right of way is 100% the responsibility of the City so there is no private contribution on that section.

A summary of the project bid and City/Private Owner contributions is as follows:

<b>Project Area</b>	<b>Bid Price</b>	<b>City Cost</b>	<b>Owner Cost</b>
1020 E Dixon Blvd (Fastop)	\$319,128.00 **	\$50,000.00	\$269,128.00
1102 E Dixon Blvd (KFC)	\$59,788.85 **	\$29,894.42	\$29,894.43
Grove St. (in public ROW)	\$230,583.31	\$230,583.31	n/a
<b>Total</b>	<b>\$609,500.16</b>	<b>\$310,477.73</b>	<b>\$299,022.43</b>

As defined in the City of Shelby Stormwater Infrastructure Assistance Program, the award of this contract requires Council approval due to the bid amount exceeding \$10,000. Funding for this project is available via the approved FY24 Stormwater Budget and a Stormwater Fund Balance appropriation (\$465,000). As shown in the table above, the two private property owners associated with this project will contribute a combined \$299,022.43 in accordance with the Stormwater Infrastructure Assistance Program.

**Recommendation**

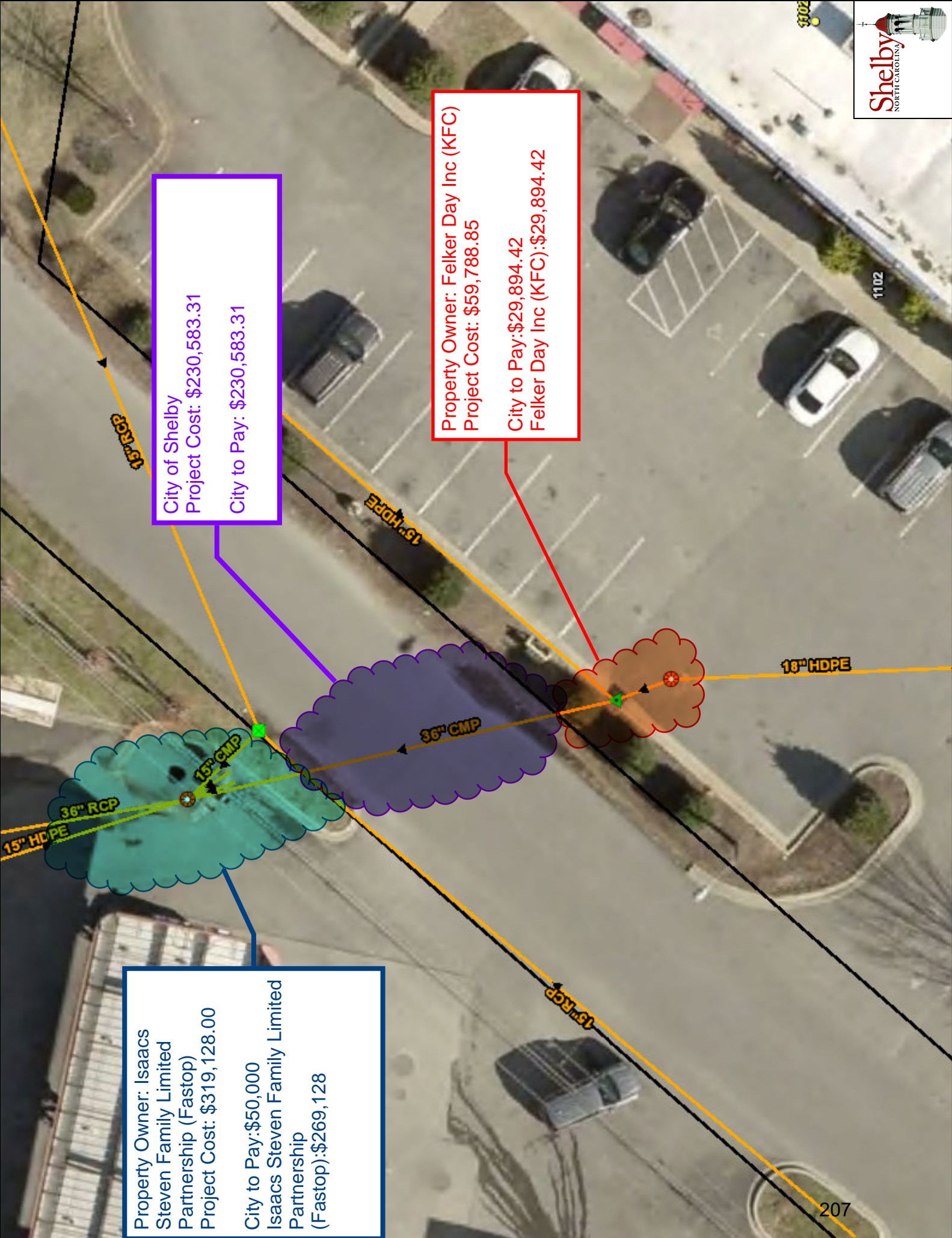
City Staff recommends approval of the Project Budget Ordinance in the amount of \$465,000 and the resolution awarding the construction contract for the Stormwater Infrastructure Assistance project at 1020 E. Dixon Blvd. and 1102 E. Dixon Blvd. to Enviro Pond, LLC. of Shelby, NC for the bid amount of \$609,500.16.

Attachments

City of Shelby  
 Project Cost: \$230,583.31  
 City to Pay: \$230,583.31

Property Owner: Felker Day Inc (KFC)  
 Project Cost: \$59,788.85  
 City to Pay: \$29,894.42  
 Felker Day Inc (KFC): \$29,894.42

Property Owner: Isaacs  
 Steven Family Limited  
 Partnership (Fastop)  
 Project Cost: \$319,128.00  
 City to Pay: \$50,000  
 Isaacs Steven Family Limited  
 Partnership  
 (Fastop): \$269,128



## *Memorandum*

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

**From:** Justin Wright, Engineering Manager

**RE:** Fastop/Grove St Stormwater Repair – Stormwater Infrastructure Assistance Program Project Approval Recommendation

**Date:** April 8, 2024

### **Background**

In February 2016, the City of Shelby implemented a Stormwater Infrastructure Assistance Program to assist property owners with the costs of repairing and/or replacing stormwater infrastructure causing stormwater issues on their private property. Per City ordinance, the City does not have maintenance responsibilities outside of the public rights-of-way. Funding for such projects in excess of \$10,000 shall be presented to Shelby City Council for consideration before awarding contracts.

### **Review**

In May 2021, the property owner at 1020 E Dixon Blvd., applied for Stormwater Infrastructure Assistance to address failing stormwater infrastructure on the property. The owner reported a very substantial sinkhole in the front of the property and concern for the structural integrity of the area in the parking lot near the gas station pumps. Upon further inspection, it was determined the sinkhole was caused by rusted and failing corrugated metal pipes and a degraded manhole. This stormwater system carries water through the property from upstream properties all the way to Gantt Street, so it is in the public's best interest that this private system function as intended.

In July 2023, agreements were signed between the City and Owners. A third-party consultant, TGS Engineers, was then asked to provide a design for replacing the stormwater infrastructure on the property. The project primarily consists of the removal and replacement of four (4) drainage structures and one (1) additional drainage structure, the removal and replacement of approximately 27 LF of 15"

HDPE pipe, 13 LF of 18” pipe, 139 LF of 36” pipe, temporary shoring for excavation, and restoring the area to existing conditions.

In review of the existing infrastructure, it was determined that stormwater lines on Grove Street and at 1102 E Dixon Blvd were in very poor condition and were recommended for replacement by TGS Engineers. With this information, the City notified the property owner and made them aware of the Stormwater Infrastructure Assistance Program. In December 2023, the property owner at 1102 E Dixon Blvd., applied and agreements were signed for Stormwater Infrastructure Assistance to address failing stormwater infrastructure on the property.

Following the design of the plans, a public bid opening was held on March 14, 2024. At that time contractors were notified that the bid award must be approved by the property owners and City Council before starting construction. The lowest bidder for this project is Enviro Pond LLC, with a bid of \$609,500.16. The second lowest bidder was Sossamon Construction Company, Inc. with a bid of \$1,049,478.50. The third bidder was Marvin Hoyle Construction, Inc. with a bid of \$1,512,825.00. The property owners desire to proceed with the project. A price breakdown is below for each property:

<b>Project Area</b>	<b>Price</b>
1020 E Dixon Blvd (Fastop)	\$319,128.00 **
1102 E Dixon Blvd (KFC)	\$59,788.85 **
Grove St. (in public ROW)	\$230,583.31
<b>Total</b>	<b>\$609,500.16</b>

*\*\* City to pay 50% of project cost on commercial properties (not to exceed \$50,000)*

The engineer’s estimate for this project was \$353,000.00. The anticipated start of construction for this project if approved will be in early June 2024 with completion by October 2024.

**Recommendation**

City Staff recommends that Shelby City Council approve the resolution awarding the bid for the Stormwater Infrastructure Assistance Program projects located at 1020 and 1102 E. Dixon Blvd. to the lowest responsive bidder, Enviro Pond, LLC, for the bid price of \$609,500.16. Funding for this construction contract is available via Stormwater Utility Fund Balance.

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

Attachments:

- Plans Prepared by TGS Engineers
- Bid Tabulation
- Contractor Recommendation Letter
- Copy of signed Stormwater Infrastructure Assistance Agreement for 1020 E. Dixon Blvd.
- Copy of signed Stormwater Infrastructure Assistance Agreement for 1102 E. Dixon Blvd.





Post Office Box 207 · Shelby, NC 28151-0207

### BID TAB

Project:  
Fastop/Grove St. Stormwater Project

Date:  
3/14/2024

Company Name	Submitted Bid
Enviro Pond	\$609,500.00
Marvin Hoyle Construction	\$1,512,825.00
Sossamon construction	\$1,049,478.50
Botts grading	No Bid
Cleveland contractors	No Bid

Bid Opening Attendees:

Justin Wright - City of Shelby \_\_\_\_\_

Brian Fletcher - TGS \_\_\_\_\_

CARIZY SOSSAMON \_\_\_\_\_

CAMERON HOWELL - CITY OF SHELBY \_\_\_\_\_

Bryant Nodine - City of Shelby \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



201 West Marion Street  
 Suite 200  
 Shelby, North Carolina 28150  
 (704) 476-0003 Phone  
 (704) 476-0024 Fax  
 www.tgsengineers.com

April 2, 2024

Mr. Justin Wright  
 Civil Engineer  
 City of Shelby  
 PO Box 207  
 Shelby, North Carolina 28150

**Reference:** City of Shelby  
 Fastop/Grove St. Stormwater Repair

Dear Mr. Wright:

As you are aware, bids were received for the construction of the referenced project on March 14, 2024 at 2:00 p.m. Three (3) bids were received on the project. The low bidder for the project was Enviro Pond, LLC.

Listed below is a summary of the bid(s) submitted for the project sorted from low bid to high bid. The Engineer’s Estimate for the construction of the project was \$381,800.00.

<u>Bidder</u>	<u>Bid Results</u>
Enviro Pond LLC	\$ 609,500.16 *
Sossamon Construction Co., Inc.	\$ 1,049,478.50
Marvin Hoyle Construction, Inc.	\$ 1,512,825.00

\*Note: There was a bid error due to rounding. Total Bid price was adjusted with the unit prices governing.

We have reviewed the bid package for Enviro Pond LLC, and found it to be in order and found that the bid was responsive under the terms of the contract. We recommend that the City of Shelby award the contract for construction of the project to the low bidder, Enviro Pond LLC at the contract amount of **\$609,500.16**.

Best regards,

Brian P. Fletcher, PE  
 TGS Engineers

cc: File



## *Memorandum*

**To:** Beth Beam, Director of Finance  
 Ben Yarboro, Assistant City Manager

**From:** Justin Wright, Engineering Manager

**RE:** Project Budget Ordinance for 1020 E Dixon Blvd, 1102 E Dixon Blvd, and Grove Street – Stormwater Infrastructure Assistance Program Project

**Date:** April 8, 2024

**Background**

In February 2016, the City of Shelby implemented a Stormwater Infrastructure Assistance Program to assist property owners with the costs of repairing and/or replacing stormwater infrastructure causing stormwater issues on their private property. Per City ordinance, the City does not have maintenance responsibilities outside of the public rights-of-way. Funding for such projects in excess of \$10,000 shall be presented to the Shelby City Council for consideration before awarding contracts.

**Review**

Bids were submitted on March 14th, 2024. At that time contractors were notified that costs had to be approved by the property owner and City Council before starting construction. The low bidder for this project is Environ Pond LLC, with a bid of \$609,500.16. The second lowest bidder was Sossamon Construction Company, Inc.. with a bid of \$1,049,478.50. The third bidder was Marvin Hoyle Construction, Inc. with a bid of \$1,512,825.00. The property owners desire to proceed with the project and a price breakdown is below for each property.

Project Area	Price
1020 E Dixon Blvd (Fastop)	\$319,128.00 **
1102 E Dixon Blvd (KFC)	\$59,788.85 **
Grove St. (City of Shelby)	\$230,583.31

\*\* City to pay half of project but not to exceed \$50,000.00



201 West Marion Street  
 Suite 200  
 Shelby, North Carolina 28150  
 (704) 476-0003 Phone  
 (704) 476-0024 Fax  
 www.tgsengineers.com

April 2, 2024

Mr. Justin Wright  
 Civil Engineer  
 City of Shelby  
 PO Box 207  
 Shelby, North Carolina 28150

**Reference:** City of Shelby  
 Fastop/Grove St. Stormwater Repair

Dear Mr. Wright:

As you are aware, bids were received for the construction of the referenced project on March 14, 2024 at 2:00 p.m. Three (3) bids were received on the project. The low bidder for the project was Enviro Pond, LLC.

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\*Note: There was a bid error due to rounding. Total Bid price was adjusted with the unit prices governing.

We have reviewed the bid package for Enviro Pond LLC, and found it to be in order and found that the bid was responsive under the terms of the contract. We recommend that the City of Shelby award the contract for construction of the project to the low bidder, Enviro Pond LLC at the contract amount of **\$609,500.16**.

Best regards,

Brian P. Fletcher, PE  
 TGS Engineers

cc: File



201 W. Marion St., Suite 200  
Shelby, North Carolina 28150  
(704) 476-0003 Phone  
(704) 476-0024 Fax  
www.tgsengineers.com

April 2, 2024

Mr. Justin Wright  
City of Shelby  
PO Box 207  
Shelby, NC 28151

**Re: Fastop/Grove St. Stormwater Repair – Construction Engineering and Inspection**

Dear Mr. Wright,

As requested, we propose to provide construction engineering and inspection services for the Fastop/Grove St. Stormwater Repair project. A breakdown of our proposed scope of services and fee is below:

**A. Scope of Services**

- **Construction Administration**
  - Pre-Construction Meeting
  - Meetings as needed
  - Pay Applications and Change Orders
- **Construction Engineering**
  - Temporary Shoring Plan Review
  - Temporary Sewer Bypass Plan Review
  - Temporary Water Service Plan Review
  - Traffic Control Plan Review
  - Plan Modifications, if necessary
- **Construction Inspection and Testing**
  - Inspection of installation of storm drainage, including temporary shoring, materials, wet utility relocations, backfill and compaction, and placement of asphalt and concrete.
  - Periodic Site visits and inspections as necessary
  - Soil density tests and concrete testing, if necessary.

**B. Compensation for Services – Hourly and Reimbursable Expense Allowance with Total Maximum Fee**

Compensation for the above scope of services will be on an hourly basis for actual work performed. Hourly rates are as follows:

Construction Engineer:	\$150.00/hour
Field Technician:	\$100.00/hour

Vehicular transportation will be necessary to perform the above scope of work. Rates for reimbursement will be charged at the current IRS rates when the work is performed.

Laboratory testing that is required to be performed by a Subconsultant, if necessary, will be reimbursable at the actual cost billed to TGS.

The total maximum fee, including all reimbursable expenses, shall not exceed **\$40,000.00**.

**C. Time of Beginning and Completion**

Construction inspection services shall begin upon the Notice to Proceed, and shall end either: (a) one-hundred eighty (120) days; (b) upon reaching the \$40,000.00 not-to-exceed cost; or (c) completion of the project; whichever comes first.

**D. Supplemental Services**

If, during the course of the work, unanticipated work beyond the original scope, a supplemental agreement will be developed between Owner and the Engineer. No supplemental services are to be performed by the Engineer without express written authorization of the Owner.

If you have any questions or need further information, please contact me at (704) 476-0003 or by email at [bfletcher@tgsengineers.com](mailto:bfletcher@tgsengineers.com).

Sincerely,



Brian P. Fletcher, PE  
Vice-President  
TGS Engineers

**Acceptance**

---

This represents the agreement between the Parties with respect to the subject matter hereof. This Agreement may be amended or modified only by a written instrument signed by a duly authorized representative of each Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date set forth above.

Consultant: TGS Engineers

Accepted by:

**Brian P. Fletcher, PE**



Date: April 2, 2024

Name: \_\_\_\_\_  
( Please Print Full Name )

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

Signature: \_\_\_\_\_

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

Per Policy either the City of Shelby or third party delegated by the City of Shelby will provide construction oversight and inspections. City staff has received a proposal from TGS Engineers for Construction admin in the amount of not to exceed \$40,000.

Project	Cost
1020 E Dixon Blvd (Fastop)	\$319,128.00 **
1102 E Dixon Blvd (KFC)	\$59,788.85 **
Grove St. (City of Shelby)	\$230,583.31
TGS CEI	\$40,000
Total	\$649,500.16

**Recommendation**

City Staff has reviewed the legal agreement and recommends this agreement to City Council for approval. This Project will be funded Stormwater Utility Fund per fund balance.

Attachments:

Recommendation of Award  
CEI by TGS Engineers

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

**CITY OF SHELBY  
STORMWATER INFRASTRUCTURE ASSISTANCE AGREEMENT**

THIS AGREEMENT, is made and entered into this 11<sup>th</sup> day of July, 2023 by and between the City of Shelby, a municipal corporation of the State of North Carolina, hereinafter referred to as the CITY, party of the first part, and Steve Isaacs Family Limited Partnership of Merri's Town (city), Tennessee (state), hereinafter referred to as the OWNER(S), party of the second part.

**BACKGROUND**

The CITY, pursuant to City Council Resolution No.3-2016, has adopted a formal policy for providing City assistance for upgrades and repairs to stormwater drainage systems on private property. The OWNER(S), pursuant to this policy, have petitioned the CITY to participate in stormwater drainage improvements within the boundaries of their property, based upon a sharing of costs for such work. These agreements and undertakings are in consideration of the sums agreed to be paid for such work by the OWNER(S), the benefit therefrom according to the public, and the mutual terms and conditions set forth below.

The CITY as specified in Resolution No.3-2016, will perform or contract for improvements as indicated in plans developed by the CITY for the infrastructure improvement project described below:

To be designed by TGS Engineers per the design proposal  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WHEREAS, the Common Law Doctrine known as the "rule of reasonable use" which has been formally adopted by the North Carolina Supreme Court with respect to surface water drainage allows reasonable alteration of the flow of storm water runoff which may cause harm to properties; and

WHEREAS, there are locations throughout the City of Shelby where the altered flow of storm water runoff through private property interferes with the safety, comfort, welfare, and/or convenience of property owners or the general public; and

WHEREAS, the City, in most cases does not have legal authority to make drainage improvements on private property; and

WHEREAS, the City is willing to award assistance to promote the improvement of drainage facilities on private property and to correct illicit discharges and/or illicit connections on private property in accordance with the City of Shelby Stormwater Infrastructure Assistance Program;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties agree as follows:

1. The CITY agrees to share in the cost of upgrades or repairs to the stormwater system on or along the property of the OWNER(S) as set forth in, those project plans identified as TBD. (This work shall be referred to herein as "the Project"). The CITY agrees to pay a pro-rata share representing  80 percent (residential property) or  50 percent (commercial property) of the actual construction costs of the Project for the most feasible, cost efficient solution determined by the CITY for a project on private property. The CITY agrees to pay 100 percent of design costs for a third-party consulting engineer if deemed necessary by the CITY.

2. The OWNER(S) agree to pay their pro-rata share representing  20 percent (residential property) or  50 percent (commercial property) of the actual construction cost of the Project. OWNER(S) shall pay their share of the cost by depositing with the CITY a minimum amount equal to 50 percent of the preliminary estimated share of the OWNER(S). The remainder of the OWNER(S) share is due at the time of written notification from the CITY of Project completion and total construction costs of the CITY. The OWNER(S) costs will not exceed their pro-rata share of the actual construction costs, and any payment in excess of actual cost will be refunded to the OWNER(S). Should the OWNER(S) choose not to complete the project following a design by a third-party consulting engineer, the OWNER(S) shall pay 50 percent of the engineering design fee.

OWNER(S) may choose to participate in the special assessment payment option, as evidenced by the attachment to this Agreement of a properly executed Note and Instrument Payment Agreement and Deed of Trust. The Project may proceed upon proper execution and submittal to the CITY of the Agreement, Note and Deed of Trust.

OWNER(S) participating in the special assessment payment option are subject to the following conditions:

- a. Applications for installment payments shall be submitted with a non-refundable \$200 application fee to cover credit checks, appraisals, and other costs associated with a special assessment.
- b. A first or second position lien in an amount no greater than 80% of the unencumbered property value will be considered sufficient security for the assessment.
- c. After determination that income, credit history, security, and other normal requirements for the assessment have been met, the application for installment payments will be approved by the City.
- d. The applicant shall submit a deposit at least equal to 10% of the actual construction cost and an executed agreement to pay the remainder in equal payments over a time period not to exceed 5 years. The first payment will be due one year after notification of Project completion by the City.
- e. The minimum assessment amount will be \$1,000.

3. The total project cost shall not exceed \$50,000.

4. The construction contract for the construction of the improvements to the  residential or  commercial property located at 1020 E Dixon Blvd. and described in Deed Book 1631 Page 743 at the Cleveland County Register of Deeds shall be let for bids and awarded in accordance with Article 8 of Chapter 143 of the North Carolina General Statutes, and specifically including the requirement that any contract be awarded to the lowest responsible bidder. All obtained bids shall be provided to the OWNER(S) for review. The CITY reserves the right to refuse any and/or all bids. The total CITY share of the Project will be  80 percent (residential property) or  50 percent (commercial property) of the actual construction cost of the improvements for the most feasible, cost efficient solution determined by the CITY for the Project on private property. The OWNER(S) share of cost of the project shall not exceed  20 percent (residential property) or  50 percent (commercial property) of the actual construction cost of the improvements for the most feasible, cost efficient solution determined by the CITY for the project. The work will be undertaken only if CITY funds are available.



5. The CITY shall obtain all temporary construction easements from neighboring property owners. Costs associated with acquiring easements will be included in the total Project costs shared by the CITY and OWNER(S). OWNER(S) shall grant a temporary construction easement to the CITY at no cost.
6. The Stormwater Division reviews and approves the design plans and specifications prior to bid solicitation.
7. The work shall conform to City standards and other applicable local, state, and federal requirements.
8. The CITY, or a third party delegated by the CITY, shall provide construction oversight and inspections to ensure that the Project is completed in substantial conformance with the proposal.
9. In consideration for the CITY's undertaking stormwater drainage improvement assistance on private property, the OWNER(S) hereby agree to discharge, release, and hold harmless the CITY, its agents, employees, and officers, for liability for personal injury or property damage, or both, arising under this Agreement or the work to be performed hereunder. The OWNER(S) hereby agree to discharge, release, and hold harmless the CITY's contractor or contractors for liability for personal injury or property damage, or both, to the extent such are not covered by the contractor's liability insurance.
10. The OWNER(S) acknowledge and agree that no action taken or work performed by the CITY pursuant to this Agreement or the official City of Shelby Stormwater Infrastructure Assistance Program shall constitute a taking or appropriation of the stream, ditch, water course, or drainage way on or along their property as part of the CITY's stormwater drainage system. Further, the OWNER(S) acknowledge and agree that the CITY has assumed no liability over, or responsibility for, their property, the drainage way, or any drainage improvements located on their property. The OWNER(S) agree to be responsible for the future maintenance and repair of all drainage facilities and improvements located on their property.
11. The undertaking of the Project by the CITY shall be conditioned upon full participation in this Agreement and undertaking by all property owners abutting the Project. The OWNER(S) understand and acknowledge that, in the event any of the Project participants fail to make full payment for the cost of the work, or fail to execute all required documents and agreements, the final approval of the Project will be withheld by the CITY, and this Agreement shall be void and of no effect.
12. The CITY and/or the OWNER(S) may withdraw participation in the Project if the actual construction bids exceed the preliminary cost estimate or available City funding.
13. These provisions represent the entire Agreement between the parties and may not be modified by oral representations. As used herein, the plural designation may indicate the singular, where applicable.
14. The OWNER(S)' share of the funding as outlined above must be paid to the CITY following the completion of design plans and bidding, but prior to the execution of any construction contracts.
15. The Project must be expected to have a life cycle of more than five (5) years, therefore the OWNER(S) shall commit to a higher level of maintenance than may have previously been conducted (i.e. maintaining vegetation and/or removing debris from ditches) for a period of five (5) years. The CITY will complete annual inspections during this five (5) year period and notify the OWNER(S) of maintenance issues that exist if any are present.

NOW, THEREFORE, in consideration of the City's willingness to enter into the Agreement, the undersigned agrees that the Agreement shall be governed by the laws of the State of North Carolina and venue for any civil action between the parties shall be Cleveland County Civil Superior Court.

This Agreement shall be binding on the heirs, personal representatives, successors and assigns of the parties with reference to the subject matter of this Agreement.

IN WITNESS WHEREOF, the OWNER(S) have set their hands the date above written.

*Steve Isaacs Family Limited Partnership*

OWNER(S):

*[Signature]*

Print Name: Jerry N. Isaacs

Title: President, Isaacs Property Management, Inc.  
General Partner of Steve Isaacs Family Limited Partnership

Jerry Isaacs Family Limited Partnership

*[Signature]*

Print Name: Jerry N. Isaacs

Title: President Isaacs Property Management, Inc.  
General Partner of Jerry Isaacs Family Limited Partnership

ATTEST: \_\_\_\_\_

(Seal if appropriate)

Tennessee  
STATE OF ~~NORTH CAROLINA~~

COUNTY OF Hamblen

I, Matthew Moore, a Notary Public of the County of Hamblen and State of ~~North~~ Tennessee  
~~Carolina~~, do hereby certify that Jerry Isaacs personally appeared before  
me this day and acknowledged the due execution of the foregoing Stormwater Infrastructure Assistance Agreement,  
together with attached addendum/addenda (if applicable).

WITNESS my hand and official seal this 11<sup>th</sup> day of July, 20 23.

Matthew T. Moore  
Notary Public

My Commission Expires: 6/29/26



(SEAL)

Tennessee  
STATE OF ~~NORTH CAROLINA~~

COUNTY OF Hamblen

I, Matthew Moore, a Notary Public of the County of Hamblen and State of ~~North~~ Tennessee  
~~Carolina~~, do hereby certify that Jerry Isaacs personally appeared before  
me this day and acknowledged the due execution of the foregoing Stormwater Infrastructure Assistance Agreement,  
together with attached addendum/addenda (if applicable).

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Matthew T. Moore  
Notary Public

My Commission Expires: 6/29/26



(SEAL)

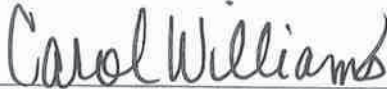
**CITY OF SHELBY,**

**A North Carolina Municipal Corporation**



Rick Howell  
City Manager

ATTEST:



Carol Williams  
City Clerk





# City of Shelby

## Stormwater Infrastructure Assistance Program Application

Date:
Fee: \$50.00
Paid: Y N

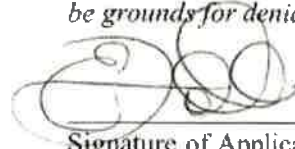
Property Location: KENTUCKY TRIED CHICKEN (KFC)  
1102 EAST DIXON BLVD  
SHELBY, NC 28152

Applicant(s)' Name: FELKER DAY, INC.  
Mailing Address: PO BOX 2669  
GASTONIA, NC 28053

Email: efelker@felkerday.com  
Phone: W: 704-864-4340 (205) C: 704-789-3500

Description of Problem: STORMWATER DRAINAGE PIPE DETERIORATION  
ON PROPERTY LEADING TO GROVE STREET  
AND FAST STOP PROPERTIES CITY HAS PROPOSED  
REPLACEMENT/REPAIRS ON KFC PROPERTY FOR  
FASTOP/GROVE STREET DRAINAGE PROJECT  
(SEE ATTACHED PRELIMINARY ESTIMATES)  
ATTACH SUPPORTING PHOTOGRAPHS (if available)

*By signing, I hereby certify that all information that I have provided in this application is correct and complete to the best of my knowledge. I understand that providing false or incomplete information may be grounds for denial of my request for assistance.*

 ERIC P. FELKER 12-18-2023  
Signature of Applicant PRESIDENT Date  
FELKER DAY, INC

**\*\*DO NOT WRITE BELOW THIS LINE\*\***

Received by: Justin Wright 12-18-23  
City of Shelby Date



**CITY OF SHELBY  
STORMWATER INFRASTRUCTURE ASSISTANCE PROGRAM**

**Background:**

The City of Shelby maintains drainage facilities within public City rights of way as defined in the City of Shelby Code of Ordinances. The City does not have operation or maintenance responsibilities of drainage facilities on private property unless a legal permanent drainage easement has been established and recorded at the Cleveland County Register of Deeds.

This program was established to assist private property owners within the jurisdictional limits of Shelby with the costs of making drainage improvements (including driveway pipes) and correcting illicit discharges and/or illicit connections on private property. Ongoing funding for this program is considered each fiscal year with the adoption of the City's operating budget. The following information will help property owners apply for assistance.

**Policy:**

1. In order to qualify for City funding assistance through the Stormwater Infrastructure Assistance Policy, the applicant(s) shall have no past due fees to the City.
2. Applicant(s) shall review the stormwater infrastructure or drainage situation with Stormwater Departmental Staff.

Contact: City of Shelby  
Attn: Stormwater Coordinator  
PO Box 207  
Shelby, NC 28151-0207  
Telephone: (704) 484-6840

3. Stormwater Departmental Staff shall advise applicant(s) of appropriate engineering solutions, necessary limits of a project, and whether or not the project qualifies for the assistance program.
4. Applicant(s) shall submit a complete application including a description of the stormwater issue with supporting documentation (flooding frequency, photographs, etc.) and a \$50 non-refundable application fee.
5. A notification letter will be sent to the applicant(s) identifying if the request has been granted or denied. A project may be approved and awarded assistance funding when funding is available during the next budget cycle if there is inadequate funding in the current budget.



6. If an engineering design is deemed necessary by the City, the City will pay for 100% of the design assistance from a third-party consulting engineer. Should the property owner(s) decide not to complete the project, the property owner(s) involved shall pay 50% of the actual engineering expenses.
7. It is the City's responsibility to solicit three competitive bids from qualified contractors for the work based on the approved engineering design and specifications. All obtained bids shall be reviewed with the property owner. The City reserves the right to refuse any and/or all bids. In the case of driveway pipes, the City may utilize City equipment and labor to attempt to flush, or otherwise remove debris from the pipe at a cost to the applicant of \$50 per incident. The City will be held harmless related to the cleaning of driveway pipes as stated in the required agreement.
8. A City of Shelby Stormwater Infrastructure Assistance Agreement between the City and the property owner(s) must be executed before any assistance-eligible work commences.
9. The City shall acquire all temporary construction easements from neighboring property owners as necessary. Any costs associated with acquiring easements will be included in the total construction costs to be shared by the City and property owner(s).
10. The City or a third party delegated by the City will provide construction oversight and inspections to ensure that the project is completed in substantial conformance with the proposal.
11. Within 14 days of project completion, all associated agreements and/or easements will be recorded in the Office of the Register of Deeds of Cleveland County to give notice to subsequent purchasers of future maintenance conditions that are stated in the agreement(s).
12. If executed agreements and deposits (if applicable) are not received within 30 days following presentation of the agreements by the City, the City will provide a second notice that agreements should be executed and/or deposits made. If agreements and/or deposits are not received within 30 days following the second notice, the project will be terminated, and deposits will be refunded. Application fees will not be refunded.

**Funding:**

1. Projects will be funded using a cost-sharing formula of 80% City / 20% applicant(s) for residential properties and 50% City / 50% applicant(s) for commercial properties with a cap of \$50,000 for the total project cost. Participation by City in projects will be for the most feasible, cost efficient solution as determined by the City. Applicant(s) may select alternative solutions, but will be responsible for all costs in excess of the City's share as outlined above.
2. In the case of clogged driveway pipes, the City will utilize City equipment to attempt to flush debris from the pipe at a cost of \$50 per incident. In the event that the issue is not abated by flushing debris from the pipe, construction alternatives will be evaluated

and may be funded based on Items (1) and (2) within this section if requested by the private property owner.

**Evaluation of Assistance Requests:**

1. Assistance will be evaluated individually, based on established priorities, subject to available funds, and awarded in the order they are received. In the event of imminent structural damage, the City reserves the right to alter the order in which assistance funding is distributed.
2. City funding up to an amount of \$10,000 may be awarded by the City Manager. Funding in excess of \$10,000 shall be presented to the Shelby City Council for consideration.
3. Proposed projects that are located within a North Carolina Department of Transportation (NCDOT) right of way shall be addressed at the discretion of NCDOT. The City of Shelby does not have maintenance responsibilities within NCDOT right of way. The City will provide assistance with cleaning driveway pipes within NCDOT right of ways within the City's jurisdictional limits.
4. Optional work within the street right of way (e.g., relocating a drain pipe from private property to public right of way) must include private cost participation as specified in this assistance program.
5. The proposed construction project must be reasonably expected to have a life cycle of more than five (5) years. To fulfill this standard, property owners shall commit to a higher level of maintenance than they have provided in the past during the five (5) year period following completion of construction (e.g., keeping ditches free from overgrowth and debris).
6. Established assistance prioritization shall be as follows:
  - a. Threat to an inhabited home from severe erosion.
  - b. Threat of flooding to an inhabited home.
  - c. Damaged or undersized drainage features connecting to street drains.
  - d. Damaged or undersized drainage features on private property (not connected to street drains).
  - e. Illicit Discharges or Illicit Connections.
  - f. Private property flooding (not impacting a permanent structure).
  - g. The system is not part of the NCDOT maintained stormwater system.
7. An issue caused by stormwater runoff that originates on an individual parcel is the responsibility of the property owner and is not eligible for assistance through this policy (i.e. roof, driveway, and/or parking lot runoff that originates solely on said property).



**Payment:**

Applicants may complete the payment of their portion by choosing one of the following two methods found in this section:

1. Applicant(s) may pay their share of the cost by depositing with the City a minimum of 50% of the amount equal to the estimated share and executing an agreement regarding responsibilities of the applicant(s) and the City. The remainder of the applicant(s) share is due at the time of written notification and documentation of project completion and total construction costs by the City. The applicant(s) costs will not exceed the applicable percentage of the actual construction costs, and any payment in excess of this calculated cost will be refunded to the applicant(s).
2. Applicant(s) may pay their portion of the projects costs in installments under the following conditions:
  - a. Applications for installment payments shall be submitted with a non-refundable \$200 application fee to cover credit checks, appraisals, and other costs associated with a special assessment.
  - b. A first or second position lien in an amount no greater than 80% of the unencumbered property value will be considered sufficient security for the loan.
  - c. After determination that income, credit history, security, and other normal requirements for the assessment have been met, the application for installment payments will be approved by the City.
  - d. The applicant shall submit a deposit at least equal to 10% of the actual construction cost and an executed agreement to pay the remainder in equal payments over a time period not to exceed 5 years. The first payment will be due one year after notification of project completion by the City.
  - e. The minimum assessment amount will be \$1,000.

**Restrictions:**

1. Funding may not be used on storm drainage system features within five feet of a permanent structure.
2. Funding may not be used on storm drainage system features underneath permanent structures.

**Legal Background:**

The North Carolina Supreme Court formally adopted the common law doctrine known as the "rule of reasonable use" with respect to surface water drainage in 1977. The rule of reasonable use allows each landowner to make reasonable use of his land even though by doing so, he alters in some way the flow of surface water, thereby harming other landowners. Liability is incurred only when the harmful use is found to be unreasonable and causes substantial damage. The questions of what is unreasonable and what constitutes substantial damage are dependent upon the circumstances of each situation, and can be determined only through litigation.

The State Court has ruled on several cases to establish the following general principles that are applicable to stormwater drainage throughout North Carolina:

1. Every property owner has the right to develop his property to the extent allowed by local ordinances (zoning and subdivision ordinances).
2. Development results in more runoff at a higher velocity. Downstream property owners are obligated to accommodate the increased runoff (except for diversions).
3. Municipalities are not obligated to address storm drainage on private property.
4. If a City has accepted streets with insufficient drainage facilities, the City must use reasonable diligence to keep the drains in good repair, but the City is not obligated to upgrade them.
5. If a City annexes an area with drainage problems, the City is required to provide the same level of service to that area as is provided Citywide. The City is not obligated to correct existing problems in a newly annexed area.
6. If a City "exercises control" over a drainage way on private property, the City can be held perpetually liable for that drainage way. This is the primary reason that municipalities throughout North Carolina are hesitant to make drainage improvements on private property. The phrase "exercises control" is not well defined. It may depend on the circumstances of each situation, and it may become the key question in litigation.

Abating a nuisance on private property in accordance with the City's Nuisance Ordinance is not considered "exercising control" and protects the City from assuming perpetual liability. Similarly, providing assistance to property owners is not considered "exercising control" and protects the City from assuming perpetual liability. This means that the City cannot control storm drainage on private property or operate a continuous drainage system as it does with the city operated potable water and sanitary sewage systems.

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

**CITY OF SHELBY  
STORMWATER INFRASTRUCTURE ASSISTANCE AGREEMENT**

THIS AGREEMENT, is made and entered into this 18 day of DECEMBER, 2023 by and between the City of Shelby, a municipal corporation of the State of North Carolina, hereinafter referred to as the CITY, party of the first part, and FELKER DAY, INC of SHELBY (city), NORTH CAROLINA (state), hereinafter referred to as the OWNER(S), party of the second part.

BACKGROUND

The CITY, pursuant to City Council Resolution No.3-2016, has adopted a formal policy for providing City assistance for upgrades and repairs to stormwater drainage systems on private property. The OWNER(S), pursuant to this policy, have petitioned the CITY to participate in stormwater drainage improvements within the boundaries of their property, based upon a sharing of costs for such work. These agreements and undertakings are in consideration of the sums agreed to be paid for such work by the OWNER(S), the benefit therefrom according to the public, and the mutual terms and conditions set forth below.

The CITY as specified in Resolution No.3-2016, will perform or contract for improvements as indicated in plans developed by the CITY for the infrastructure improvement project described below:

STORMWATER DRAINAGE PIPE DETERIORATION ON PROPERTY LEADING TO GROVE STREET AND FASTOP PROPERTIES, CITY HAS PROPOSED REPLACEMENT/REPAIRS ON KFC PROPERTY FOR FASTOP/GROVE STREET DRAINAGE PROJECT (SEE ATTACHED PRELIMINARY ESTIMATES)

WHEREAS, the Common Law Doctrine known as the "rule of reasonable use" which has been formally adopted by the North Carolina Supreme Court with respect to surface water drainage allows reasonable alteration of the flow of storm water runoff which may cause harm to properties; and

WHEREAS, there are locations throughout the City of Shelby where the altered flow of storm water runoff through private property interferes with the safety, comfort, welfare, and/or convenience of property owners or the general public; and

WHEREAS, the City, in most cases does not have legal authority to make drainage improvements on private property; and

WHEREAS, the City is willing to award assistance to promote the improvement of drainage facilities on private property and to correct illicit discharges and/or illicit connections on private property in accordance with the City of Shelby Stormwater Infrastructure Assistance Program;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties agree as follows:

1. The CITY agrees to share in the cost of upgrades or repairs to the stormwater system on or along the property of the OWNER(S) as set forth in, those project plans identified as DRAINAGE REPAIR AT FASTOP/GROVE ST/KFC. (This work shall be referred to herein as "the Project"). The CITY agrees to pay a pro-rata share representing  80 percent (residential property) or  50 percent (commercial property) of the actual construction costs of the Project for the most feasible, cost efficient solution determined by the CITY for a project on private property. The CITY agrees to pay 100 percent of design costs for a third-party consulting engineer if deemed necessary by the CITY.

2. The OWNER(S) agree to pay their pro-rata share representing  20 percent (residential property) or  50 percent (commercial property) of the actual construction cost of the Project. OWNER(S) shall pay their share of the cost by depositing with the CITY a minimum amount equal to 50 percent of the preliminary estimated share of the OWNER(S). The remainder of the OWNER(S) share is due at the time of written notification from the CITY of Project completion and total construction costs of the CITY. The OWNER(S) costs will not exceed their pro-rata share of the actual construction costs, and any payment in excess of actual cost will be refunded to the OWNER(S). Should the OWNER(S) choose not to complete the project following a design by a third-party consulting engineer, the OWNER(S) shall pay 50 percent of the engineering design fee.

OWNER(S) may choose to participate in the special assessment payment option, as evidenced by the attachment to this Agreement of a properly executed Note and Instrument Payment Agreement and Deed of Trust. The Project may proceed upon proper execution and submittal to the CITY of the Agreement, Note and Deed of Trust.

OWNER(S) participating in the special assessment payment option are subject to the following conditions:

- a. Applications for installment payments shall be submitted with a non-refundable \$200 application fee to cover credit checks, appraisals, and other costs associated with a special assessment.
- b. A first or second position lien in an amount no greater than 80% of the unencumbered property value will be considered sufficient security for the assessment.
- c. After determination that income, credit history, security, and other normal requirements for the assessment have been met, the application for installment payments will be approved by the City.
- d. The applicant shall submit a deposit at least equal to 10% of the actual construction cost and an executed agreement to pay the remainder in equal payments over a time period not to exceed 5 years. The first payment will be due one year after notification of Project completion by the City.
- e. The minimum assessment amount will be \$1,000.

3. The total project cost shall not exceed \$50,000.

4. The construction contract for the construction of the improvements to the  residential or  commercial property located at 1102 E Dixon Blvd and described in Deed Book 1664 Page 0868 at the Cleveland County Register of Deeds shall be let for bids and awarded in accordance with Article 8 of Chapter 143 of the North Carolina General Statutes, and specifically including the requirement that any contract be awarded to the lowest responsible bidder. All obtained bids shall be provided to the OWNER(S) for review. The CITY reserves the right to refuse any and/or all bids. The total CITY share of the Project will be  80 percent (residential property) or  50 percent (commercial property) of the actual construction cost of the improvements for the most feasible, cost efficient solution determined by the CITY for the Project on private property. The OWNER(S)' share of cost of the project shall not exceed  20 percent (residential property) or  50 percent (commercial property) of the actual construction cost of the improvements for the most feasible, cost efficient solution determined by the CITY for the project. The work will be undertaken only if CITY funds are available.



5. The CITY shall obtain all temporary construction easements from neighboring property owners. Costs associated with acquiring easements will be included in the total Project costs shared by the CITY and OWNER(S). OWNER(S) shall grant a temporary construction easement to the CITY at no cost.

6. The Stormwater Division reviews and approves the design plans and specifications prior to bid solicitation.

7. The work shall conform to City standards and other applicable local, state, and federal requirements.

8. The CITY, or a third party delegated by the CITY, shall provide construction oversight and inspections to ensure that the Project is completed in substantial conformance with the proposal.

9. In consideration for the CITY's undertaking stormwater drainage improvement assistance on private property, the OWNER(S) hereby agree to discharge, release, and hold harmless the CITY, its agents, employees, and officers, for liability for personal injury or property damage, or both, arising under this Agreement or the work to be performed hereunder. The OWNER(S) hereby agree to discharge, release, and hold harmless the CITY's contractor or contractors for liability for personal injury or property damage, or both, to the extent such are not covered by the contractor's liability insurance.

10. The OWNER(S) acknowledge and agree that no action taken or work performed by the CITY pursuant to this Agreement or the official City of Shelby Stormwater Infrastructure Assistance Program shall constitute a taking or appropriation of the stream, ditch, water course, or drainage way on or along their property as part of the CITY's stormwater drainage system. Further, the OWNER(S) acknowledge and agree that the CITY has assumed no liability over, or responsibility for, their property, the drainage way, or any drainage improvements located on their property. The OWNER(S) agree to be responsible for the future maintenance and repair of all drainage facilities and improvements located on their property.

11. The undertaking of the Project by the CITY shall be conditioned upon full participation in this Agreement and undertaking by all property owners abutting the Project. The OWNER(S) understand and acknowledge that, in the event any of the Project participants fail to make full payment for the cost of the work, or fail to execute all required documents and agreements, the final approval of the Project will be withheld by the CITY, and this Agreement shall be void and of no effect.

12. The CITY and/or the OWNER(S) may withdraw participation in the Project if the actual construction bids exceed the preliminary cost estimate or available City funding.

13. These provisions represent the entire Agreement between the parties and may not be modified by oral representations. As used herein, the plural designation may indicate the singular, where applicable.

14. The OWNER(S)' share of the funding as outlined above must be paid to the CITY following the completion of design plans and bidding, but prior to the execution of any construction contracts.

15. The Project must be expected to have a life cycle of more than five (5) years, therefore the OWNER(S) shall commit to a higher level of maintenance than may have previously been conducted (i.e. maintaining vegetation and/or removing debris from ditches) for a period of five (5) years. The CITY will complete annual inspections during this five (5) year period and notify the OWNER(S) of maintenance issues that exist if any are present.

NOW, THEREFORE, in consideration of the City's willingness to enter into the Agreement, the undersigned agrees that the Agreement shall be governed by the laws of the State of North Carolina and venue for any civil action between the parties shall be Cleveland County Civil Superior Court.

This Agreement shall be binding on the heirs, personal representatives, successors and assigns of the parties with reference to the subject matter of this Agreement.

IN WITNESS WHEREOF, the OWNER(S) have set their hands the date above written.

OWNER(S):



Print Name: ERIC P FELKER

Title: PRESIDENT  
FELKERDAY, INC

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

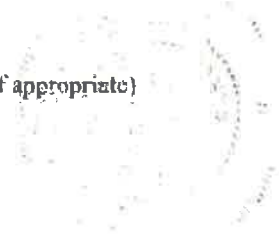
Title: \_\_\_\_\_

ATTEST:



AUSTIN J. FELKER, VICE PRESIDENT  
FELKER DAY, INC.

(Seal if appropriate)



STATE OF NORTH CAROLINA

COUNTY OF Gaston

I, Julie L. Wright, a Notary Public of the County of Cleveland and State of North Carolina, do hereby certify that Eric P. Felker, President of Felker Day, Inc. personally appeared before me this day and acknowledged the due execution of the foregoing Stormwater Infrastructure Assistance Agreement, together with attached addendum/addenda (if applicable).

WITNESS my hand and official seal this 18<sup>th</sup> day of December, 2023.

Julie L. Wright  
Notary Public

My Commission Expires: 5-6-2028



STATE OF NORTH CAROLINA

COUNTY OF Gaston

I, Julie L. Wright, a Notary Public of the County of Cleveland and State of North Carolina, do hereby certify that Austin D. Felker, Vice President of Felker Day, Inc. personally appeared before me this day and acknowledged the due execution of the foregoing Stormwater Infrastructure Assistance Agreement, together with attached addendum/addenda (if applicable).

WITNESS my hand and official seal this 18<sup>th</sup> day of December, 2023.

Julie L. Wright  
Notary Public

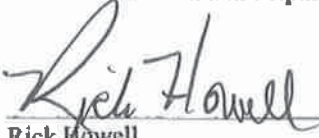
My Commission Expires: 5-6-2028



(SEAL)

**CITY OF SHELBY,**

**A North Carolina Municipal Corporation**

  
\_\_\_\_\_

Rick Howell  
City Manager

ATTEST:

  
\_\_\_\_\_

~~Carol Williams~~ BY *Carol Williams*  
City Clerk



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

  
\_\_\_\_\_

Finance Officer (signature)



**From:** efelker@felkerday.com  
**Sent:** Wednesday, November 22, 2023 11:13 AM  
**Subject:** Fwd: KFC Property- Stormwater Estimate  
**Attachments:** KFC Preliminary Estimate.pdf



## Eric Felker, Sent From My iPhone

---

**From:** Wright, Justin <Justin.Wright@cityofshelby.com>  
**Sent:** Tuesday, November 21, 2023 5:36:09 PM  
**To:** efelker@felkerday.com <efelker@felkerday.com>  
**Subject:** KFC Property- Stormwater Estimate

Eric,

Please see attached estimated provided by TGS. A lot of this cost is driven by the depth of the system. If you agree to proceed I will send you the stormwater infrastructure assistance agreement. I do want to note the City of Shelby will pay 50% of the cost to not exceed \$50,000.

Also do want to say the engineer estimate is just an estimate and the actual payment would be based on the construction cost that would be determined in the bidding process.

Thanks,  
Justin

Justin Wright  
Civil Engineer  
City of Shelby  
PO Box 207  
Shelby, NC 28151  
Phone:704-669-2062

Preliminary Estimate

Client: City of Shelby  
 Project: Drainage Repairs at Fastop/Grove St

**Prelim**

County: Cleveland

<b>CONSTR. COST</b>
<b>\$353,000</b>

Prepared By: TGS Engineers

Date

11/21/2023

Line Item	Description	Quantity	Unit	Price	Amount
1	Mobilization	1	LS	\$ 15,000.00	\$ 15,000.00
2	Construction Surveying	1	LS	\$ 5,000.00	\$ 5,000.00
3	Remove and Replace Junction Box in Parking Lot (17' depth) - JB #3 - Fastop	1	LS	\$ 15,000.00	\$ 15,000.00
4	Remove and Replace Drop Inlet in Parking Lot (5' depth) - DI #2 - Fastop	1	LS	\$ 3,000.00	\$ 3,000.00
5	Remove and Replace 15" HDPE in Parking Lot (6.5' depth) - Fastop	20	LF	\$ 100.00	\$ 2,000.00
6	Remove and Replace 18" CMP from DI #4 to JB #3 in parking lot (5' depth) - Fastop	12	LF	\$ 150.00	\$ 1,800.00
7	Remove and Replace Drop Inlet in Grove St (3' depth) - DI #4 - City	1	EA	\$ 3,000.00	\$ 3,000.00
8	Remove and Replace 36" CMP from JB #3 to CB #5 (12' depth) - Fastop	20	LF	\$ 300.00	\$ 6,000.00
9	Remove and Replace 36" CMP from JB #3 to CB #5 (12' depth) - City	31	LF	\$ 300.00	\$ 9,300.00
10	Remove and Replace 36" CMP from JB #3 to CB #5 (12' depth) - KFC	10	LF	\$ 300.00	\$ 3,000.00
11	Remove and Replace 36" RCP from JB in parking lot (17' depth) - Fastop	15	LF	\$ 500.00	\$ 7,500.00
12	Remove and Replace 24" VCP from JB in parking lot towards Grove St (17' depth) - Fastop	40	LF	\$ 400.00	\$ 16,000.00
13	Remove and Replace 24" VCP from JB in parking lot towards Grove St (17' depth) - City	20	LF	\$ 400.00	\$ 8,000.00
14	Remove and Replace Catch Basin in KFC Parking Lot (11.5' depth) - KFC	1	EA	\$ 10,000.00	\$ 10,000.00
15	Remove and Replace 36" CMP from CB #5 to JB #6 (11.5' depth) - KFC	8	LF	\$ 300.00	\$ 2,400.00
16	Pipe Collars - Fastop	2	CY	\$ 1,500.00	\$ 3,000.00
17	Flowable Fill - City	6	CY	\$ 500.00	\$ 3,000.00
18	Traffic Control - City	1	LS	\$ 10,000.00	\$ 10,000.00
19	Temporary Shoring - Design and Construction - Fastop	1,500	SF	\$ 50.00	\$ 75,000.00
20	Temporary Shoring - Design and Construction - City	1,000	SF	\$ 50.00	\$ 50,000.00
21	Temporary Shoring - Design and Construction - KFC	550	SF	\$ 50.00	\$ 27,500.00
22	Temporary Sewer Bypass and Repair - Fastop	1	LS	\$ 10,000.00	\$ 10,000.00
23	Repair Grove St - City	1	LS	\$ 5,000.00	\$ 5,000.00
24	Repair Fastop Parking Lot - Fastop	1	LS	\$ 10,000.00	\$ 10,000.00
25	Repair KFC Parking Lot - KFC	1	LS	\$ 5,000.00	\$ 5,000.00

Contract Cost	\$ 305,500.00
Engineering & Contingency 15%	\$ 45,825.00
Construction Cost	\$ 351,325.00
say	\$ 353,000.00

*CT*

Preliminary Estimate

Client: City of Shelby  
 Project: Drainage Repairs at Fastop/Grove St.

Prelim

County: Cleveland

<b>CONSTR. COST</b>
\$184,000

Prepared By: TGS Engineers

Date: 11/21/2023

Line Item	Description	Quantity	Unit	Price	Amount
1	Fastop Property Mobilization	1	LS	\$ 7,000.00	\$ 7,000.00
2	Construction Surveying	1	LS	\$ 3,000.00	\$ 3,000.00
3	Remove and Replace Junction Box in Parking Lot (17' depth) - JB #3	1	LS	\$ 15,000.00	\$ 15,000.00
4	Remove and Replace Drop Inlet in Parking Lot (5' depth) - DI #2	1	LS	\$ 3,000.00	\$ 3,000.00
5	Remove and Replace 15" HDPE in Parking Lot (6.5' depth) b/w JB #3 and CB #1	20	LF	\$ 100.00	\$ 2,000.00
6	Remove and Replace 18" CMP from DI #4 to JB #3 in parking lot (5' depth)	12	LF	\$ 150.00	\$ 1,800.00
7	Remove and Replace 36" CMP from JB #3 to CB #5 (12' depth)	20	LF	\$ 300.00	\$ 6,000.00
8	Remove and Replace 36" RCP from JB #5 in parking lot (17' depth)	15	LF	\$ 500.00	\$ 7,500.00
9	Remove and Replace 24" VCP from JB #3 in parking lot towards Grove St (17' depth)	40	LF	\$ 400.00	\$ 16,000.00
10	Pipe Collars	2	CY	\$ 1,500.00	\$ 3,000.00
11	Temporary Shoring - Design and Construction	1,500	SF	\$ 50.00	\$ 75,000.00
12	Temporary Sewer Bypass and Repair	1	LS	\$ 10,000.00	\$ 10,000.00
13	Repair Fastop Parking Lot	1	LS	\$ 10,000.00	\$ 10,000.00

Contract Cost	.....	\$ 159,300.00
Engineering & Contingency 15%	.....	\$ 23,895.00
Construction Cost	.....	\$ 183,195.00
	say	\$ 184,000.00

CF

Preliminary Estimate

Client: City of Shelby  
 Project: Drainage Repairs at Fastop/Grove St.

County: Cleveland

**Prelim**

<b>CONSTR. COST</b>
\$109,000

Date: 11/21/2023

Prepared By: TGS Engineers

Line Item	Description	Quantity	Unit	Price	Amount
1	City Property				
1	Mobilization	1	LS	\$ 5,000.00	\$ 5,000.00
2	Construction Surveying	1	LS	\$ 1,000.00	\$ 1,000.00
3	Remove and Replace Drop Inlet in Grove St (3' depth) - DI #4	1	EA	\$ 3,000.00	\$ 3,000.00
4	Remove and Replace 36" CMP from JB #3 to CB #5 (12' depth)	31	LF	\$ 300.00	\$ 9,300.00
5	Remove and Replace 24" VCP from JB in parking lot towards Grove St (17' depth)	20	LF	\$ 400.00	\$ 8,000.00
6	Flowable Fill	6	CY	\$ 500.00	\$ 3,000.00
7	Traffic Control	1	LS	\$ 10,000.00	\$ 10,000.00
8	Temporary Shoring - Design and Construction	1,000	SF	\$ 50.00	\$ 50,000.00
9	Repair Grove St	1	LS	\$ 5,000.00	\$ 5,000.00

Contract Cost	\$ 94,300.00
Engineering & Contingency 15%	\$ 14,145.00
Construction Cost	\$ 108,445.00
say	\$ 109,000.00

*Est*

Preliminary Estimate

Client: City of Shelby  
 Project: Drainage Repairs at Fastop/Grove St.

County: Cleveland

Prelim

<b>CONSTR. COST</b>
\$60,000

Date: 11/21/2023

Prepared By: TGS Engineers

Line Item	Description	Quantity	Unit	Price	Amount
	<b>KFC Property</b>				
1	Mobilization	1	LS	\$ 3,000.00	\$ 3,000.00
2	Construction Surveying	1	LS	\$ 1,000.00	\$ 1,000.00
3	Remove and Replace 36" CMP from JB #3 to CB #5 (12' depth)	10	LF	\$ 300.00	\$ 3,000.00
4	Remove and Replace Catch Basin in KFC Parking Lot (11.5' depth) - CB #5	1	EA	\$ 10,000.00	\$ 10,000.00
5	Remove and Replace 36" CMP from CB #5 to JB #6 (11.5' depth)	8	LF	\$ 300.00	\$ 2,400.00
6	Temporary Shoring - Design and Construction	550	SF	\$ 50.00	\$ 27,500.00
7	Repair KFC Parking Lot	1	LS	\$ 5,000.00	\$ 5,000.00

Contract Cost	\$ 51,900.00
Engineering & Contingency 15%	\$ 7,785.00
Construction Cost	\$ 59,685.00
	say \$ 60,000.00

DATE 12/01/23  
TIME 9:44:17  
USER SHERRYL

CLEVELAND COUNTY  
PROPERTY CARD  
FOR YEAR 2023

PAGE 1  
PROG# AS2006

FELKER DAY INC  
PO BOX 2669

PARCEL ID.. 26676  
LOCATION... 1102 E DIXON BLVD  
DEED YEAR/BOOK/PAGE.. 2013 1664 0868  
PLAT BOOK/PAGE..  
LEGAL DESC:1.008 AC E DIXON BLVD

PIN... 6-56 1 58  
SHELBY  
ASSESSMENT NONE .00 .00 .00  
OWNER ID.. 1292764  
DISTRICT.. 5 CITY OF SHELBY (CO SCH)

GASTONIA  
DESCRIPTION

TOWNSHIP... 6 SHELBY  
NC 28053-

NBRHOOD... 34 6 MAPS #6  
COMMERCIAL

MAINTAINED.. 7/27/2022 BY SHERRYL VALUED.. 7/21/2021 BY MAYES  
VISITED..... 1/03/2017 BY PM TYPE OF REVIEW  
PARCEL STATUS... ACTIVE

ROUTING#..  
CATEGORY.. GROUP 100



SALES HISTORY

DEED BK/PAGE	SALE DATE	SALES INSTRUMENT	DISQUALIFIED	SALE AMOUNT	STAMP AMOUNT	DEED NAME
1664 0868	8/30/2013	DEED	MINERAL OR TIMB			FELKER DAY INC
1308 1355	9/21/2001	DEED	QUALIFIED	450,000	900.00	DAY ENTERPRISES INC
1300 1150	6/21/2001	DEED	QUALIFIED	300,000	600.00	HENDRICK'S OF SHELBY, LLC
1000 0065	1/01/1987	SALE	QUALIFIED		136.50	

LAND SEGMENTS

LND #	ZONE	STRAT CODE	LAND TYPE/CODE	LAND QTY	LAND RATE	DPT%	SHP%	LOC%	SIZ%	OTH%	TOP%	TOT ADJ	CURRENT FMV
1		04	SF S	43,908.000	6.00	.00	.00	.00	.00	111.00	.00	111.00	292,427
TOTAL ACRES..												292,427	
TOTAL LAND FMV..												292,427	

IMPROVEMENT # 1 MAJOR IMPR-M

MAIN FIN AREA.. 3,653.00 ACT/EFF YR/AGE.. 2002 2006 15 VISITED.. 10/25/2002 BY JP  
STRAT..... 04 DESCRPT.... FAST FOOD REST -MASONRY MAINTAINED.. 7/27/2022 BY SHERRYL  
MAIN PERIM..... 268.00 MAIN GROUND SF.... 3,653.000  
LOCATION #..... 16177 1102 E DIXON BLVD #BED: #BTH: #HBTH:

COMPONENT	TYPE/CODE/DESC	PCT	UNITS	RATE	STR#	STR%	SIZ%	HGT%	PER%	CDS%	COST	%CPL
MA 50M	FAST FOOD REST.-MASD	100	3653.00	84.71	1.00		104.00			110	354,001	
EW 03	CONCRETE BLOCK	100	268.00	.00							0	
- FD 53	CONTINUOUS SLAB - C0100		3653.00	.00							0	
- HC 57	PACKAGED HEATING/C00100		3653.00	3.63							13,260	
- PL C	COMMER PLUMB-EXTRA F100		16.00	927.52							14,840	

RCN... PCT COMPLETE 100 x 382,101  
QUAL.. QG A11 A-10 132.00 x 504,373  
DEPR.. D2 15 YEARS OLD 15.00 - 75,655 75,655 T  
--FMV... 428,718



DATE 12/01/23  
TIME 9:44:17  
USER SHERRYL

CLEVELAND COUNTY  
PROPERTY CARD  
FOR YEAR 2023

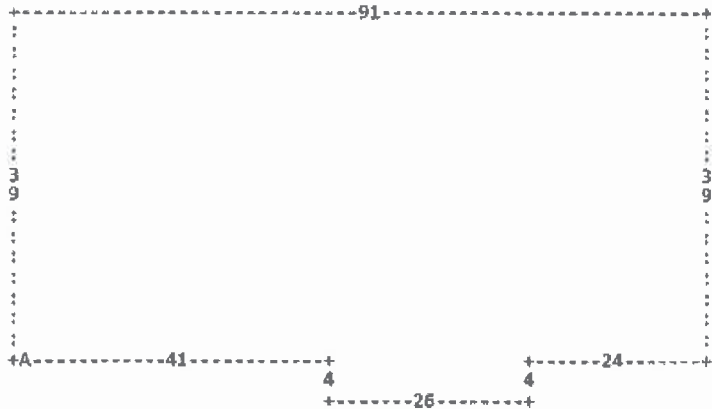
PAGE 2  
PROG# AS2006

FELKER DAY INC

PARCEL ID.. 26676

PIN... 6-56 1 58

----- IMPROVEMENT # 1 MAJOR IMPR-M -----



----- MA 50M FAST FOOD REST.-MASO FLOOR: 1.00 ----- TRAVERSE -----

D R	41.00	D D	4.00	D R	26.00	D U	4.00	D R	24.00	D U	39.00
D L	91.00	D D	39.00								

----- IMPROVEMENT # 2 MISC IMPR-X -----

MAIN FIN AREA.. ACT/EFF YR/AGE.. 2002 2019 2 VISITED.. 10/25/2002 BY JP  
 STRAT..... 04 DESCRPT.... ASPHALT PAVING MAINTAINED.. 7/27/2022 BY SHERRYL  
 LOCATION #..... 16177 1102 E DIXON BLVD #BED: #BTH: #HBTH:

COMPONENT	TYPE/CODE/DESC	PCT	UNITS	RATE	STR#	STR%	SIZ%	HGT%	PER%	CDS%	COST	%CPL
MS 01	ASPHALT PAVING	100	9000.00	1.65							14,850	
	RCN...		PCT COMPLETE				100	x			14,850	
	QUAL.. QG	100	MISC IMPR QUALITY 10				100.00	x			14,850	
	DEPR.. 10		2 YEARS OLD				20.00	-		2,970	2,970	T
	--FMV...										11,880	

----- IMPROVEMENT # 3 MISC IMPR-X -----

MAIN FIN AREA.. ACT/EFF YR/AGE.. 2016 2019 2 VISITED.. 1/03/2017 BY PM  
 STRAT..... 04 DESCRPT.... LIGHTING MAINTAINED.. 7/27/2022 BY SHERRYL  
 LOCATION #..... 16177 1102 E DIXON BLVD #BED: #BTH: #HBTH:

COMPONENT	TYPE/CODE/DESC	PCT	UNITS	RATE	STR#	STR%	SIZ%	HGT%	PER%	CDS%	COST	%CPL
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DATE 12/01/23  
TIME 9:44:17  
USER SHERRYL

CLEVELAND COUNTY  
PROPERTY CARD  
FOR YEAR 2023

PAGE 3  
PROG# AS2006

FELKER DAY INC

PARCEL ID.. 26676

PIN... 6-56 1 58

----- IMPROVEMENT # 3 MISC IMPR-X -----

COMPONENT	TYPE/CODE/DESC	PCT	UNITS	RATE	STR#	STR%	SIZ%	HGT%	PER%	CDS%	COST	%CPL
MS 19	LIGHTING	100	4.00	990.00							3,960	
	RCN...		PCT COMPLETE				100	x			3,960	
	QUAL.. QG C3		C+-				100.00	x			3,960	
	DEPR.. 10		2 YEARS OLD				20.00	-		792	792	T
	--FMV...										3,168	

TOTAL PARCEL VALUES----	LAND /	OVR	IMPROVEMENTS /	OVR	TOTAL LAND/IMPROVE	2022 VALUE
FMV.....	292,427		443,766		736,193	736,193
APV.....	292,427		443,766		736,193	736,193



ORDINANCE NO. 35-2024

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. 10 for the year:

(A) The City of Shelby has identified a need to make improvements to stormwater infrastructure through the Stormwater Infrastructure Assistance Program. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

(B) The following Stormwater Fund line items are amended:

(a) Increase 65006000-39900 Fund Balance Appropriated	\$465,600
(b) Increase 650751-43418 Stormwater Assistance	\$465,600

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. 10</u>
General Fund	\$ 32,548,053	\$ 32,727,053
Emergency Telephone System Fund	87,817	87,817
Powell Bill Fund	701,225	701,225
Economic Dev. Fund	728,300	808,300
Housing Fund	2,736,183	2,736,183
Cemetery Fund	36,000	36,000
Utilities-Water Fund	7,554,162	7,554,162
Utilities-Sewer Fund	8,215,577	8,215,577
Utilities-Electric Fund	25,397,789	25,427,789
Utilities-Gas Fund	26,092,621	26,142,621
Utilities – Stormwater Fund	<u>974,027</u>	<u>1,439,627</u>
FY 2023-2024 Budget Total	<u>\$105,071,754</u>	<u>\$105,537,354</u>

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

Ordinance No. 35-2024  
April 15, 2024  
Page 2

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

Adopted and approved this the 15th day of April A. D. 2024.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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Carol Williams  
City Clerk

APPROVED AS TO FORM:

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Jason Lunsford  
City Attorney

**RESOLUTION NO. 32-2024**

**A RESOLUTION AWARDING THE CONTRACT FOR THE CITY OF SHELBY  
STORMWATER INFRASTRUCTURE ASSISTANCE PROGRAM PROJECT  
AT 1020 E DIXON BLVD., 1102 E DIXON BLVD., AND GROVE STREET IN  
SHELBY, NORTH CAROLINA**

**WHEREAS**, the City of Shelby established a Stormwater Infrastructure Assistance Program via Resolution No. 3-2016; and,

**WHEREAS**, the City of Shelby received an application for assistance from Isaacs Family Limited Partnership at 1020 E Dixon Blvd. in Shelby, North Carolina to address failing stormwater infrastructure that crosses their private property and connects to the public right-of-way; and,

**WHEREAS**, the City of Shelby received an application for assistance from Felker Day, Inc. at 1102 E Dixon Blvd. in Shelby, North Carolina to address failing stormwater infrastructure that crosses their private property and connects to the public right-of-way; and,

**WHEREAS**, the City of Shelby Engineering Department has reviewed the proposed project applications and determined that the projects meet the requirements of the Stormwater Infrastructure Assistance Program; and,

**WHEREAS**, a third-party engineer, TGS Engineers, evaluated and designed the replacement of the failing infrastructure; and,

**WHEREAS**, the City of Shelby, in accordance with applicable provisions of GS 143-129, as amended, has accepted proposals for the project located at 1020 E Dixon Blvd., 1102 E Dixon Blvd., and Grove Street in Shelby, North Carolina in accordance with priorities heretofore established by City Council; and,

**WHEREAS**, bids for this proposed work have been tabulated and the contract award recommended for this project is to the lowest responsive bidder, Enviro Pond, LLC., for a total bid of \$609,500.16; and,

**WHEREAS**, per Resolution No. 3-2016, the City agrees to pay 50% of the construction costs (up to \$50,000 for of the portion of the project eligible for assistance) and the property owner agrees to pay 50% via a legal agreement; and,

**WHEREAS**, City Council now desires to proceed with award of the construction contract to Enviro Pond, LLC. as recommended by staff.

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

**Section 1.** The contract for the Stormwater Infrastructure Assistance Program project at 1020 E Dixon Blvd., 1102 E Dixon Blvd., and Grove Street in Shelby, NC, as outlined in the bid specifications for this offering, is hereby awarded to Enviro Pond, LLC. for a bid price of \$609,500.16 as stated in their official proposal for this bidding, and in accordance with the City's official bid specifications for this project.

Resolution No. 32-2024  
April 15, 2024  
Page 2

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

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

Adopted and approved this on the 15th day of April 2024.

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O. Stanhope Anthony III  
Mayor

ATTEST:

---

Carol Williams  
City Clerk

**Agenda Item: H**

**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: I**

**Council Announcements and Remarks**

**J. Adjournment:**

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

- 1) Motion to adjourn