

Shelby City Council Agenda
Regular Meeting
June 3, 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. Public Hearings:

1 - 129

- 1) Proposed Fiscal Year (FY) 2024-2025 Annual Operating Budget for the City of Shelby

- a. Consideration of Fiscal Year (FY) 2024-2025 Budget Ordinance: Ordinance No. 41-2024

- b. Consideration of Fiscal Year (FY) 2024-2025 Supplemental Budget Ordinance: Ordinance No. 42-2024

C. Consent Agenda:

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

- 1) Approval of the Minutes of the Special Meeting of April 30, 2024 130 - 133
- 2) Approval of the Minutes of the Special Meeting of May 14, 2024 134 - 140
- 3) Approval of the Minutes of the Regular Meeting of May 20, 2024 141 - 148

- | | |
|---|-----------|
| 4) Approval of a Resolution honoring Samuel Scott Champion on the occasion of his retirement from employment with the City of Shelby: Resolution No. 38-2024 | 149 - 151 |
| 5) Approval of a Resolution honoring Richard Perry Ivey, Jr. on the occasion of his retirement from employment with the City of Shelby: Resolution No. 39-2024 | 152 - 154 |
| 6) Approval of a Resolution to withdraw the City's acceptance of the Rural Transformation Grant Fund, Grant Agreement Rural Downtown Transformation Grant: Resolution No. 40-2024 | 155 - 158 |
| 7) Adoption of FY 2023-2024 Budget Ordinance Amendment No. 11: Ordinance No. 43-2024 | 159 - 162 |
| 8) Approval of a Special Event Applications: | 163 - 169 |
| a) First Baptist Church Block Party, requested date: June 19, 2024 | |
| 9) Management Reports: | 170 - 213 |
| a) Monthly Financial Summary – April 2024 | |
| 10) Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council – July 1, 2024 | 214 - 215 |

END OF CONSENT AGENDA

D. Unfinished Business:

- | | |
|---|-----------|
| 1) City of Shelby's City Hall Annex Renovations Project: | 216 - 222 |
| a) Adoption of budget ordinance amendment for the City Hall Annex Renovations Project: Ordinance No. 44-2024 | |
| b) Approval of a resolution awarding the construction contract for the City of Shelby's City Hall Annex Renovations Project: Resolution No. 41-2024 | |

E. New Business: 223 - 274

- 1) Approval of a Resolution to adopt the proposed City of Shelby Electric Service Terms and Conditions and the proposed City of Shelby New Development Electric Service Agreement: Resolution No. 42-2024

F. City Manager's Report 275

G. Council Announcements and Remarks 275

H. Closed Session: 275

- 1) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to North Carolina General Statute § 143-318.11(a)(3).
- 2) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations pursuant to North Carolina General Statute § 143-318.11(a)(4).
- 3) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease pursuant to North Carolina General Statute § 143-318.11(a)(5).

I. Adjournment: 276

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

Motion to adjourn

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

B. Public Hearings:

Agenda Item: B-1

- 1) Proposed Fiscal Year (FY) 2024-2025 Annual Operating Budget for the City of Shelby
 - a. Consideration of Fiscal Year (FY) 2024-2025 Budget Ordinance: Ordinance No. 41-2024
 - b. Consideration of Fiscal Year (FY) 2024-2025 Supplemental Budget Ordinance: Ordinance No. 42-2024

Presenting: (Rick Howell, City Manager)

Summary of Available Information:

- City Manager Budget Message
 - Ordinance No. 41-2024
 - Ordinance No. 42-2024
 - Reclassification Memo
 - Reclassification Spreadsheet
 - Personnel Summary
 - Fee Schedule
 - Notice of Public Hearing
-

City Manager's Recommendation / Comments

City Council has previously been provided a copy the above referenced budget documents for the fiscal year beginning July 1, 2024. This hearing is required by the NC General Statutes to allow the public to comment on the proposed budget. A public copy has been provided in the administrative offices of City Hall and has been posted online for public inspection. The hearing is specifically intended to allow public comment directly to City Council for consideration prior to a formal vote.

A formal vote on the budget and appurtenant documents can be taken tonight if Council desires to do so. As a reminder, a balanced budget must be adopted by City Council no later than June 30, 2024.



Office of the City Manager

May 20, 2024

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

Mayor Anthony and Members of the City Council

Pursuant to Section 159-11 of the North Carolina General Statutes, attached is my recommended FY 2024-25 budget for your review and consideration. I also want to thank all of the management team for their hard work and attention to detail. They remain steadfastly committed to providing accurate and detailed information that allows me to present a realistic and pragmatic budget. These people work tirelessly to produce budget requests that are responsible and allow them to continue to deliver the expected high-quality service to our citizens and customers. They have been very responsive to the direction of management and City Council.

City Council also provided me with direction at your 2024 Council retreat reaffirming past goals and priorities. These goals and priorities were communicated with the understanding that successful achievement will lend itself to realization of what was envisioned in the Strategic Growth Plan approved by Council in 2005 as well as specific plans adopted by Council since. Many of these goals involve capital projects which are proposed to be funded using reserves and recurring revenue from the respective general and utility enterprise funds. Some of these are one-time expenditures that spend down savings in order to meet a defined capital need. Some are recurring capital investments that the City must continue to make year after year. This includes a continuing commitment to investment in water, sewer, electric, natural gas, building and transportation infrastructure.

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



Office of the City Manager

The budget is balanced and meets all the applicable requirements of the North Carolina Local Government Budget and Fiscal Control Act. A public hearing will be scheduled as required by NC General Statute 159-12 for your regular meeting of June 3, 2024, at the Don Gibson Theatre. Following the closing of the hearing the City Council may take action on the proposed budget. The budget must be adopted by City Council prior to June 30, 2024. As the designated budget officer (NCGS 159-9) it is the responsibility of the City Manager to give the governing board a balanced and fiscally responsible budget that sets forth appropriate funding levels in order to provide services to citizens at desired levels as determined by City Council. I take this very seriously as it annually has implications on the day to day lives of our citizens and businesses.

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

Introduction

The following information contains my final recommendation for the City Budget for the year beginning July 1, 2024, and ending June 30, 2025. These recommendations are impacted by a thorough process that considers department requests, management evaluation of those requests as well as an informed dialog between management and the departments. The process also considers guidance and recommendations from the Mayor and City Council provided during the annual retreat as well as budget workshops.

Overview of Budgetary Funds

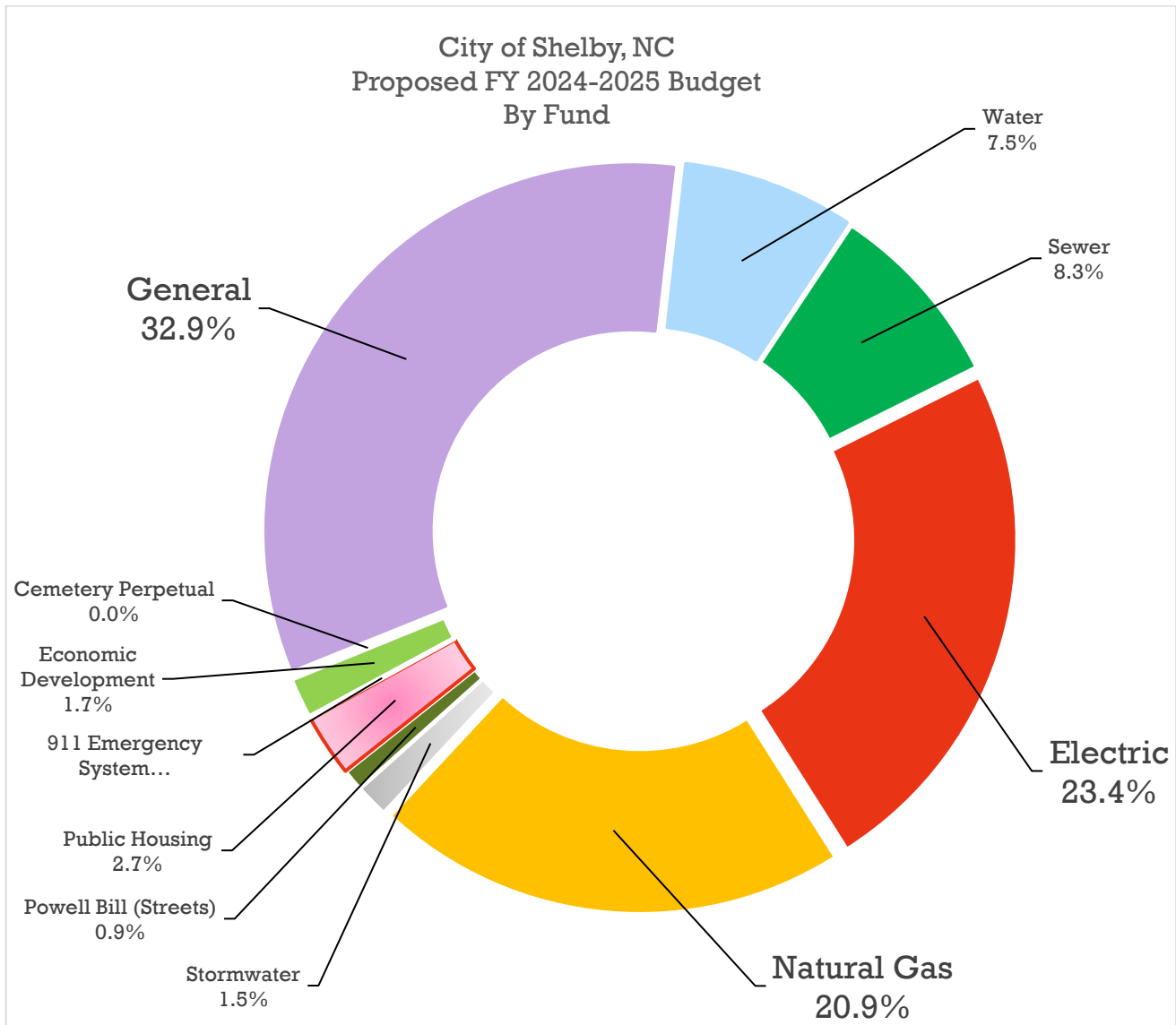
As you know the City maintains in accordance with the NC Budget and Fiscal Control Act a number of budgetary Funds including the General, Electric, Natural Gas, Water, Sewer, Powell Bill (Streets), Public Housing and Stormwater. These funds are set up for fiscal and accounting purposes with a self-balancing set of accounts for the purpose of carrying out specific activities or attaining certain objectives. The City's budget includes eight (8) major governmental and enterprise funds. The table below summarizes the budget for each City Fund and the total of the balanced budget. I would note that the overall proposed budget of \$95,286,141 is a 1.1% net decrease (\$1,144,689) from the current fiscal year adopted budget of \$96,330,830. The net decrease can be largely attributed to the reduction in capital spending, a one-time transfer to electric capital reserve as well as some reduction in debt service.



City of Shelby – Budget Summary All Funds

City of Shelby, NC	Original	City Manager		
Budget	Budget	Recommended	Amount	%
All Funds	FY 2023-2024	FY 2024-2025	Change	Change
General	\$34,764,753	\$34,469,885	-\$294,868	-0.8%
Water	\$6,656,332	\$7,888,806	\$1,232,474	18.5%
Sewer	\$6,988,769	\$8,696,320	\$1,707,551	24.4%
Electric	\$21,262,000	\$24,474,271	\$3,212,271	15.1%
Natural Gas	\$25,144,462	\$21,898,730	-\$3,245,732	-12.9%
Stormwater	\$919,527	\$1,519,000	\$599,473	65.2%
Powell Bill (Streets)	\$701,225	\$961,378	\$260,153	37.1%
Public Housing	\$2,736,183	\$2,859,010	\$122,827	4.5%
911 Emergency System	\$70,279	\$78,027	\$7,748	11.0%
Economic Development	\$728,300	\$1,828,062	\$1,099,762	151.0%
Cemetery Perpetual	\$36,000	\$40,000	\$4,000	11.1%
Subtotal All Funds	\$100,007,830	\$104,713,489	\$4,705,659	
Less Interfund Transfers	\$3,677,000	\$9,427,348*	\$5,750,348	
Total Expenditures All Funds	\$96,330,830	\$95,286,141	-\$1,044,689	-1.1%
Total Revenues All Funds	\$96,330,830	\$95,286,141	-\$1,044,689	-1.1%

*Notes: Transfer is increased due to the transfer of a one-time electric wholesale power credit to be received by the City in August 2024 from the NCMPA1 in the amount of \$3,400,000. It also reflects transfer from the Economic Development Fund to the various utility funds to pay the debt service for water, sewer and natural gas improvements as part of Project Grizzly (Washburn Switch Industrial Area 2019).

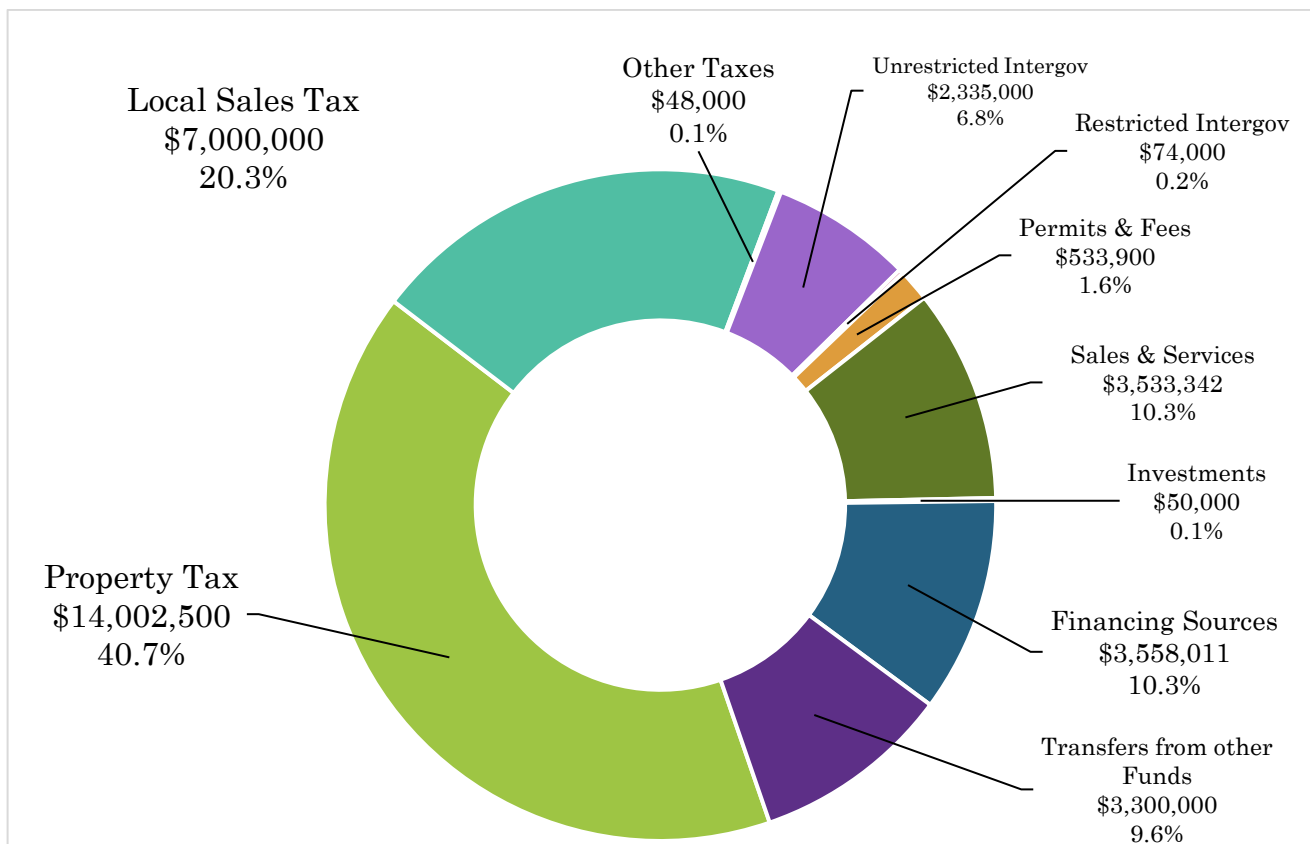


General Fund

The General Fund is the primary location of funding for the general operations of the City. It is termed “general” because transactions that are not related to any utility or other specific purpose fund are accounted for within this budget. The General Fund budget for fiscal year 2024-2025 is \$34,469,885. This is a net decrease of \$294,868 or 0.8% below the previous fiscal year. This decrease is driven largely by a reduction of \$2,638,492 in one-time capital costs from the previous fiscal year that included the purchase of a new 100’ ladder platform truck for the fire department. There are substantial increases that are recurring in personnel costs totaling \$2,071,318. Debt service decreased by \$343,200 as we continue to pay down the cost of building Hanna Park, the 2021 Street/Sidewalk bonds as well as other capital equipment and vehicles.

General Fund Revenues

The table below summarizes the City’s operating revenues for the General Fund. The total revenue available for general fund services, excluding inter-fund transfers and the appropriation of fund balance, is \$28,827,076. The budget is balanced with transfers from other funds, \$3,662,224, an appropriation of \$908,066 in fund balance and proceeds from financing of \$1,072,519. General Fund revenues are categorized in several major and minor types. The four major types include 1) property taxes, 2) local option sales taxes, 3) unrestricted intergovernmental and 4) sales and service charges.

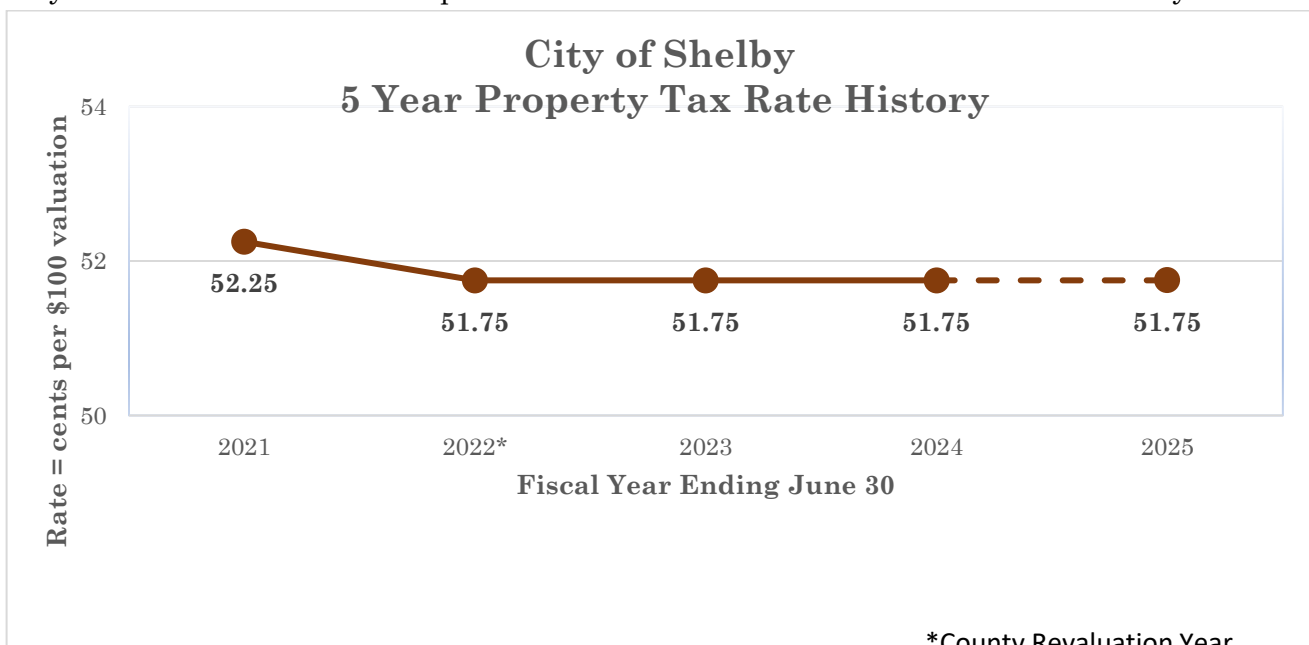


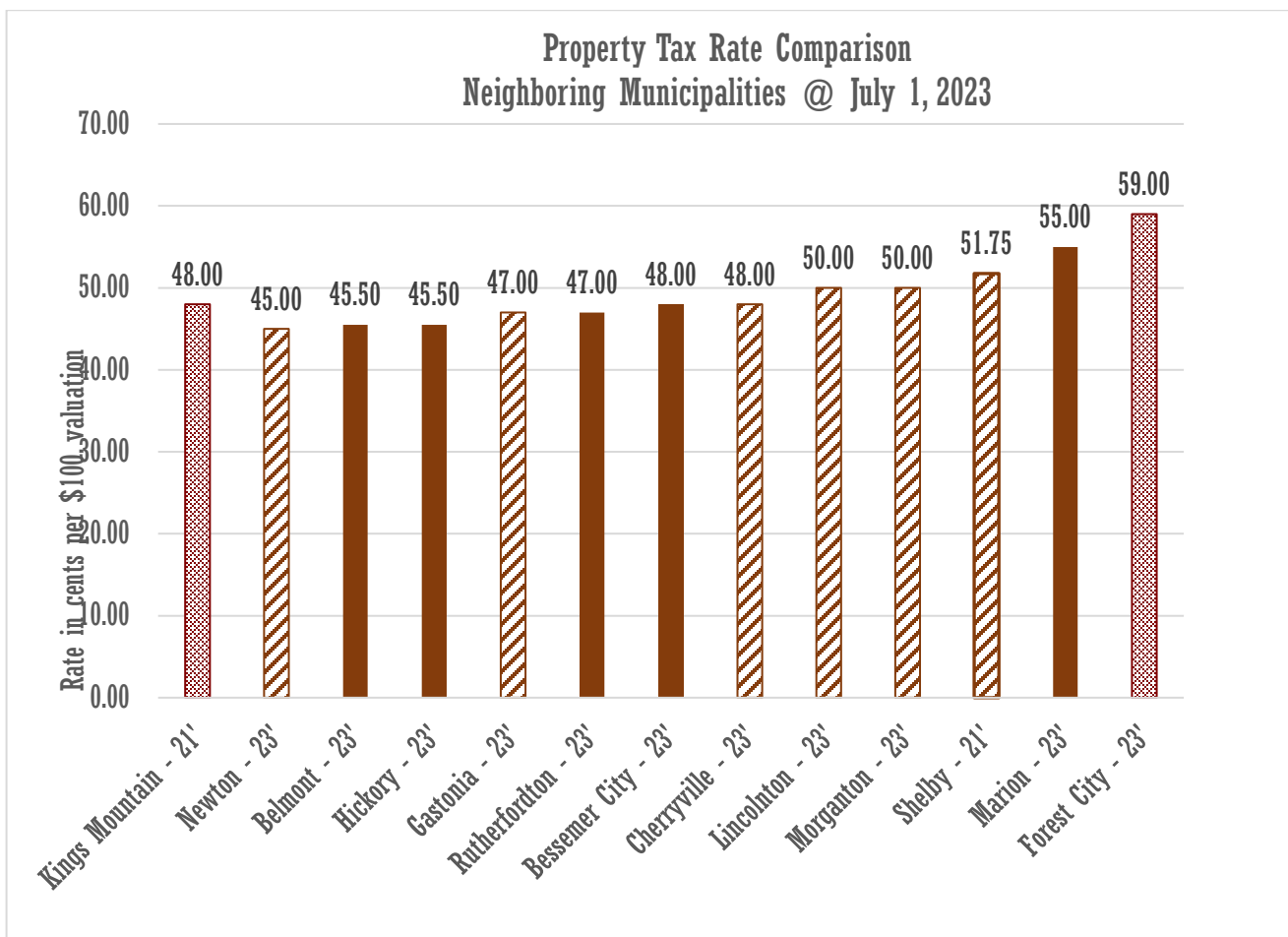
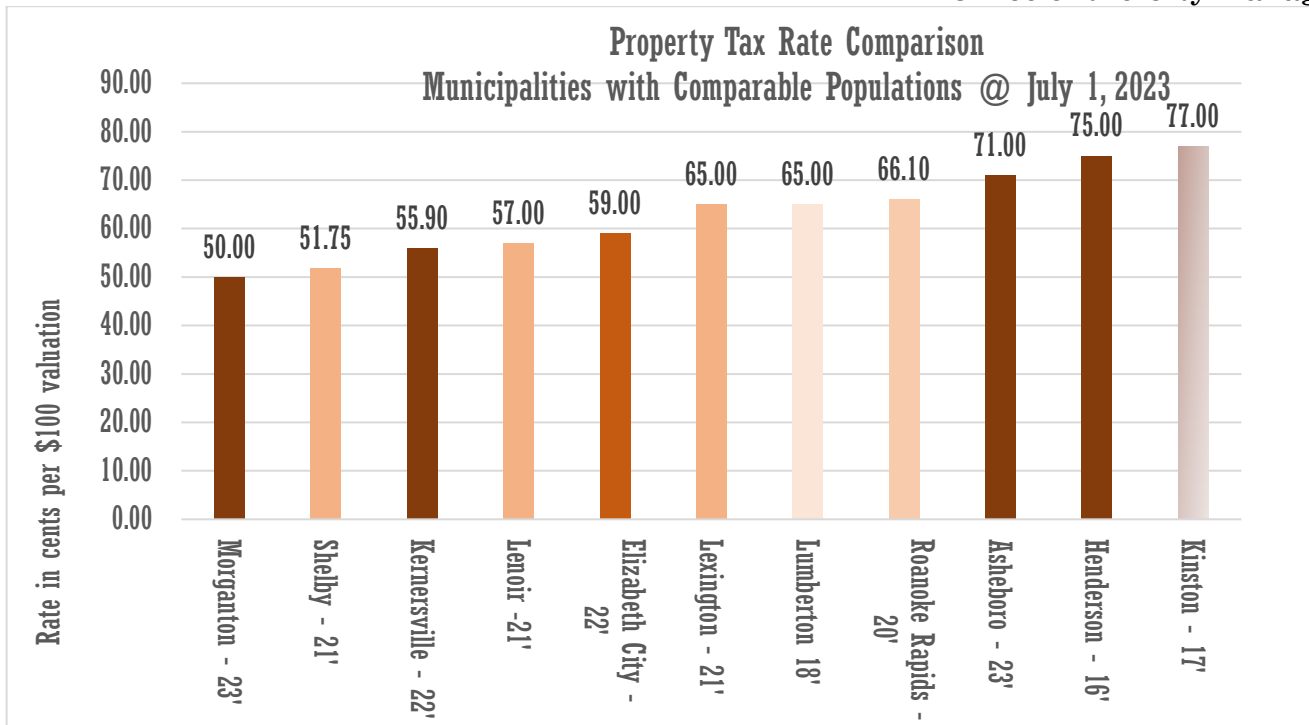


Ad valorem Tax

Ad valorem property taxes constitute the largest revenue source within the general fund. This revenue consists of two components. They are the value of all taxable property (real and personal) as assessed by the County Tax Administrator. It is often referred to as the assessed valuation. The other is the actual tax rate per \$100 of valuation. This rate is controlled by City Council as provided for in the NC General Statutes and can only be adjusted one-time per year through the budget process. The current assessed valuation is expected to be \$2,752,194,732 with the collection rate expected to be 97.74% (up from 98.83%) at the June 30 close of the fiscal year. This revenue makes approximately 40.7% of the total general fund budget. It is recommended that the tax rate be maintained at 51.75 cents per \$100 of valuation.

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







Office of the City Manager

There are recommended increases in some fees and charges that reflect the increased cost of doing business. An example of this is the increasing cost of landfill tipping fees by Cleveland County. The City has absorbed these fees in the past but this year the budget proposes to pass these costs on to customers. Other fees are also proposed for increase. Many have not been adjusted for more than a decade.

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

The Mayor and Council have adopted goals and objectives in the past few years that are geared to balancing service delivery citywide to meet basic needs and to progressively address aging infrastructure. This budget recommendation addresses the infrastructure and services associated only with current service levels. It is important to note that while this General Fund budget addresses the basic needs for FY 2024-25 it is still too reliant on transfers of natural gas and electric funds. Holding the line on spending the previous few years has allowed the City to maintain a reasonable general fund reserve for cash flow and emergency purposes. This budget does continue, to a lesser extent, capital purchases and projects.

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

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



General Fund Expenditures

- 1) A 2.5% wage increase for all employees is proposed to be effective the first full payroll in July. A second 2.0% wage increase is proposed to be effective the first full payroll period in January.
- 2) Implementation of Year 1 of 3 of the most recent wage market study. This study detailed an analysis and data regarding the market competitiveness of our sworn law enforcement positions and information technology staff. There is an additional 5% wage increase for sworn law enforcement included within this budget.
- 3) The total number of full time General Fund employees increases from 257 to 259 with the addition of new positions in IT and Airport Services.
- 4) Capital spending has decreased by \$2,638,492 but is still at levels to allow the purchase of critical capital equipment and vehicles.

Category	Budget	Budget	Amount	%
	2023-2024	2024-2025	Change	Change
Personnel	23,330,850	25,402,168	2,071,318	8.9%
Operating	7,709,726	8,730,901	1,021,175	13.2%
Debt Service	2,794,000	2,450,800	-343,200	-12.3%
Capital	3,803,011	1,164,519	-2,638,492	-69.4%
Less Allocations	-2,872,834	-3,278,503	-405,669	14.1%
Total	34,764,753	34,469,885	-294,868	-0.8%



Office of the City Manager

Water Fund

The Water Fund is up (18.5%) or (9.5% when considering one-time appropriations) in overall spending from fiscal year budget 2023-24 (\$6,656,332) to (\$7,888,806) in fiscal year 2024-25. The bulk of the increase is related personnel costs and one-time capital projects

Revenue

A 4% rate increase is recommended for the coming fiscal year in order to meet the noted cost increases. The increase will generate approximately \$250,000 of the new revenue expected. The remaining increase is due to increase in sales volume.

	<u>Original</u>	<u>City Manager</u>		
<u>Revenue</u>	<u>Budget</u>	<u>Recommended</u>	<u>Amount</u>	<u>%</u>
<u>Source</u>	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>	<u>Change</u>	<u>Change</u>
<u>Water Late Fees</u>	<u>\$45,000</u>	<u>\$50,000</u>	<u>\$5,000</u>	<u>11.1%</u>
<u>Proceeds Asset Sales</u>	<u>\$3,000</u>	<u>\$0</u>	<u>(\$3,000)</u>	<u>-100.0%</u>
<u>Water Receipts</u>	<u>\$6,240,000</u>	<u>\$6,723,397</u>	<u>\$483,397</u>	<u>7.7%</u>
<u>Water Tap Fees</u>	<u>\$80,000</u>	<u>\$80,000</u>	<u>\$0</u>	<u>0.0%</u>
<u>Water Cutoff Fees</u>	<u>\$4,000</u>	<u>\$4,000</u>	<u>\$0</u>	<u>0.0%</u>
<u>Interest & Inv Income</u>	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$500</u>	<u>50.0%</u>
<u>Proceeds from Financing</u>	<u>\$104,000</u>	<u>\$236,000</u>	<u>\$132,000</u>	<u>126.9%</u>
<u>County Share Debt Service</u>	<u>\$10,500</u>	<u>\$8,886</u>	<u>(\$1,614)</u>	<u>-15.4%</u>
<u>Other Income</u>	<u>\$4,000</u>	<u>\$4,000</u>	<u>\$0</u>	<u>0.0%</u>
<u>Fund Balance Appropriated</u>	<u>\$164,832</u>	<u>\$410,000</u>	<u>\$245,168</u>	<u>148.7%</u>
<u>Transfer from other funds</u>	<u>\$0</u>	<u>\$371,023</u>	<u>\$371,023</u>	<u>0.0%</u>
<u>Total</u>	<u>\$6,656,332</u>	<u>\$7,888,806</u>	<u>\$1,232,474</u>	<u>18.5%</u>



Expenditures

Notable changes in expenditures are as follows.

- 1) A 2.5% wage increase for all employees is proposed to be effective the first full payroll in July. A second 2.0% wage increase is proposed to be effective the first full payroll period in January.
- 2) Implementation of Year 1 of 3 of the most recent wage market study. This study detailed analysis and data regarding the market competitiveness of our water resources positions. There is an additional 5% wage increase for all water resource personnel included within this budget.
- 3) The total number of full-time Water Fund employees remains at 18.
- 4) Capital spending is increased by \$439,600 for replacements of aging water distribution lines where low fire flow or water quality issues have been identified.
- 5) Debt service has been increased by \$325,900 to reflect the portion owed by the Water Fund for the system improvements that were completed as part of Project Grizzly. These improvements included construction of a new 24" diameter water main from the water plant on Grover Street to the Washburn Switch industrial area as well as a new 750,000-gallon elevated storage tank. This expenditure was previously budgeted as an annual amendment near the close of the fiscal year. This is year 8 of 15 payments due.



Sewer Fund

The Sewer Fund increases (24.4%) (or 3.8% when you consider one-time appropriations) in overall spending from fiscal year budget 2023-24 (\$6,988,769) to (\$8,696,320) in fiscal year 2024-25. The bulk of the increase in debt service, personnel costs, and one-time capital expenditures.

Revenue

A 4% rate increase is recommended for the coming fiscal year in order to meet the noted cost increases. The increase will generate approximately \$250,000 of the new revenue expected.

	Original	City Manager		
Revenue	Budget	Recommended	Amount	%
Source	FY 2023-2024	FY 2024-2025	Change	Change
Sewer Late Fees	\$45,000	\$50,000	\$5,000	11.1%
Sewer Charge Receipts	\$6,631,769	\$6,890,000	\$258,231	3.9%
Sewer Tap Charges	\$100,000	\$100,000	\$0	0.0%
Grease Trap Insp Fee	\$25,000	\$25,000	\$0	0.0%
Interest & Inv Income	\$1,000	\$1,500	\$500	50.0%
Proceeds from Financing	\$161,000	\$140,000	(\$21,000)	-13.0%
Proceeds from Asset Sales	\$5,000	\$0	(\$5,000)	-100.0%
Other Income	\$20,000	\$30,000	\$10,000	50.0%
Transfer from other funds	\$0	\$505,959	\$505,959	0.0%
Fund Balance Appropriated	\$0	\$953,861	\$953,861	0.0%
Total	\$6,988,769	\$8,696,320	\$1,707,551	24.4%

Expenditures

Notable changes in expenditures are as follows.

- 1) A 2.5% wage increase for all employees is proposed to be effective the first full payroll in July. A second 2.0% wage increase is proposed to be effective the first full payroll period in January.
- 2) Implementation of Year 1 of 3 of the most recent wage market study. This study detailed analysis and data regarding the market competitiveness of our water resources positions. There is an additional 5% wage increase for all water resource personnel included within this budget.
- 3) The total number of full-time Sewer Fund employees remains at 25.
- 4) Capital spending will increase significantly to fund one-time projects that are specific to the replacement and repair with the system to address infiltration and inflow which has resulted in a number of sanitary sewer overflows especially during heavy rain events. These projects were identified by the Asset Inventory Assessment conducted within the last two years. This work is essential for more cost-efficient operations and environmental protection.
- 5) Debt service will increase by \$628,000 due to a budgetary shift showing full payment of the project Grizzly debt directly from the enterprise funds.
- 6) Operating costs increase by \$135,755. due to increases in treatment plant chemicals, energy costs and other inflationary pressures.

Sewer Category	Original Budget FY 2023- 2024	City Manager Recommended FY 2024-2025	Amount Change	% Change
Personnel	\$1,974,050	\$2,198,425	\$224,375	11.4%
Operating	\$1,792,695	\$1,928,450	\$135,755	7.6%
Debt Service	\$2,290,000	\$2,918,000	\$628,000	27.4%
Capital	\$454,750	\$1,118,500	\$663,750	146.0%
Transfers	\$5,000	\$5,000	\$0	0.0%
Allocations	\$472,274	\$527,945	\$55,671	11.8%
Total	\$6,988,769	\$8,696,320	\$1,707,551	24.4%



Office of the City Manager

Electric Fund

The Electric Fund is up (15.1%) in overall spending from fiscal year budget 2023-24 (\$21,262,000) to (\$24,474,271) in fiscal year 2024-25. To clarify, this increase is solely due to a one-time influx of capital to be received from the NCMPA1 as a credit on the wholesale power billing the City will receive in August 2024. This credit is generated from the sale of a portion of the NCMPA1 assets and reflects the City’s share of that sale. Otherwise, revenue would be down approximately 1%.

Revenue

A retail rate decrease of 3.5% is included in the budget across all rate classes. This follows a 5% rate reduction for FY 2023-2024 and a 3% rate reduction in FY 2022-2023. These reductions were possible due to the reduction in the cost of wholesale power purchased from the NCMPA1 and some minor load growth in the system.

Electric Fund Revenue Source	Original Budget FY 2023-2024	City Manager Recommended FY 2024-2025	Amount Change	% Change
Electric Late Fees	\$110,000	\$135,000	\$25,000	22.7%
Proceeds Asset Sale	\$5,000	\$5,000	\$0	0.0%
After Hours Serv Chgs	\$20,000	\$15,000	(\$5,000)	-25.0%
Electric Charge Receipts	\$19,425,000	\$19,612,671	\$187,671	1.0%
Electric Pole Rental	\$110,000	\$98,000	(\$12,000)	-10.9%
Interest & Inv Income	\$12,000	\$50,000	\$38,000	316.7%
Proceeds from Financing	\$520,000	\$50,000	(\$470,000)	-90.4%
Other Income	\$110,000	\$3,400,000	\$3,290,000	2990.9%
Fund Balance Appopr.	\$950,000	\$1,108,600	\$158,600	16.7%
Total	\$21,262,000	\$24,474,271	\$3,212,271	15.1%



Expenditures

Notable changes in expenditures are as follows.

- 1) A 2.5% wage increase for all employees is proposed to be effective the first full payroll in July. A second 2.0% wage increase is proposed to be effective the first full payroll period in January.
- 2) Implementation of Year 1 of 3 of the most recent wage market study. This study detailed analysis and data regarding the market competitiveness of our electric system positions. The study indicated the City was competitive within the market therefore no additional wage increase for electric system employees is included beyond that specified above.
- 3) The total number of full-time Electric Fund employees remains at 17.
- 4) Capital spending is decreased by \$1,085,000 in accordance with the Electric System Asset Management Plan adopted by Council in 2018.
- 5) Wholesale power costs are reduced by \$1,090,555 as a result of the wholesale power rate reduction approved by the NCMAPA1 and Electricities effective July 1, 2024.
- 6) Transfers to other funds increases by \$4,130,497. The bulk of transfer will move the \$3,400,000 from the one-time wholesale power credit to the Electric Capital Reserve Fund to meet future capital needs and in particular for the construction of a new substation on the western side of the City.

Category	Original	City Manager	Amount	%
	Budget	Recommended		
	FY 2023-2024	FY 2024-2025	Change	Change
Personnel	\$1,807,000	\$2,377,225	\$570,225	31.6%
Operating	\$1,345,715	\$1,551,125	\$205,410	15.3%
Debt Service	\$470,000	\$1,081,800	\$611,800	130.2%
Capital	\$2,280,000	\$1,195,000	(\$1,085,000)	-47.6%
Less Allocations	\$688,730	\$746,624	\$57,894	8.4%
Transfers to other Funds	\$910,000	\$5,040,497	\$4,130,497	453.9%
Wholesale Power for Resale	\$12,260,555	\$11,170,000	(\$1,090,555)	-8.9%
Electric State Sales Tax	\$1,500,000	\$1,312,000	(\$188,000)	-12.5%
Total	\$21,262,000	\$24,474,271	\$3,212,271	15.1%



Office of the City Manager

Natural Gas Fund

The Natural Gas Fund is up (12.9%) in overall spending from fiscal year budget 2023-24 (\$25,144,462) to (\$21,898,730) in fiscal year 2024-25.

Revenue

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

Natural Gas Revenue Source	Original Budget FY 2023-2024	City Manager Recommended FY 2024-2025	Amount Change	% Change
Nat Gas Charges	\$24,416,962	\$20,900,000	(\$3,516,962)	-14.4%
Utility Late Fees	\$50,000	\$58,150	\$8,150	16.3%
Afterhours Charges	\$1,000	\$1,000	\$0	0.0%
Connection Fees	\$40,000	\$45,000	\$5,000	12.5%
Interest & Invest Income	\$12,000	\$50,000	\$38,000	316.7%
Proceeds from Financing	\$107,500	\$222,500	\$115,000	107.0%
Other Income	\$12,000	\$12,000	\$0	0.0%
Proceeds - Sale of Assets	\$5,000	\$5,000	\$0	0.0%
Fund Balance Approp	\$500,000	\$500,000	\$0	0.0%
Transfer from other funds	\$0	\$105,080	\$105,080	-
Total	\$25,144,462	\$21,898,730	(\$3,245,732)	-12.9%

Expenditures

Notable changes in expenditure are as follows.

- 1) A 2.5% wage increase for all employees is proposed to be effective the first full payroll in July. A second 2.0% wage increase is proposed to be effective the first full payroll period in January.
- 2) Implementation of Year 1 of 3 of the most recent wage market study. This study detailed an analysis and data regarding the market competitiveness of 1/3 of our positions citywide. Natural Gas Fund positions were not evaluated this year. There is an no additional wage increase for these positions beyond what is referenced above.
- 3) The total number of full-time Natural Gas Fund employees remains at 21.
- 4) Capital spending is increased by \$191,000 in order to fund system improvements identified in the Council adopted Natural Gas System Asset Management Plan of 2019.
- 5) Debt service increases slightly to reflect the shifting of payment for natural gas system improvements related to Project Grizzly (Washburn Switch Industrial Area 2019.)
- 6) Transfers to other funds increases \$368,273 to cover one-time capital costs.
- 7) Natural Gas purchase for resale is initially estimated to be down due to stabilization of market pricing. However, I would note that market volatility often affects this figure throughout the fiscal year.

Natural Gas Category	Original Budget	City Manager Recommended	Amount	%
	FY 2023-2024	FY 2024-2025	Change	Change
Personnel	\$1,792,650	\$2,003,900	\$211,250	11.8%
Operating	\$1,216,170	\$1,022,400	(\$193,770)	-15.9%
Debt Service	\$277,000	\$396,100	\$119,100	43.0%
Capital	\$1,347,500	\$1,538,500	\$191,000	14.2%
Less Allocations	\$791,142	\$851,172	\$60,030	7.6%
Transfers to other Funds	\$2,710,000	\$3,078,273	\$368,273	13.6%
Purchase for Resale	\$16,000,000	\$12,008,385	(\$3,991,615)	-24.9%
NG State Sales Tax	\$1,010,000	\$1,000,000	(\$10,000)	-1.0%
Total	\$25,144,462	\$21,898,730	(\$3,245,732)	-12.9%

Stormwater Fund

The Stormwater Fund is up (65.2%) in overall operational and capital spending from fiscal year budget 2023-24 (\$919,527) in fiscal year 2024-25. The operational increase alone was \$249,473 or (27%) with the non-recurring capital increase totaling \$350,000.

Revenue

A rate increase in the monthly stormwater fee is recommended for the coming fiscal year. As an example, the monthly fee for residential customers is proposed to increase \$ 0.68. Other commercial and industrial customers will increase proportionately. Revenues are expected to increase (27%) due to growth in customer charges (\$250,473) generated by the increase.

Revenue Source	Original	City Manager	Amount Change	% Change
	Budget FY 2023- 2024	Recommended FY 2024-2025		
Plan Review Fees	\$1,000	\$0	(\$1,000)	-100.0%
Stormwater Charges	\$918,527	\$1,169,000	\$250,473	27.3%
Proceeds from Financing	\$0	\$350,000	\$350,000	NA
Fund Balance Appropriation	\$0	\$0	\$0	0.0%
Total	\$919,527	\$1,519,000	\$599,473	65.2%

Expenditures

Notable changes in expenditure are as follows.

- 1) A 2.5% wage increase for all employees is proposed to be effective the first full payroll in July. A second 2.0% wage increase is proposed to be effective the first full payroll period in January.
- 2) Implementation of Year 1 of 3 of the most recent wage market study. This study detailed an analysis and data regarding the market competitiveness 1/3 of our positions citywide. Stormwater Fund positions were not evaluated this year. There is an no additional wage increase for these positions beyond what is referenced above.
- 3) The total number of full-time Stormwater Fund employees is reduced from 3 to 2.
- 4) Debt service spending is slightly reduced due to debt retirement.
- 5) Operating costs will increase by \$247,191. These funds are generated from the fee increase and are targeted to be used entirely to address stormwater system improvements throughout the system.
- 6) Capital costs increase from \$0 to \$350,000 from the previous year for the non-recurring purchase of capital equipment/vehicles. This year this amount will cover the purchase of a street sweeper.



Office of the City Manager

Stormwater	Original	City Manager		
Category	Budget	Recommended	Amount	%
	FY 2023-2024	FY 2024-2025	Change	Change
Personnel	\$253,500	\$184,900	(\$68,600)	-27.1%
Operating	\$468,035	\$715,226	\$247,191	52.8%
Debt Service	\$15,600	\$11,450	(\$4,150)	-26.6%
Capital	\$0	\$350,000	\$350,000	0.0%
Allocations	\$182,392	\$257,424	\$75,032	41.1%
Total	\$919,527	\$1,519,000	\$599,473	65.2%

KEY CHALLENGES / OPPORTUNITIES FOR FY 2024-25

Challenges

The most important challenges faced by the City as a whole revolve around two key issues. The first is the need to continue to capitalize and increase the momentum the City currently has in attracting quality outside investment from the private sector. This investment is essential for the short- and long-term health of the City. Investment means jobs, increases in tax receipts, and increases in utility receipts. Both are needed to address continuing increases in personnel costs to recruit and retain high quality employees and to meet the impacts of inflation on the overall budget. The City’s challenge is to attract development which includes residential, commercial, and industrial. This includes areas currently outside the city where infrastructure is now available but also the redevelopment of neighborhood and commercial areas around the center city. The City will need to continue to be aggressive in attracting new business development within the Washburn Switch Business corridor, commercial development along and adjacent to the existing US 74 corridor and new residential development that must also continue to focus on redevelopment of areas in the urban core previously characterized by vacant lots and boarded up houses. The minimum housing code enforcement program will continue but at some point, the City will need a path forward in attracting private investment to economically challenged areas. The City has seen some growth in these areas in the form of new single family residential infill construction. If we continue to be successful, in particular with industrial growth, with these efforts the pressure on the tax and utility rates can be lessened somewhat in the future.



Office of the City Manager

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

Ongoing Pressures

Supply chain issues persist in some industries, and inflation has led to a constant rise in the cost of goods and services. Also, Shelby, like many other small cities across the nation and state, faces real challenges especially in the areas of housing affordability and homelessness. A competitive labor market continues to hinder employee recruitment and retention, especially in the public safety sector. Fortunately, a combination of continued revenue growth, particularly in industrial property taxes, sales taxes, and strong financial management have provided additional resources to somewhat help address these challenges.

Opportunities

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

The Carolina Harmony Trail, while not fully funded, is progressing using local, state/federal grant and private funding. Phase IA is complete and subsequent phases are expected to be bid during the upcoming fiscal year. It has the potential to be transformational (for transportation, residential and commercial redevelopment, and economic development) in various parts of the City. This project has garnered significant private and public funding support of nearly \$9,000,000. The City will receive word on a \$25 million USDOT RAISE grant to be used toward construction of the entire project from Sunset Cemetery to the SC state line in June. If fully funded a separate project budget ordinance will be presented to City Council for consideration at a later date.



Office of the City Manager

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

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

CONCLUSION

The FY 2024-25 budget proposal continues the current level of service provided by the City's many departments. I still see challenges but given the current improvements in the economy our successes should hearten the outlook toward the future. It is my hope and expectation that the City staff and employees are up to the challenge of continuing the high-quality service provided to our citizens. Basic services have been maintained and this should be our focus. While this budget is proposed by the City Manager, it is neither final nor is it necessarily a reflection of what will be approved by the City Council. The Mayor and City Council will review these recommendations to arrive at what you consider the proper expenditure of the available revenues for the upcoming year. A public hearing on the proposed budget is scheduled for Monday, June 3rd. The budget covering all funds for the fiscal year beginning July 1, 2024, is balanced, and presented to the Honorable Mayor and City Council for your thoughtful consideration at this time.

Respectfully submitted,

A handwritten signature in black ink that reads "Rick Howell". The signature is written in a cursive, flowing style.

Rick Howell
City Manager



City of Shelby, NC

City Manager's Office
Fiscal Year 2024-2025
Budget Ordinance & Fee Schedule

CITY OF SHELBY
FY 2024-25 BUDGET ORDINANCE
ORDINANCE NO. 41-2024

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

Sec. 1) The following amounts are hereby appropriated in the General Fund for the operation of City Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025 in accordance with the chart of accounts heretofore established for this City:

Governing Board	\$91,459
Administration	772,036
Finance	866,598
Purchasing	112,202
Human Resources	452,636
Customer Service	37,436
Information Systems	934,871
Meter Services	0
Garage	880,634
City Hall	118,250
Police	9,724,808
Communication	938,710
Fire	6,050,618
Building Inspections	574,010
Streets	1,487,260
Airport	681,920
Solid Waste	2,264,395
GIS	79,956
Planning Services	860,510
Special Appropriations	3,684,916
Parks & Recreation	1,874,630
Maintenance Grounds & Cemetery	<u>1,982,030</u>
Total	<u>\$34,469,885</u>

Sec. 2 It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Property Taxes	\$ 14,346,501
Local Option Sales Tax	7,400,000
Other Taxes	56,400
Unrestricted Intergovernmental Revenues	2,297,500
Restricted Intergovernmental Revenues	47,000
Permits and Fees	378,225
Sales & Services	4,001,450
Investment Revenues	300,000
Other Financing Sources	1,072,519
Fund Balance	908,066
Transfers	<u>3,662,224</u>
Total	<u>\$34,469,885</u>

Sec. 3) The following amounts are hereby appropriated in the Powell Bill Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Construction	\$ 655,588
Street Maintenance	288,990
Debt Service	<u>16,800</u>
Total	<u>\$ 961,378</u>

Sec. 4) It is estimated that the following revenues will be available to the Powell Bill Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Powell Bill	\$ 751,378
Interest Income	60,000
Proceeds from Financing	150,000
Fund Balance	<u>0</u>
Total	<u>\$ 961,378</u>

Sec. 5 The following amounts are hereby appropriated in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Emergency Telephone System	\$ <u>78,027</u>
Total	\$ <u>78,027</u>

Sec. 6) It is estimated that the following revenues will be available to the Emergency Telephone System Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

911 Revenues	\$ 78,027
Fund Balance Appropriated	<u>0</u>
Total	\$ <u>78,027</u>

Sec. 7) The following amounts are hereby appropriated in the Economic Development Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Services	\$ 846,000
Transfers	<u>982,062</u>
Total	\$ <u>1,828,062</u>

Sec. 8) It is estimated that the following revenues will be available to the Economic Development Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

MSD Property Taxes	\$ 118,000
Local Occupancy Tax	275,000
Investment Revenues	50,000
Other Income	2,000
Transfers	1,383,062
Fund Balance Appropriated	<u>0</u>
Total	\$ <u>1,828,062</u>

Sec. 9) The following amounts are hereby appropriated in the Housing Fund for ~~26~~ fiscal

year beginning July 1, 2024 and ending June 30, 2025:

Conventional	\$ <u>2,859,010</u>
Total	\$ <u>2,859,010</u>

Sec. 10) It is estimated that the following revenues will be available to the Housing Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Subsidies	\$ 687,487
HUD CFP Income	1,256,018
Rent Income	760,000
Investment Income	10,000
Other Income	0
Fund Balance	<u>145,505</u>
Total	\$ <u>2,859,010</u>

Sec. 11) The following amounts are hereby appropriated in the Cemetery Perpetual fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Fund Balance Increase	\$ <u>40,000</u>
Total	\$ <u>40,000</u>

Sec. 12) It is estimated that the following revenues will be available to the Cemetery Perpetual Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Cemetery Fees	\$ 30,000
Other Income	<u>10,000</u>
Total	\$ <u>40,000</u>

Sec. 13) The following amounts are hereby appropriated in the Water Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Administration	\$ 3,866,971
Line Operation	1,674,920
Plant	<u>2,346,915</u>

Total \$ 7,888,806

Sec. 14) It is estimated that the following revenues will be available to the Water Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Fees	\$ 6,867,783
Proceeds From Financing	236,000
Fund Balance	410,000
Transfer	371,023
Other Income	<u>4,000</u>

Total \$ 7,888,806

Sec. 15) The following amounts are hereby appropriated in the Sewer Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Administration	\$ 3,843,055
Line Operation	1,556,220
Plants	<u>3,297,045</u>

Total \$8,696,320

Sec. 16) It is estimated that the following revenues will be available to the Sewer Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Fees	\$ 7,066,500
Other Income	30,000
Proceeds From Financing	140,000
Transfers	505,959
Fund Balance	<u>953,861</u>

Total \$ 8,696,320

Sec. 17) The following amounts are hereby appropriated in the Electric Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Administration	\$ 8,021,111
Purchase/Generation	12,482,000

Line Operation	3,693,310
Economic Development	<u>277,850</u>
Total	<u>\$24,474,271</u>

Sec. 18) It is estimated that the following revenues will be available to the Electric Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Fees	\$19,865,671
Proceeds From Financing	50,000
Interest	50,000
Other Income	3,400,000
Fund Balance	<u>1,108,600</u>
Total	<u>\$24,474,271</u>

Sec. 19) The following amounts are hereby appropriated in the Gas Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Administration	\$ 5,808,345
Gas Purchases	13,008,385
Line Operation	<u>3,082,000</u>
Total	<u>\$21,898,730</u>

Sec. 20) It is estimated that the following revenues will be available to the Gas Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Fees	\$21,009,150
Other Income	12,000
Proceeds From Financing	222,500
Interest	50,000
Transfer	105,080
Fund Balance	<u>500,000</u>
Total	<u>\$21,898,730</u>

Sec. 21) The following amounts are hereby appropriated in the Stormwater Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Administration	<u>\$ 1,519,000</u>
Total	<u>\$ 1,519,000</u>

Sec. 22) It is estimated that the following revenues will be available to the Stormwater Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Fees	\$ 1,169,000
Proceeds From Financing	350,000
Fund Balance	<u>0</u>
Total	<u>\$ 1,519,000</u>

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

General Fund	\$34,469,885
Powell Bill Fund	961,378
Emergency Telephone System	78,027
Economic Development Fund	1,828,062
Housing Fund	2,859,010
Cemetery Perpetual Fund	40,000
Utilities-Water Fund	7,888,806
Utilities-Sewer Fund	8,696,320
Utilities-Electric Fund	24,474,271
Utilities-Gas Fund	21,898,730
Utilities-Stormwater Fund	<u>1,519,000</u>
Total	\$104,713,489
Less Interfund Transfers	<u>9,427,348</u>
Total FY 2024-25 Budget	<u>\$95,286,141</u>

Sec. 24) There is hereby levied a tax at the rate of fifty-one and seventy-five one hundredths cents (\$0.5175) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2024 for the purpose of raising the revenue listed as ~~30~~ property

taxes in the General Fund in Section 2 of this ordinance. This rate is based on an estimated total valuation of property for the purposes of taxation of \$2,752,194,732 and an estimated collection rate of 97.74%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2022-23.

Sec. 25) There is hereby further levied an additional tax at the rate of twenty-five cents (\$0.25) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2024 within the boundaries of the Uptown Shelby Municipal Service District for the purpose of raising the revenue listed as uptown district tax in the Economic Development Fund in Section 8 of this ordinance. This rate is based on an estimated total valuation of property for the purposes of taxation of \$53,434,230 and an estimated collection rate of 95.36%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2022-23.

Sec. 26) Copies of the Budget Ordinance shall be furnished to the City Manager (Budget Officer) and Finance Officer to be kept on file by them for their direction in the collection and disbursement of funds. Said officials are hereby authorized to receive and expend funds as herein set forth in accordance with the Shelby City Code and the General Statutes of the State of North Carolina.

Sec. 27) The following authorizations and restrictions shall apply to the adoption and enactment of this budget:

- A. The City Manager shall be authorized to reallocate departmental appropriations among the various objects of expenditure as he believes necessary.
- B. The City Manager shall be authorized to effect interdepartmental transfers in the same fund not to exceed ten percent (10%) of the appropriated monies for the department whose allocation is reduced.
- C. The City Manager shall be authorized to effect transfers between capital projects that are budgeted in the same capital project fund.
- D. The City Manager shall be authorized to transfer any remaining balances from any Capital Project upon its completion to the corresponding reserve fund. Interfund transfers from operating funds shall be accomplished by City Council authorization only.
- E. The budget adopted herein may be amended to reflect encumbrance balances for expenditures properly committed but unpaid at the end of the prior fiscal year and increasing fund balances appropriated by a similar amount.

Adopted and Approved this the 3rd day of June 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

CITY OF SHELBY
FY 2024-25 SUPPLEMENTAL BUDGET ORDINANCE
ORDINANCE NO. 42-2024

WHEREAS, in accordance with applicable provisions of the North Carolina Local Government Budget and Fiscal Control Act, the City of Shelby has enacted the FY 2024-25 Budget Ordinance, providing for the annual operating budget of the City for the stated fiscal year; and,

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

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

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

Section 1. The following actions are hereby adopted and approved in support of the City's FY 2024-25 Budget and the continued financial operations of the City subsequent thereto:

- a) The number of full-time positions authorized for employment by the City is confirmed as set forth in the Personnel Summary for a total of 352 positions. See Attachment A.
- b) During FY 2024, several positions were reclassified and must now be ratified as presented in the Reclassification Summary. See Attachment B.
- c) The City's fee schedule effective July 1, 2024 is attached.

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

Section 3. This ordinance shall become effective with its adoption and approval, while all applicable budgetary authorizations subject to fiscal year requirements set forth herein are to be effective on July 1, 2024.

Adopted and Approved this the 3rd day of June 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Attachment A
Personnel Summary

**FY2024-
2025**

General Fund	
Mayor/Council	
Administration	6.00
Finance	5.00
Purchasing	3.00
Human Resources	4.00
Customer Service	10.00
Information Services	3.00
Meter Services	5.00
Garage	10.00
City Hall	
Police	78.00
Police Communications	11.00
Fire	56.00
Building/Zoning	4.00
Streets	10.00
Airport	2.00
Sanitation	15.00
GIS	3.00
Planning	6.00
Parks & Recreation	9.00
Park Maintenance	19.00
Total General Fund	259.00
Powell Bill	1.00
Housing	8.00
Economic Development	1.00
Utilities	
Water	18.00
Sewer	25.00
Electric	17.00
Gas	21.00
Stormwater	2.00
Total Utilities	84.00
Total Personnel	352.00

MEMORANDUM

TO: Rick Howell, City Manager

FROM: Deborah Jolly, Director of Human Resources

DATE: May 10, 2024

RE: 2023-2024 – New & Amended Job Classification Summary

As you know Resolution 9-2019 (Section 3) in which the City's Classification and Pay Plan was adopted, requires that all plan amendments be ratified annually with the adoption of a resolution by City Council. The attached spreadsheet outlines the job classifications, pay grades and hourly minimum salary for the new and amended classifications for fiscal year 2023-2024. Please let me know if you have questions.

New or Amended Job Classification Summary

Attachment B

DEPARTMENT	PREVIOUS JOB TITLE	PREVIOUS PAY GRADE & MINIMUM OF SCALE	AMENDED or NEW JOB TITLE	NEW PAY GRADE & MINIMUM OF SCALE
Police Department	Police Lieutenant	Grade 26 Min = \$29.89	Police Sergeant	Grade 23 Min = \$25.82
Police Department	Police Lieutenant	Grade 26 Min = \$29.89	Police Captain	Grade 28 Min = \$68,533
Natural Gas Department	Utility Services Locator	Grade 15 Min = \$17.47	Utility Services Locator GPS Technician	Grade 16 Min = \$18.35
Natural Gas Department	Utility Services Locator/GPS Tech	Grade 15 Min = \$17.47	Utility Services Locator GPS Supervisor	Grade 18 Min = \$20.23
Water Resources	Director of Water Resources	Grade 34 Min = \$91,841	Director of Water Resources	Grade 35 Min = \$96,433
Engineering Services	Civil Engineer	Grade 28 Min = \$32.95	Engineering Manager	Grade 29 Min = \$34.60
Engineering Services	Stormwater/ Engineering Coord.	Grade 23 Min = \$25.82	Stormwater Coordinator	Grade 24 Min = \$27.11
Engineering Services	Utility Support Administrator	Grade 18 Min = \$20.23	Engineering Coordinator	Grade 24 Min = \$27.11
Energy Services	New Position		Energy Ser. Operaions Mgr	Grade 34 Min = \$91,841
Adminstration	New Position		Economic Developer	Grade 24 Min = \$27.11

CITY OF SHELBY FEES SCHEDULE



Adopted: To be adopted June 3, 2024
 Effective: July 1, 2024

Prior Revisions:

April 15, 2024	Gas
March 18, 2024	Gas
July 1, 2023	Annual
July 1, 2022	Annual
November 15, 2021	Elec & Gas
August 16, 2021	Cust. Serv.
July 19, 2021	Water
July 1, 2021	Annual
March 1, 2021	Electric
February 1, 2021	Park Tourn.
July 1, 2020	Annual
July 1, 2019	Annual
February 4, 2019	Hanna Park
July 1, 2018	Annual
July 1, 2017	Annual
March 21, 2017	Golf
November 1, 2016	Gas
October 1, 2016	Electric
July 1, 2016	Annual

TABLE OF CONTENTS

	PAGE
Airport Fee Schedule	1-2
Miscellaneous Fees	3
Parks and Recreation Fees	4-7
Permit Fee Schedule	8
Planning Fee Schedule	9-10
Regulatory Fees	11
Solid Waste Fee Schedule	12
Customer Service Schedule of Fees	13
Schedule of Utility Deposits	14
Water Service	
City Residential	15
Rural Residential	16
City Commercial	17
Rural Commercial	18
City Irrigation	19
Rural Irrigation	20
City Large Industrial	21
Rural Large Industrial	22
Bulk Resale	23
Governmental Rate	24
Sewer Service	
City	25-26
Rural	27-28
City Large Industrial	29
Rural Large Industrial	30
Governmental Rate	31
Water and Sewer Tap Fee Schedule	32-35
Miscellaneous Water and Wastewater Fees	36-37
Electric Service	
Residential	38
Small General/Industrial Service	39
Medium and Large General Service	40
Very Large Service	41
Coincident Peak Rate	42-45
Renewable Energy Rider	46
Renewable Energy Credit Rider 1	47-48
Renewable Energy Credit Rider 2	49-50
Economic Development Rider	51-52
Outdoor Lighting	53-54
Electric Event Panel Fees	55
Electric Incentives	56
Electric Installation & Relocation Fees	57
Natural Gas Service	
General Terms and Conditions	58-67
Residential Gas Service	68-69
General Commercial and Industrial Gas Service	70-71
High Load Factor Gas Service	72-73
Interruptible Gas Service	74-76
Natural Gas Industrial Firm Transportation Rate	77-80
Small/Medium Industrial Firm Gas	81-82
Large Industrial Firm Gas	83-85
Natural Gas Incentives	86-87
Stormwater Utility	88-89



Effective July 1, 2024
Replaces schedule effective 7/1/2020

SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT

SERVICE

FEE

Fuel (Av-Gas 100LL and Jet-A with Prist)

Posted price in terminal is adjusted with market pricing

Aircraft Hangar Rental (50'x75' or 100'x100' Box Hangar)

Single Engine	Monthly	\$225.00
	Daily	\$25.00
Twin Engine	Monthly	\$325.00
	Daily	\$50.00
Turbine Engine (Less than 10,000 lbs.)	Monthly	\$550.00
	Daily	\$100.00
Turbine Engine (Greater than 10,000 lbs.)	Monthly	\$800.00
	Daily	\$125.00

Aircraft Hangar Rental (T-Hangar)

Single T-Hangar Unit (41'6" Door)	Monthly	\$275.00
	Daily	\$30.00
Single T-Hangar Unit (44'6" Door)	Monthly	\$300.00
	Daily	\$35.00
T-Hangar Storage (with Bay Door)	Monthly	\$250.00
T-Hangar Storage (without Bay Door)	Monthly	\$200.00

Aircraft Tie Down	Monthly	\$50.00
	Daily	\$10.00
Vehicle Parking Fees	Monthly	\$25.00
(Applies to approved automobiles left on airport premises)		
After Hours Call Out (1 hour minimum charge)		\$60.00/Hour
Ground Power Unit (GPU)		\$40.00/Hour

(GPU fee waived for 1-4 hours with a 100 gallon fuel purchase)

Conference Room Rental Rate

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

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

(Electronic Equipment Usage additional \$25.00 per day)



Effective July 1, 2024
Replaces schedule effective 7/21/2022

MISCELLANEOUS FEES

Office of the City Clerk:

Special Event Application	\$30.00 per event
Public Records Requests – copies *	\$.25/page
Public Records Special Service Charges *	\$33.00/hour in excess of 4 hours
*Prepayment of fees is required if estimated costs will exceed \$100	

City of Shelby Police Department:

Copy of Police Accident Report	\$1.00 each
Fingerprint Card	\$5.00 per card
Taxi Cab Permits – per NC G.S. 160a-304	\$15.00 per annual permit



Effective July 1, 2024
Replaces schedule effective 2/1/2021

PARK & RECREATION FEES

Youth Athletic Programs User Fees

Sport	City/Other
Basketball	\$30/\$55
Softball	\$30/\$55
Baseball	\$30/\$55
Football	\$50 (City only)
Cheerleading	\$30 (City only)
Tennis Lessons	\$25/\$40 (2 weeks)
City Park Youth Swim Team	\$30/\$55

Youth Athletic Admission Fees

Sport	Fee
Football Games	\$5.00
Basketball Games	\$1.00
Baseball Tournament Games	\$7.00 Adult \$5.00 Student

Adult Athletic Program User Fees

Sport	City/Other
Adult Softball and Basketball Team Entry Fee	50% of direct costs – (Officials, Scorekeepers, Timers, Admissions, supplies)

Aquatics Fees

Program/Use	City/Other
Youth Daily	\$3.00 All
Adult Daily	\$5.00 All
Senior Daily	\$4.00 All
Youth Summer Pass	\$60/\$110
Adult Summer Pass	\$70/\$130
Senior Summer Pass	\$60/\$110

Family Summer Pass	\$150/\$300 (4 Maximum)
Group Lessons	\$25/\$35 (2 weeks)
One on One Lessons	\$35/\$45 (2 weeks)
Mom & Tots	\$35/\$45 (2 weeks)
Lap Swim	\$2.00/\$3.00

Aerobics

Land Aerobics	\$20/\$30 per month
Water Aerobics	\$3/\$4 per day

Amusements

Carrousel	\$1.00
Train	\$1.00

Summer Day Camp

Base Fee	\$100/\$130 Per Week
Holly Oak Summer Activity Program	\$30/\$45 Per Week

Facility Rental Fees**

City Park Gym (no admission charged)	\$30/\$45 per hour – 2 hr. minimum
City Park Gym (admission charged)	\$50/\$60 per hour – 2 hr. minimum
Holly Oak Gym (no admission charged)	\$30/\$45 per hour – 2 hr. minimum
Holly Oak Gym (admission charged)	\$50/\$60 per hour – 2 hr. minimum
City Pavilion	\$50 per hour – 2 hr. minimum
Aquatics Center	\$100/\$150 per hour – 2 hr. minimum
Aquatics Party Area	\$20/\$30 per hour – 2 hr. minimum
Aquatics Conference Room	\$20/\$30 per hour
Carrousel	\$60/\$75 per hour – 2 hr. minimum
Train	\$60/\$75 per hour – 2 hr. minimum
CP Meeting Room	\$20/\$30 per hour
Tennis Courts	\$10/\$20 per hour
Outdoor Volleyball	\$10/\$20 per hour
Thompson Garden	\$75/\$100 per day
Holly Oak Activity Center	\$100/\$125 per day
CP Scout Hut	\$75/\$100 per day
Civitan Picnic	\$40/\$60 per ½ day
Jaycee Picnic	\$40/\$60 per ½ day
Holly Oak Picnic	\$40/\$60 per ½ day
Optimist Park Picnic	\$30/\$50 per ½ day
Sports field (hour) – Non-tournament	\$25/\$40 per hour

Sports field (full day) – Non-tournament	\$150/\$200 per day
Sports field (weekend) – Non-tournament	\$300/\$400 Sat & Sun
Sports field Lights (hour) – Non-tournament	\$25/field per hour
Dogwood Shelter	\$40/\$60 per ½ day
Willow Oak Shelter	\$40/\$60 per ½ day
Cherry Shelter	\$40/\$60 per ½ day
Crepe Myrtle Shelter	\$40/\$60 per ½ day
Elm Shelter	\$40/\$60 per ½ day
Deer Track Shelter	\$40/\$60 per ½ day
Magnolia Pavilion	\$25/\$35 per hour – 3 minimum

** Other fees including staff and security may be applicable depending on the type of event being held.

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

Includes:

Initial Field Preparation

Lights

One Staff person

Additional Fees:

Additional Field Preparation \$25/field

Additional Staff \$18/hour

Security \$25/hour

Hourly Rental \$25/hour

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

Cemetery Fees

Lot

City/Other

\$1,250/\$2,500

Golf

City/Other

Effective July 1, 2024

Replaces prior fees effective 7/1/2022

Daily Fee Pricing:

Green Fee Weekdays – daily

\$10/\$12

Green Fee Weekends & Holidays - daily	\$12/\$14
Cart Weekdays – 9 holes	\$5
Cart Weekdays – 18 holes	\$10
Cart Weekend & Holidays – 9 holes	\$5
Cart Weekend & Holidays – 18 holes	\$10

Annual Membership Fee Pricing:

Rounds:	City/Other
Unlimited Individual Annual Rounds	\$325/\$400
Unlimited Family (4 Maximum)	\$525/\$650

Lessons and Classes:

Adult/Youth Golf Lessons	\$25/\$30 hourly
Junior Golf	\$50 per 3-week session

Membership Rewards include:

- Play **FREE** on your birthday, includes cart (With Valid ID)
- 14-day advanced tee time reservations
- 1 Free 10-minute lesson included
- 10% discount on merchandise purchases*
- Refer a friend to purchase a Full Membership and receive a **FREE** Round of Golf



Effective July 1, 2024
Replaces schedule effective 7/1/2019

PERMIT FEES

New Construction Residential & Commercial Building Permits

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

Solar Construction

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

Renovation Permit	\$100 Base Fee, plus \$.30/sq. ft.
Moving Permit	\$60.00
Demolition Permit	\$60.00
Manufactured Homes	\$300.00
Accessory Structures 400 sq. ft. or less	\$125.00
Accessory Structures 400 sq. ft. or greater	\$200.00
Swimming Pool	\$125.00
Electrical Permit	\$75.00
Plumbing Permit	\$75.00
Mechanical Permit	\$75.00
Insulation Permit	\$50.00
Re-inspection Fee	\$100.00
Min. Bldg. Permit Fee	\$100.00
Work started without permit	double the normal fee

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

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

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



Effective July 1, 2024
Replaces schedule effective 7/1/2016

PLANNING FEES

<u>PLANNING/ENGINEERING ACTIONS</u>	<u>FEE</u>
Minor Subdivision Review	\$125.00
Major Subdivision Review	\$300 + \$10/lot
Stormwater Review > 1 acre	\$250.00
Site Plan Review (commercial, apartments, duplexes, institutional, industrial) Does not include single-family residential or any subdivision of land (eg: minor, major, townhomes, condos)	
< 1.0 acre	\$100
1.0 to 20.0 acres	\$300
>20.0 acres	\$600
10%/70% Watershed Development	\$50.00
General Use Rezoning	\$750.00
Conditional District Rezoning	
< 2.0 acres	\$750.00
2.0 to 10.0 acres	\$1,000.00
> 10.0 acres	\$1,250.00
Conditional Use Permits (SUP2)	\$750.00
Special Use Permit (SUP1)	\$750.00
Zoning Verification Letter	\$50.00
Zoning Permit—Use By Right	\$60.00
Variances	\$750.00
Signs - 0-32 SF	\$25.00
All other signs	\$60.00
Annexation Requests	\$500.00
Street Closings	\$1,000.00
Curb Cut	\$5 per 12 foot section
Copies of the UDO	\$20.00
Sidewalk Café	\$50.00
Sidewalk Vendor	\$50.00

Right-Of-Way Encroachment Permit Application	\$50.00
Text amendment	\$750.00
Final subdivision plat review	\$10.00/lot for major subdivisions
Flood plain permit	\$100.00
Pre-submittal review	\$100.00

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



Effective July 1, 2024
Replaces schedule effective 7/1/2015

REGULATORY FEES

NC G.S. 105-113.77:

Beer, Malt Beverages, Wines:

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

The tax for each additional license necessary for multiple locations of the same type issued for the same year is one hundred ten percent (110%) of the base license tax, that increase to apply progressively for each additional license. These licenses which cover the period of May 1 to April 30 renew annually. Penalties for failure to pay annual license fees are regulated in G.S.105-236.

NC G.S. 160A-178:

Peddlers and Other Itenerant Salespeople

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

NC G.S. 66-45, 407:

Dealer/Purchase of Precious Metals

Precious Metals Dealer Permit	\$180.00 + \$38 fingerprint/back-ground check
Certificate of Compliance for Employees	\$10.00
Special Occasion Permit	\$180.00
Dealer Permit Renewal Fee	\$180.00
Employee Certificate Renewal Fee	\$3.00

Issued by the Local Law Enforcement Agency (Shelby Police Department)



Effective July 1, 2024
Replaces schedule effective 7/1/2023

SOLID WASTE FEES

<u>Service:</u>	<u>Monthly Fee:</u>
R-1x1 - One Cart Picked Up Once a Week	\$16.43
R-2x1 - Two Carts Picked Up Once a Week	\$29.48
R-3x1 - Three Carts Picked Up Once a Week	\$48.13
R-4x1 - Four Carts Picked Up Once a Week	\$66.47
R-2x2 - Two Carts Picked Up Twice a Week	\$68.70
R-3x2 - Three Carts Picked Up Twice a Week	\$104.29
R-4x2 - Four Carts Picked Up Twice a Week	\$144.13
R-4x3 - Four Carts Picked Up Three times a Week	\$265.27
Miscellaneous Charges:	
Replace 96-Gallon Rollout Can	\$82.92



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

CUSTOMER SERVICE FEES

SERVICE	8:00 AM TO 5:00 PM	WEEKEND, HOLIDAY & AFTER 5:00 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 ELECTRIC Service at Riser	\$60.00	\$125.00
Disconnect/Reconnect ELECTRIC Service at Pole	\$60.00	\$125.00
Temporary ELECTRIC 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 nd 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.



Effective July 1, 2024
Replaces fee effective 7/1/2012

UTILITY DEPOSITS

WATER

Residential	\$60.00
Commercial/Industrial	Two (2) months estimated bill - peak usage months

SEWER

Residential	\$60.00
Commercial/Industrial	Two (2) months estimated bill - peak usage months
Residential Sewer Only (no other utility services on account)	\$120.00
Commercial Sewer Only (no other utility services on account)	Two (2) months estimated bill - peak usage months

ELECTRIC

Residential	\$150.00
Commercial/Industrial	Two (2) months estimated bill – peak usage months

GAS

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

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



Schedule RESCTY
Effective July 1, 2024
Replaces schedule effective 7/1/2023

RESIDENTIAL WATER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Consumption Unit	\$16.06 per billing period
Volume Charge (per 1,000 gallons used per billing period)	\$2.76

The minimum bill is the Customer Charge.

CONDITIONS

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

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



**Schedule RESRUR
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

RESIDENTIAL WATER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Consumption Unit \$32.13 per billing period

Volume Charge (per 1,000 gallons used per billing period) \$5.51

The minimum bill is the Customer Charge.

CONDITIONS

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

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



**Schedule COMCTY
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

COMMERCIAL WATER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Consumption Unit \$17.90 per billing period

Volume Charge

First 15,000 gallons (per 1,000 gallons used per billing period) \$2.76

All over 15,000 gallons (per 1,000 gallons used per billing period) \$2.22

The minimum bill is the Customer Charge.

CONDITIONS

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

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



Schedule COMRUR
Effective July 1, 2024
Replaces schedule effective 7/1/2023

COMMERCIAL WATER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Consumption Unit \$35.80 per billing period

Volume Charge

First 15,000 gallons (per 1,000 gallons used per billing period)	\$5.51
All over 15,000 gallons (per 1,000 gallons used per billing period)	\$4.65

The minimum bill is the Customer Charge.

CONDITIONS

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

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



**Schedule IRRCTY
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

IRRIGATION WATER SERVICE (CITY)

AVAILABILITY

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

RATE

Volume Charge (per 1,000 gallons used per billing period) \$3.24

CONDITIONS

Irrigation Systems – Commercial and Residential

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

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

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

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

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



**Schedule IRRRUR
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

IRRIGATION WATER SERVICE (RURAL)

AVAILABILITY

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

RATE

Volume Charge (per 1,000 gallons used per billing period) \$7.25

CONDITIONS

Irrigation Systems – Commercial and Residential

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

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

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

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

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



**Schedule LGINDC
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

LARGE INDUSTRIAL WATER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	\$389.38 per billing period
Volume Charge (per 1,000 gals used per billing period)	\$2.08

CONDITIONS

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



Schedule LGINDR
Effective July 1, 2024
Replaces schedule effective 7/1/2023

LARGE INDUSTRIAL WATER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	\$778.75 per billing period
Volume Charge (per 1,000 gals used per billing period)	\$4.15

CONDITIONS

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



Schedule BW-1
Effective July 1, 2024
Replaces schedule effective 7/1/2023

RESALE (BULK) WATER SERVICE

AVAILABILITY

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

RATE

Volume Charge (per 1,000 gallons used per billing period) \$6.54



Schedule WATERG
Effective July 1, 2024
Replaces schedule effective 7/1/2023

GOVERNMENTAL WATER SERVICE

AVAILABILITY

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

RATE

Volume Charge (per 1,000 gallons used per billing period) \$2.97



**Schedule SEWERI
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

SEWER SERVICE (CITY)

AVAILABILITY

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

RATE

A. CUSTOMERS RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

Customer Charge Per Water Consumption Unit	\$22.50 per billing period
Volume Charge (per 1,000 gallons)	\$4.87

The Minimum Bill is the Customer Charge.

B. CUSTOMERS NOT RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

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

- Minimum Bill:
- (1) \$46.85 for estimated discharge of 5,000 gallons or less used per billing period.
 - (2) Rate under A. when actual measured discharge is required under D.

C. CUSTOMERS RECEIVING LOW PRESSURE SEWER PUMP SERVICE

Customer Charge Per Consumption Unit	\$22.50 per billing period
Customer Pump Charge per Consumption Unit	\$54.08 per billing period
Volume Charge (Per 1000 gallons used)	\$4.87

The Minimum Bill is the Customer Charge.

D. See "Conditions" Paragraph on page 2.

Schedule SEWERI
Effective July 1, 2024

Replaces schedule effective 7/1/2023

CONDITIONS

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

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

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

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

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

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

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



**Schedule SEWERO
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

SEWER SERVICE (RURAL)

AVAILABILITY

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

RATE

A. CUSTOMERS RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

Customer Charge Per Water Consumption Unit	\$38.24 per billing period
Volume Charge (Per 1,000 gallons per billing period)	\$8.28

The Minimum Bill is the Customer Charge.

B. CUSTOMERS NOT RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

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

- Minimum Bill:
- (1) \$79.64 for estimated discharge of 5,000 gallons or less per billing period
 - (2) Rate under A. when actual measured discharge is required under D.

C. CUSTOMERS RECEIVING LOW PRESSURE SEWER PUMP SERVICE

Customer Charge Per Consumption Unit	\$38.24 per billing period
Customer Pump Charge per Consumption Unit	\$54.08 per billing period
Volume Charge (Per 1000 gallons per billing period)	\$8.28

The Minimum Bill is the Customer Charge.

D. See "Conditions" Paragraph on page 2.

SCHEDULE SEWERO

Effective July 1, 2024

Replaces schedule effective 7/1/2023

CONDITIONS

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

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

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

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

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

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

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



**Schedule SEWLIN
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

LARGE INDUSTRIAL SEWER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	\$200.31 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	\$2.65

CONDITIONS

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

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

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

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



**Schedule SEWLO
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

LARGE INDUSTRIAL SEWER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	\$340.53 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	\$4.51

CONDITIONS

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

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

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

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



**Schedule SEWERG
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

GOVERNMENTAL SEWER SERVICE

AVAILABILITY

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

RATE

Customer Charge Per Service Connection	\$25.25 per billing period
Volume Charge (per 1,000 gallons used per billing period)	\$7.25

CONDITIONS

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

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



Effective July 1, 2024
Replaces schedule effective 7/1/2021

WATER AND SEWER FEE SCHEDULE

WATER FEES:

Tap Size	Tap Fee	Meter Set Fee	Service Fee	Total Cost
3/4"	\$1,120	\$180	\$200	\$1,500
1"	\$1,180	\$270	\$400	\$1,850
1 1/2"	\$1,615	\$735	\$600	\$2,950
2"	\$1,850	\$1,350	\$800	\$4,000
3"	\$450	N/A	\$1,000	\$1,450
4"	\$450	N/A	\$1,500	\$1,950
6"	\$550	N/A	\$3,000	\$3,550
8"	\$550	N/A	\$4,000	\$4,550
Hydrant Relocation				\$3,500

Water Tap Fee

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

Meter Set Fee

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

Water Service Fee

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

Effective July 1, 2024

Replaces schedule effective 7/1/2021

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

New Subdivision Water Connection

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

Pre-Tapped Customer Connection - Water

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

Hydrant Relocation Fee

- If it is possible to relocate a hydrant, the hydrant fee will be \$3,500 or actual cost; whichever is greater.

Demolition of Structures - Water

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

SEWER FEES:

Tap Size	Tap Fee	Service Fee	Total Cost
4"	\$950	\$500	\$1,450
6"	\$950	\$600	\$1,550
8"	\$1,000	\$2,000	\$3,000
10"	\$1,050	\$3,000	\$4,050
12"	\$1,100	\$4,000	\$5,100

Sewer Tap Fee

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

Sewer Fees for Taps in NCDOT Streets

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

Sewer Service Fee

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

New Subdivision Sewer Connections

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

Pre-tapped Customer Connections - Sewer

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

Tap Service Fees for Assessment Areas

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

Demolition of Structures - Sewer

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

Effective July 1, 2024

Replaces schedule effective 7/1/2021

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



Effective July 1, 2024
Replaces schedule effective 7/1/2022

MISCELLANEOUS WATER AND WASTEWATER FEES

MISCELLANEOUS WATER FEES:

Hydrant Meter Deposits:

Deposit required for Hydrant Flow Meter	\$1,500.00
---	------------

MISCELLANEOUS WASTEWATER FEES:

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

Pretreatment Surcharges:

<i>High Strength BOD</i>	<i>(For BOD >250 mg/L)</i>	<i>\$0.20 per lb.</i>
<i>High Strength TSS</i>	<i>(For TSS>250 mg/L)</i>	<i>\$0.15 per lb.</i>
<i>High Strength NH3-N</i>	<i>(For NH3-N>15.0 mg/L)</i>	<i>\$0.40 per lb.</i>

Additional Pretreatment Fees:

Non-Significant Industrial User Fees

- | | |
|--|------------------|
| • <i>Permit Application – Initial Permit Development</i> | <i>No Charge</i> |
| • <i>Permit Issuance – Due upon Approval of Permit</i> | <i>\$200.00</i> |
| • <i>Annual Permit Renewal/Modification Fee</i> | <i>\$100.00</i> |

Effective July 1, 2024
Replaces schedule effective 7/1/2022

Sampling & Miscellaneous Fees

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

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

FOG Charges:

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

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

Septage Fees:

Septage Load:	\$75.00/Load (Typical load \leq 2500 gallons)	
	\$150.00/Load (Typical load \geq 2500 gallons)	
After Hours Charge:	\$100.00/Load (Typical load \leq 2500 gallons)	
	\$175.00/Load (Typical load \geq 2500 gallons)	
Annual Permit Fee:	\$125.00 *	

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

Low Pressure Sewer System:

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

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



Schedule ERS21
Effective July 1, 2024
Replaces schedule effective 07/01/2023

RESIDENTIAL ELECTRIC SERVICE

AVAILABILITY

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

Charges are calculated as follows:

	All Year
Basic Facilities Charge	\$18.00
Energy Charges:	
All kWh	\$0.09012 per kWh

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

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



Schedule ELSMW
Effective July 1, 2024
 Replaces schedule effective 7/1/2023

SMALL GENERAL/INDUSTRIAL ELECTRIC SERVICE

AVAILABILITY

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	\$29.00
	All Year
Demand Charge:	
First 30 kW	No Charge
All kW Over 30	\$ 8.50
Energy Charge:	
First 3,000 kWh	\$0.11820 per kWh
All Over 3,000 kWh	\$0.07574 per kWh

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

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



**Schedule EMLG1
Effective July 1, 2024**

Replaces schedule effective 7/1/2023

MEDIUM/ LARGE GENERAL ELECTRIC SERVICE

AVAILABILITY

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	\$100.00
	All Year
Demand Charge:	
All kW	\$8.59 per kW
Energy Charge:	
All kWh	\$0.06224 per kWh

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

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



Schedule EVLGG
Effective July 1, 2024
 Replaces schedule effective 7/1/2023

VERY LARGE GENERAL ELECTRIC SERVICE

AVAILABILITY

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	\$250.00
	All Year
Demand Charge:	
All kW	\$9.00 per kW
Energy charge:	
All kWh	\$0.05728 per kWh

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

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



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

COINCIDENT PEAK ELECTRIC SERVICE

AVAILABILITY

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

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

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

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

TYPE OF SERVICE

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

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

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective October 1, 2016

Replaces schedule effective 7/1/2014

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

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

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

RATE

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

DEFINITION OF "MONTH"

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

DETERMINATION OF BILLING DEMAND

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

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective October 1, 2016

Replaces schedule effective 7/1/2014

On-Peak Periods:

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

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

HOLIDAYS

The following days of each calendar year are considered holidays:

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

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

PEAK MANAGEMENT DAYS

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

EXCESS DEMAND

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

NOTIFICATION BY CITY

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

DETERMINATION OF ENERGY

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

COINCIDENT PEAK ELECTRIC SERVICE

Schedule ECPEAK & ECPK1

Effective October 1, 2016

Replaces schedule effective 7/1/2014

ON-PEAK ENERGY

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

OFF-PEAK ENERGY

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

POWER FACTOR CORRECTION

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

CONTRACT PERIOD

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

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

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



Effective July 1, 2024
Replaces schedule effective 7/1/2023

RENEWABLE ENERGY PORTFOLIO STANDARDS (REPS) CHARGE

APPLICABILITY

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

BILLING

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

Monthly Charges			
<u>Customer Type</u>	<u>Renewable Resources</u>	<u>DSM/Energy Efficiency</u>	<u>Total REPS Charge</u>
Residential Account	\$ 0.82	\$0.00	\$ 0.82
Commercial Account	\$ 4.47	\$0.00	\$ 4.47
Industrial Account	\$46.08	\$0.00	\$46.08

EXCEPTIONS

Industrial and Commercial Customer Opt-out

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

Auxiliary Service Accounts

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

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

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



Effective July 1, 2024
Replaces schedule effective 7/1/2023

ELECTRIC RATE RIDER RECR-1
Renewable Energy Credit Rider

AVAILABILITY

This optional rate rider is applicable to customers who had systems installed before July 1, 2024 on any City of Shelby (“City”) rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, with or without battery storage, located and utilized at the customer’s primary residence or business. To qualify for this rate rider, the customer must have complied with the City’s Interconnection Standards and have an approved Interconnection Request Form. As part of the Interconnection Request Form approval process, the City retains the right to limit the number and size of renewable energy generating systems installed on the City’s System. The generating system that is in parallel operation with service from the City and located on the customer’s premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City’s applicable renewable energy interconnection interface criteria. Qualified customers must be generating energy for purposes of a “buy-all/sell-all” arrangement to receive credits under this rate rider. That is, the City agrees to buy all and the customer agrees to sell all of the energy output and associated energy from the renewable energy resource. Customers with qualified systems may also apply for NC GreenPower credits or sell Renewable Energy Certificate (“REC”) credits.

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

MONTHLY CREDIT

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

	<u>Variable</u>
On-Peak energy*	\$0.04041
Off-Peak energy	\$0.01366

* These energy credits include a capacity component.

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

MONTHLY ENERGY

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

ON-PEAK ENERGY

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

OFF-PEAK ENERGY

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

CONTRACT PERIOD

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

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

GENERAL

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

SPECIAL CONDITIONS

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

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



Effective July 1, 2024
Replaces schedule effective 7/1/2023

ELECTRIC RATE RIDER RECR-2
Renewable Energy Credit Rider

AVAILABILITY

This optional rate rider is available to customers who had systems installed after July 1, 2024 or if an existing system may elect this rider after July 1, 2023 and are on any City of Shelby (“City”) rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, with or without battery storage, located and utilized at the customer’s primary residence or business. To qualify for this rate rider, the customer must have complied with the City’s Interconnection Standards and have an approved Interconnection Request Form. The generating system that is in parallel operation with service from the City and located on the customer’s premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City’s applicable renewable energy interconnection interface criteria. Customers with qualified systems may also sell Renewable Energy Certificate (“REC”) credits.

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

MONTHLY CREDIT

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

	<u>Variable</u>
On-Peak energy*	\$0.04041
Off-Peak energy	\$0.01366

* These energy credits include a capacity component.

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

MONTHLY ENERGY

Monthly Energy shall be the net kWh of energy produced by the generating facility in a month which in some cases is the calendar month and exported to the utility.

ON-PEAK ENERGY

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

OFF-PEAK ENERGY

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

CONTRACT PERIOD

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

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

GENERAL

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

SPECIAL CONDITIONS

The customer's service shall be metered with a bi-directional meter, which measures the energy provided by the City and used by the customer, and measures the amount of energy generated by the customer's renewable energy generator and exported to the City.

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



**Schedule EDR
Effective December 1, 2021**

ECONOMIC DEVELOPMENT RIDER

APPLICABILITY

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

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

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

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

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

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

MONTHLY CREDIT

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

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

APPLICATION OF CREDIT

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

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

Contract Period

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



Effective July 1, 2024
Replaces schedule effective 7/1/2022

OUTDOOR LIGHTING SCHEDULE

Standard Outdoor LED Lighting Rental Rate

<u>Road Focus Fixture</u>	<u>Monthly Rate</u>
40 Watt 30' Wooden Pole	\$12.03
73 Watt 30' Wooden Pole	\$13.37
161 Watt 30' Wooden Pole	\$16.86

Specialty Outdoor LED Lighting Rental Rate

<u>American Revolution Fixture</u>	<u>Monthly Rate</u>
Wadsworth Pole	\$26.39
Hadco Pole	\$22.81
Shakespeare Pole 15'	\$17.23
Shakespeare Pole 18'	\$17.83
<u>Washington Fixture</u>	
Wadsworth Pole	\$37.88
Hadco Pole	\$34.30
Shakespeare Pole 15'	\$28.73
Shakespeare Pole 18'	\$29.33
<u>Independence Fixture</u>	
Wadsworth Pole	\$32.74
Hadco Pole	\$29.16
Shakespeare Pole 15'	\$23.58
Shakespeare Pole 18'	\$24.18

Outdoor Lighting Schedule
Effective July 1, 2024

Granville III Fixture

Monthly Rate

Burlington Pole	\$41.29
Wadsworth Pole	\$33.89
Hadco Pole	\$30.30
Shakespeare Pole 15'	\$24.73
Shakespeare Pole 18'	\$25.33

Road Focus Fixture

40 Watt 26' Fiberglass Pole	\$18.05
40 Watt 35' Fiberglass Pole	\$19.85
73 Watt 26' Fiberglass Pole	\$19.40
73 Watt 35' Fiberglass Pole	\$21.20
161 Watt 26' Fiberglass Pole	\$22.89
161 Watt 35' Fiberglass Pole	\$24.69

Additional Equipment Cost Due Before Installation

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



Effective July 1, 2019

ELECTRIC EVENT PANEL FEES

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

Event panel

Energy charge - \$5.00/day

Rental charge - \$10.00/day

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

Multiple panels are available for rental.

Stage panel

Energy charge - \$10.00/day

Rental charge - \$100.00/day

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

Full Day Rentals Only

Must be paid in advance with event application.



Effective July 1, 2024
Replaces schedule effective 7/1/2019

ELECTRIC INCENTIVES

	<u>Existing Home</u>	<u>New Construction</u>
Air Source Heat Pump 15.2–17.1 SEER2	\$300	\$400
Air Source Heat Pump 17.2+ SEER2	\$400	\$400
Geothermal Heat Pump	\$500	\$500
Water Heater	\$150	\$150



Effective June 4, 2024

ELECTRIC INSTALLATION AND RELOCATION FEES

Type	Requirements	Cost
All Electric Service Lines	Up to 100' of Service	\$300
	All Services over 100'	\$300 + \$10 per ft. over 100'
Electric Infrastructure for all dwellings except apartments*	Per Unit	\$2,200
Electric for Apartments per Infrastructure *	Per Unit	\$1,300

* If a decorative streetlight, other than the City standard decorative pole and fixture is preferred, the additional cost will be the responsibility of the developer and cost will be added to the per unit cost.

All extensions receive up to 200' free. All extension costs beyond that shall be the responsibility of the developer/customer.

All relocations shall be at actual cost and paid by the developer/customer prior to scheduling.



Effective March 18, 2024

CITY OF SHELBY NATURAL GAS
GENERAL TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

Force majeure – A force majeure event shall mean any act of God; war or other acts of civil or military authority; riot; civil strife; act of terrorism, domestic or foreign; embargo; epidemic(s); governmental rule, regulation, or decree; earthquake, flood, fire, hurricane, tornado, or other

casualty; freezing of wells or lines of pipe; or the unavailability of labor or materials to the extent beyond the control of the affected party.

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

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

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

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

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

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

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

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

Customer:
Name and Address of Company Official

Email address:

State – State of North Carolina

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

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

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

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

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

Service.

1. A meter of suitable capacity and design shall be furnished and installed on Customer’s premises by the City and shall be and remain the property of the City. Customer shall provide suitable space for the City’s meter and shall protect it from damage. The City’s representatives are hereby authorized to enter said premises at all reasonable hours for the purpose of inspecting customer’s lines and appliances for using natural gas and for reading, inspecting, repairing, or removing its meter and other property. The City will inspect such meters from time to time. Upon written request of the customer, the City will inspect such meters at any reasonable time, if such meters are found to register correctly, the cost of such inspection may be charged to the customer. Please refer to the Customer Service Policy and Schedule of Fees and Charges (Appendix A) for applicable fees. Meters shall be deemed to register correctly if the error is less than two percent (2%).

2. The point of delivery of such service shall be the outlet side of the meter. Upon completion of any and all necessary inspections and issuance of corresponding permits, the City shall not be liable to the customer or any of their agents, assigns, servants, or employees, or to any person whomsoever, for any loss, damage, or injury to person or property resulting from said gas or its use after it leaves said point of delivery, all risk thereof and therefrom being assumed by the customer, except when caused by the exclusive negligence or willful acts of the employees of the City.
3. Customer agrees that all appliances, equipment, and piping beyond the point of delivery will be installed according to applicable codes and maintained in a safe condition. A violation of this provision shall be grounds for the City to immediately discontinue service until the condition is corrected and inspected.

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

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

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

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

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

to perform. Refusal of a party to accede to demands of labor shall not deny that party the benefits of this provision.

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

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

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

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

opt-out or to opt-in to the WACOG1 average incremental cost of gas supply. Intentions must be made by March 31 of each calendar year to be eligible for the upcoming winter hedges.

CUSTOMER DIRECTED HEDGING POLICY

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

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

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

Guidelines for Customer Directed Hedging Policy

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

9. A Customer is not eligible to become a Transportation Gas Service customer during any year that they have directed the City to make hedges on any portion of their gas supply.
10. Should the actual usage, over the period of this agreement, be ten percent over or under your projection, we reserve the right to recover any resulting additional costs the City may incur due to this overage or under-usage.



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

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

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

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

[Signatures to Follow]

Customer

City of Shelby

Customer Name

City Approved Effective Date

Company Official Name and Title

City Manager

Signature

Signature

Date

Date

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



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

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

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

Customer

City of Shelby

Customer Name

City Approved Effective Date

Company Official Name and Title

City Manager

Signature

Signature

Date

Date

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



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

RESIDENTIAL GAS SERVICE

AVAILABILITY

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

CHARACTER OF SERVICE

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

MEASUREMENT, BILLING AND PAYMENT

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

RATE

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

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

FC = Monthly Facilities Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

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

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

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

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



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

GENERAL COMMERCIAL AND INDUSTRIAL GAS SERVICE

AVAILABILITY

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

CHARACTER OF SERVICE

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

MEASUREMENT, BILLING AND PAYMENT

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

RATE

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

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

FC = Monthly Facilities Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

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

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

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

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



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

HIGH LOAD FACTOR GAS SERVICE

AVAILABILITY

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

CHARACTER OF SERVICE

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

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

MEASUREMENT, BILLING AND PAYMENT

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

RATE

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

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

FC= Monthly Facilities Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

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

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

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

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

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



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

INTERRUPTIBLE GAS SERVICE
WITH OR WITHOUT PARTIAL FIRM REQUIREMENTS

AVAILABILITY

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

STANDBY ALTERNATE FUEL CAPACITY

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

CHARACTER OF SERVICE

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

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

MEASUREMENT, BILLING AND PAYMENT

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

RATE

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

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

Total Bill = FC + (U x CR)

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

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

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

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

PROVISIONS:

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

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

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

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

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



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

INDUSTRIAL FIRM
TRANSPORTATION GAS SERVICE

AVAILABILITY

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

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

CHARACTER OF SERVICE

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

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

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

RATE

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

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

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

DETERMINATION OF DELIVERIES

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

BALANCING OF TRANSPORTATION VOLUMES

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

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

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

Customer's Agent before proceeding with a unilateral nomination reduction or delivery curtailment and will notify Customer of any reduction to Customer's nomination that has been instituted by the City.

Any time the Customer is consistently using more or less gas than is being delivered to the City for the Customer's account, it shall be the Customer's responsibility to bring its supply and requirements into balance. Customers must balance within 5% of their monthly deliveries and within 10% of their daily deliveries in order to maintain the integrity of the system under normal operating conditions.

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

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

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

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

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

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

LATE PAYMENT CHARGE

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

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

SPECIAL PROVISIONS

1. The customer will operate within the guidelines required by Williams Transco Gas Pipeline (transporter). When requested by the City, the Customer, or its agent, shall inform the City, by 8:30 am (or other time prescribed by the City) of the working day prior to the day(s) the gas is to be delivered, of the anticipated consumption level and the volume requested for delivery. At that time, the City, or its agent, shall inform the Customer of any restrictions on the volume requested for delivery.
2. The Customer, or its agent, is responsible for all of the necessary arrangements and notification for the scheduling of transportation on the pipeline.
3. The Customer, or its agent, must purchase the necessary software package provided by Williams Transco Gas Pipeline to make possible daily monitoring of gas flows.
4. Gas transported on this schedule shall be separately metered and shall not be used interchangeably with firm gas purchased or transported on any schedule.
5. The term of the contract shall be for a term of not less than one year.
6. Customers must remain on this tariff schedule for a period of no less than 12 months before switching tariffs or service.

RECONNECTION CHARGE

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



**Schedule SMI
Effective December 1, 2021**

SMALL/MEDIUM INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

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

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

CHARACTER OF SERVICE

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

MEASUREMENT, BILLING AND PAYMENT

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

MONTHLY RATE

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

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

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

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

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

Small/Medium Industrial Firm Gas Service

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

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

LATE PAYMENT CHARGE

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



Schedule 46
Effective March 18, 2024
Replaces schedule effective 7/1/2018

LARGE INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

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

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

CHARACTER OF SERVICE

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

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

MEASUREMENT, BILLING AND PAYMENT

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

Schedule 46
Large Industrial Firm Gas Service
Effective March 18, 2024
Replaces schedule effective 7/1/2018

RATE

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

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

MDQ = Maximum Daily Quantity elected for term July 1 – June 30th, Dt/day

D = Monthly Demand Charge

U = Customer Monthly Usage in CCF

CR = Total Commodity Rate for the current period in CCF

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

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

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

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

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

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

Schedule 46
Large Industrial Firm Gas Service
Effective March 18, 2024
Replaces schedule effective 7/1/2018

NOTIFICATION OF MONTHLY AND DAILY USE

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

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

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

LATE PAYMENT CHARGE

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



Effective April 15, 2024
Replaces Incentives Effective 8/7/2018

NATURAL GAS FEES AND INCENTIVES

Single Family Homes, Duplexes, and Stand-Alone Businesses

	<u>Requirement</u>	<u>Cost</u>
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

	<u>Requirement</u>	<u>Cost</u>
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

	<u>Requirement</u>	<u>Cost</u>
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)

<u>Appliance</u>	<u>Rebate Amount</u>
Primary Heat	\$200.00 1 st standard furnace \$100.00 2 nd 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 st dual fuel furnace \$100.00 2 nd dual fuel furnace
Water Heater (Tank or Tankless)	\$200.00 1 st water heater \$100.00 2 nd 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.



Effective July 1, 2024
Replaces schedule effective 7/1/2023

STORMWATER UTILITY FEE

<u>Type</u>	<u>Monthly Fee</u>
Residential	\$4.00
Commercial	
1 – 2 ERU	\$8.00
3 – 5 ERU	\$16.00
6 – 10 ERU	\$24.00
11 – 25 ERU	\$40.00
26 – 50 ERU	\$120.00
51 – 100 ERU	\$240.00
101 – 200 ERU	\$480.00
201 – 500 ERU	\$960.00
501 – 1000 ERU	\$1,920.00
1001+ ERU	\$3,200.00

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

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



Effective July 1, 2018

Replaces schedule effective 7/1/2014

STORMWATER UTILITY FEE CREDIT PROGRAM

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

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

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

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

LEGAL NOTICE

NOTICE OF PUBLIC HEARING

In accordance with North Carolina General Statutes 159-11 and 159-12, the proposed budget for the City of Shelby's Fiscal Year 2024-2025 will be open for public inspection beginning May 24, 2024, on the City's website (www.cityofshelby.com) and beginning May 24, 2024 in the Office of the City Clerk, City Hall-Administration, 300 South Washington Street, Shelby, North Carolina, during regular business hours from 8:00 a.m. to 5:00 p.m.

The Shelby City Council will conduct a public hearing on the proposed budget for the City of Shelby's Fiscal Year 2024-2025 on Monday, June 3, 2024, at 6:00 p.m. The public hearing will be held at the Don Gibson Theatre, 318 South Washington Street, Shelby, North Carolina, at which time the general public will have opportunity to make any comments or recommendations relative to the proposed budget.

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

Carol Williams
City Clerk

May 24, 2024

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

C. Consent Agenda:

Agenda Item: C-1

- 1) Approval of the Minutes of the Special Meeting of April 30, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Special Meeting of April 30, 2024

City Manager's Recommendation / Comments

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

MINUTES OF SHELBY CITY COUNCIL

Special Meeting – Budget Workshop
Don Gibson Theatre

April 30, 2024
Tuesday, 12:14 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members David Causby, Violet Arth, Charles Webber, Andrew Hopper, Sr., Emilie Bullock, and David W. White, City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin Longino, MBA, Assistant City Manager Ben Yarboro, City Attorney Jason Lunsford, City Clerk Carol Williams, Director of Finance Elizabeth (Beth) B. Beam, CPA, Public Information and Communications Officer Chip Nuhrah, Director of Human Resources Deborah C. (Deb) Jolly, Police Chief Brad Fraser, Fire Chief William P. Hunt, MPA, EFO, Public Works Director Scott Black, Director Parks and Recreation Charlie Holtzclaw, and Economic Developer Brandon Ruppe

Mayor Anthony called the meeting to order at 12:14 p.m. and welcomed all who were in attendance.

Mr. Howell provided a summary of what is included in this year's budget:

- No property tax rate increase. The property tax recommended to remain at 51.75 cents per \$100 valuation.
- A proposed increase of \$5.00 in the monthly solid waste collection fee for all customer classifications. (Example: residential collection will go from \$13.93 to \$18.93 per month.)
- Year 1 of 3 labor market adjustments. 5% increase for sworn law enforcement and 10% increase for IT staff.
- A 2.5% increase for all city employees' effective with first payroll in July and another 2.0% increase effective the first payroll in January.
- A 6% increase in health insurance premiums. This follows very low to zero premium increases in the past despite high claims.

Mr. Howell expanded the summary by stating:

- The growth in the overall tax base has slowed mainly due to the slowing of industrial growth; we have had some increase in residential growth but not a significant amount.
- 2025 is a revaluation year; some surrounding areas have shown increases of 50% in property values; we can probably expect similar numbers.
- Next year's budget will show a revenue neutral rate compared to the new revaluation rate.
- We've forecasted very moderate growth for property tax collections this year.
- The proposed \$5.00 increase in solid waste fees would put the City at about 91% as far as being self-supporting.

- Instead of doing a market analysis every three or four years, the City decided to split all positions into three groups and have a market adjustment for one-third of our employees each year; we are back to the Year 1 classifications.
- Our IT department is mainly paid out of allocated costs, which come largely from allocations from utilities.
- A 2.5% increase in July and a subsequent increase in January of 2.0% is comparable to other municipalities in our area which are averaging about 5% increases this year; this will get us on the January cycle for salary increases.
- This year our health insurance claims were at 139% utilization which means we had 39% higher claims paid than premiums paid.

Mr. Howell discussed the General Fund Revenues and the proposed increase in each fund for 2024-2025. Sales tax rose significantly during the pandemic, but it is starting to slow down this fiscal year. Other significant revenue funds include the Unrestricted Intergovernmental Fund which is the Utility Franchise tax and Sales and Services which includes the solid waste collection fee.

Mr. Howell presented the Property Tax Rate Comparison chart which shows how Shelby compares to other municipalities with comparable populations. Shelby still has one of the lowest tax rates at 51.75 cents per \$100 valuation.

Next, Mr. Howell presented another Property Tax Rate comparison chart which shows how Shelby compares to neighboring municipalities. Most of these municipalities had revaluations in 2023 and the City is still competitive based on its tax rate.

Mr. Howell showed the Local Option Sales tax chart and explained that out of the \$3.7 billion the State receives, Cleveland County gets about \$36 million, and the City of Shelby receives approximately \$6 million from Cleveland County, which is approximately 13.39%. There is an agreement between the County and the City that the percentage cannot go below 12.97% through 2032.

Mr. Howell briefly spoke about the Utility Sales tax which is made up of multiple taxes and is approximately \$2 million of our budget. Mr. Howell stated we will most likely remain at that amount for many years to come unless the legislature makes a change.

Mr. Howell went over the General Fund Expenditures which is Personnel, Operating, Capital and Debt Service for each department. In this year's budget Mr. Howell has proposed adding two additional full-time staff, one in the IT department and one at the Airport. Mr. Howell stated there is only a proposed 1.7% change overall in expenditures in the General Fund.

To recap, Mr. Howell listed that there is no increase in the property tax rate,

there is a proposed \$5.00 increase in the solid waste collection fee, and 2 new positions (one in IT and one at the Airport).

Mayor Anthony inquired about the proposed \$5.00 increase in the solid waste collection fee and wondered if it would be better if we increased that fee incrementally, instead of all at once. Mr. Howell stated this is a valid request, and something he will look into.

Mr. Howell concluded by stating the Utility Funds will be discussed at the next budget workshop with a balanced budget to follow, and a public hearing possibly on May 20th.

ADJOURNMENT

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 1:30 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Special Meeting Minutes of April 30, 2024

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-2

2) Approval of the Minutes of the Special Meeting of May 14, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Special Meeting of May 14, 2024

City Manager's Recommendation / Comments

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

MINUTES OF SHELBY CITY COUNCIL

Special Meeting – Budget Workshop
Don Gibson Theatre

May 14, 2024
Tuesday, 12:10 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members David Causby, Violet Arth, Charles Webber, Andrew Hopper, Sr., Emilie Bullock, and David W. White, City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin Longino, MBA, Assistant City Manager Ben Yarboro, City Attorney Jason Lunsford, City Clerk Carol Williams, Director of Finance Elizabeth (Beth) B. Beam, CPA, Director of Human Resources Deborah C. (Deb) Jolly, Director of Public Works Scott Black, Police Chief Brad Fraser, Fire Chief William P. Hunt, MPA, EFO, Director of Water Resources Brian Wilson, Ronnie Davis, Electric Department Operations Manager, and Economic Developer Brandon Ruppe

Mayor Anthony called the meeting to order at 12:10 p.m. and welcomed all who were in attendance.

Mr. Howell stated his goal is to have the budget message ready by the May 20th Council meeting and the Public Hearing for the budget on June 3rd; Council can vote on the budget after the Public Hearing or wait until the next meeting which is on June 17th. Today the focus is on the City's Enterprise funds. The presentation and all handouts are hereby incorporated by reference and made a part of these Minutes.

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

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

- North Carolina General Statute 159-9 designates the City Manager as the budget officer. North Carolina General Statute 159-11 requires submission of a balanced budget and budget message prior to June 1 each year, which does not have to occur at a formal Council meeting.
- The City Manager is obligated as the Chief Operating Officer to submit a responsible budget that provides for desired service levels and addresses Council's goals and priorities for the City.

- North Carolina General Statute 159-13(b) (14) directs and limits no appropriation may be made from a utility or public service enterprise fund to any other fund than the appropriate debt service fund unless the total of all other appropriations in the fund equal or exceed the amount that will be required during the fiscal year, as shown by the budget ordinance, to meet operating expenses, capital outlay, and debt service on outstanding utility or enterprise bonds or notes.

Mr. Howell stated that the overview of the Enterprise funds will include a description and explanation of revenue sources and discussion of significant budget expenditures.

SEWER FUND

Mr. Howell stated that 95% of the money we spend in the Sewer Fund comes from our sewer revenues, the other 5% comes from connection fees, proceeds from financing, grease trap inspection fees, late fees and other minor incomes.

Sewer Revenue notes:

- A 4% sewer rate increase is proposed that will generate approximately \$250,000 annually. The 4% sewer rate increase amounts to about \$1.27 per month for the average inside customer.
- A proposed transfer of approximately \$500,000 comes from the Natural Gas fund and the Economic Development fund to the Sewer fund which will pay the sewer fund's portion of the debt issued for Project Grizzly (Clearwater S2).
- One-time appropriations to net retain earnings will fund capital projects and system improvements.

Sewer Expenditure notes:

- Spending increases due to personnel costs.
- Debt service is up due to equipment debt taken this year, the debt issued for Project Grizzly, and also the Biosolids Project debt.
- Capital spending is up significantly as well.
- A 2.5% salary increase in July and a subsequent increase of 2.0% in January, 2025; will result in the City being on a January cycle for salary increases. Water Resources will get an additional 5% increase this year.

- A 6% health insurance increase is proposed due to our utilization rate being above our premium rate.
- Debt service increase - \$310,000 is the Project Grizzly sewer debt, the rest is debt incurred for capital equipment and vehicles
- System improvements are budgeted for \$475,000 with focus on infiltration and inflow, right of way clearance, and rehabilitation projects.

Mr. Howell stated the sewer fund is in sound condition with over \$4 million in net cash reserves for capital projects.

WATER FUND

Mr. Howell stated that 85% of the money we spend in the Water Fund comes from our water revenues, the other 15% comes from connection fees, tap fees, late fees and other minor incomes.

Water Revenue notes:

- A 4% water rate increase is proposed that will generate approximately \$250,000 annually. The 4% water rate increase amounts to about \$1.17 per month for the average inside customer.
- A proposed transfer comes from the Natural Gas fund and the Economic Development fund to the Water fund which will pay the water fund's portion of the debt issued for Project Grizzly (Clearwater S2).
- One-time appropriation of \$410,000 to net retain earnings will fund capital projects and system improvements

Water Expenditure notes:

- Spending increases due to personnel costs including salary enhancements.
- Capital spending is up significantly.
- A 2.5% salary increase in July and a subsequent increase of 2.0% in January, 2025; will result in the City being on a January cycle for salary increases. Water Resources will get an additional 5% increase this year.
- A 6% health insurance increase is proposed due to our utilization rate being above our premium rate.

- Debt service is high due to the Project Grizzly water debt, the rest is debt incurred for the two new clear well tanks, pumping station and other improvements at the Water Plant capital equipment and vehicles.
- System improvements are budgeted to invest back into the system.

STORMWATER FUND

The Stormwater Program started about ten years ago with a charge of \$1.50 and since then there have been incremental increases.

Stormwater Revenue notes:

- Proposed Stormwater rate for 2024-2025 budget will increase from \$2.63/month to \$3.31/month. This increase will amount to approximately \$250,000 annually. Our monthly rate is still lower than comparable municipalities in our area.

Stormwater Expenditure notes:

- Personnel costs are down due to shifting a couple positions to the Electric budget.
- Very little debt service in this fund, and it's mainly rolling stock equipment.
- One-time appropriation will help fund capital projects and system improvements.
- A 2.5% salary increase in July and a subsequent increase of 2.0% in January, 2025; will result in the City being on a January cycle for salary increases. Water Resources will get an additional 5% increase this year.
- A 6% health insurance increase is proposed due to our utilization rate being above our premium rate.
- Proposed to borrow \$350,000 to purchase a street sweeper with financing over a five-year period. Street sweepers last around 7 - 8 years.
- Continuation of the Stormwater Assistance Program is important. The additional \$250,000 generated from the Stormwater rate increase will help alleviate the backlog of stormwater repairs and projects.

NATURAL GAS FUND

Mr. Howell stated the Natural Gas Fund is hard to budget for because natural gas is traded as a commodity on the market. The budget is an educated guess as to what the average cost of gas will be and the amount of gas we anticipate using. The City charges our customers what it costs us to buy the gas at a weighted average cost, plus our operating costs.

Natural Gas Revenue notes:

- No increase in the margin rate is recommended for this coming fiscal year.
- Overall, there is a decrease in revenues of 3.8%.

Natural Gas Expenditure notes:

- Debt service is up slightly which is part of the Project Grizzly debt.
- Capital spending is up slightly.
- There are transfers to other funds (Water and Sewer).
- Personnel costs are up.
- A 2.5% salary increase in July and a subsequent increase of 2.0% in January, 2025; will result in the City being on a January cycle for salary increases.
- A 6% health insurance increase is proposed due to our utilization rate being above our premium rate.
- Operating costs are down and are largely dependent on the weather.

The City buys natural gas directly from Williams Transco pipeline; we pay fees to Williams Transco and other transport costs in addition to the costs of gas.

There is a \$2.4 million transfer to the General Fund; this amount has not changed in 15 years. The Natural Gas Fund cannot afford to transfer anymore because it pays debt to the Water and Sewer Funds. Also, the average US customer uses 20 – 25% less gas today than they did years ago.

ELECTRIC FUND

A proposed 3.5% retail rate decrease will result in the average customer bill decreasing by around \$4.00/month.

Electric Revenue notes:

- Expect to have some revenue growth, not a huge amount.
- A one-time credit from the NCMPA1 in the amount of \$3.4 million.
- Fund balance appropriation of over \$1 million.

Electric Expenditure notes:

- Personnel costs are up due to moving two positions into the Electric Department.
- Capital spending is reduced from previous year.
- Wholesale power for resell is down about \$1 million.
- A 2.5% salary increase in July and a subsequent increase of 2.0% in January, 2025 will result in the City being on a January cycle for salary increases.
- A 6% health insurance increase is proposed due to our utilization rate being above our premium rate.

ADJOURNMENT

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 1:22 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Special Meeting Minutes of May 14, 2024

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-3

3) Approval of the Minutes of the Regular Meeting of May 20, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of May 20, 2024

City Manager's Recommendation / Comments

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

MINUTES OF SHELBY CITY COUNCIL

Regular Meeting of Shelby City Council
Don Gibson Theatre

May 20, 2024
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., David Causby, Charles Webber, Violet Arth, David White, 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 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, Public Information and Communications Officer Chip Nuhrah, Economic Developer Brandon Ruppe, 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.

Mr. Webber 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. Public Comment:

None

C. Public Hearing:

- 1) Consideration of two resolutions regarding Laurel Hill Apartments:

- a) Approval of a resolution approving financing team and making certain findings with respect to the issuance of Multifamily Housing Revenue Bonds for Laurel Hill Apartments: Resolution No. 36-2024

b) Approval of a resolution authorizing the issuance and sale of Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) (Laurel Hill Apartments), Series 2024: Resolution No. 37-2024

Jason Lunsford, City Attorney presentation:

- The City previously approved a resolution giving preliminary approval to issue revenue bonds that will be used by the developer in rehabilitating Laurel Hill Apartments; essentially, authorizing the City to be the bond conduit of the revenue bonds.
- The two current resolutions state the findings with respect to the issuance of the bonds and authorize the City to act as the conduit under the Housing Authority.
- The City bears no financial responsibility, the City is just the issuer of bonds which cannot exceed \$10 million.

Connor Crews, Bond Counsel, McGuire Woods LLP:

- The Findings Resolution (No. 36-2024) is required because the term of the bonds exceeds five years and when that is the case the Local Government Commission has to approve that issuance. The City has to make certain findings which are stated in the Resolution.

Mayor Anthony opened the public hearing at 6:06 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 6:07 p.m.

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to approve Resolution No. 36-2024 entitled, "A RESOLUTION APPROVING FINANCING TEAM AND MAKING CERTAIN FINDINGS WITH RESPECT TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR LAUREL HILL APARTMENTS" and Resolution No. 37-2024 entitled, "A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF MULTIFAMILY TAX-EXEMPT BONDS (FANNIE MAE MBS-SECURED) (LAUREL HILL APARTMENTS), SERIES 2024."

- 2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 30176, 30181, 30190, 30191: Ordinance No. 39-2024

Justin Longino, Assistant City Manager presentation:

- Applicant wishes to amend the zoning district from R10 to CPD (Corridor Protection District) to allow for commercial uses.
- Combined the parcels are approximately 1.72 acres and currently undeveloped.
- CPD is consistent with the surrounding area, and consistent with the Future Land Use Map.
- Staff and Planning Board recommends the approval of the rezoning.

Mayor Anthony opened the public hearing at 6:10 p.m.

Don Peeler who resides at 101 Apple Hill Drive, Shelby, North Carolina, spoke as the real estate broker involved in this proposed zoning amendment. Mr. Peeler stated the owner wishes to build a convenient store and gas station on these parcels with the business fronting South Lafayette Street, and no plans for commercial development on Oxford Circle.

Lauren Dixon who resides at 1753 S. Lafayette Street, Shelby, North Carolina spoke against the proposed zoning amendment. Ms. Dixon stated

- Her great grandfather built her house, she hopes to pass it on to her children, there's sentimental value to her home.
- She already has to pick up trash in her yard from The Dollar General being on another corner nearby.
- She doesn't see the need for another gas station and convenience store since there's a gas station down the street and The Dollar General across the street.

Tucker King who resides at 1753 S. Lafayette Street, Shelby, North Carolina spoke against the proposed zoning amendment. Mr. King stated he moved here from Chicago and enjoys the trees and nature in the area. Mr. King stated there is also a cemetery nearby and didn't think it was appropriate to have a gas station next to the cemetery.

Mr. Lunsford reminded City Council that even though Mr. Peeler stated what the developer plans to build, once the property is rezoned it opens the property up to many uses. Ms. Arth listed several permitted uses under the Corridor Protection District. Mr. Webber wondered about keeping the aesthetics conducive to the area. Mr. Lunsford stated this is not a conditional rezoning.

Mayor Anthony closed the public hearing at 6:15 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council

voted 4 – 2 (Arth, Bullock opposed) to approve Ordinance No. 39-2024 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 30176, 30181, 30190, 30191 due to it being consistent with the Shelby’s adopted comprehensive plan and based on an approval from the planning board; this zoning request is reasonable because the adjacent property is also zoned CPD and it is consistent with the future land use plan; this rezoning would be consistent with the surrounding area and reasonable given the present commercial uses within the area and the Zoar Baptist Church to the North.”

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 20448 and 20453: Ordinance No. 40-2024

Justin Longino, Assistant City Manager presentation:

- Applicant wishes to amend the zoning district from R8 to General Business (GB) at 900 Mark Drive, Shelby, North Carolina.
- Maranatha Baptist Church and the church parsonage are on the two parcels which consist of approximately 2.41 acres and are located in the Corridor Revitalization Area.
- General Business zoning district is consistent with the surrounding area, and consistent with the Future Land Use Map.
- Staff and Planning Board recommends the approval of the rezoning.

Mayor Anthony opened the public hearing at 6:25 p.m.

James Davidson who resides at 1513 Rhyne Street, Shelby, North Carolina is the applicant and pastor of Maranatha Baptist Church. Mr. Davidson stated the reason for the zoning amendment request is so the church can erect an antenna for a low power FM radio station. Mr. Davidson said the church has already obtained the FCC permit.

Mayor Anthony closed the public hearing at 6:27 p.m.

ACTION TAKEN: Upon a motion made by Mr. Causby, City Council voted unanimously to approve Ordinance No. 40-2024 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 20448 AND 20453 located at 900 Mark Drive due to it being consistent with Shelby’s adopted comprehensive plan and based on an approval from the planning board.”

D. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of May 6, 2024**
- 2) Approval of Special Event applications:**
 - a) First Friday at Greenbrook Design, requested date: June 7, 2024**
- 3) Management Reports:**
 - a) Planning Report – March/April 2024**
 - b) Raper-Roark Report – April 2024**

END OF CONSENT AGENDA

E. Unfinished Business:

None

F. New Business

- 1) Consideration of appointments to City advisory boards and commissions:**
 - a) Alcoholic Beverage Control Board**

Mayor Anthony reported that David Schweppe is up for reappointment and wishes to continue to serve. There are twelve applications on file in the Clerk's office.

Mayor Anthony opened the floor for nominations:

- Mr. Webber nominated Phil Reid**
- Ms. Arth nominated Mark Turner**
- Mr. White nominated David Schweppe**

Mr. Reid received one vote (Webber)

Mr. Turner received two votes (Arth, Hopper)

Mr. Schweppe received three votes (White, Bullock, Causby).

Second Round of Voting: The recipient of the least amount of votes was removed (Phil Reid) from the second round of voting.

**Mr. Schweppe received three votes (White, Bullock, Causby)
Mr. Turner received three votes (Arth, Hopper, Webber)
Mayor Anthony voted for Mr. Turner, breaking the tie (4 – 3).**

Mr. Turner was appointed to the Alcoholic Beverage Control Board for a three-year term, concluding in April 2027.

G. City Manager's Report:

Mr. Howell stated the budget for 2024-2025 documents will be published on the City's website by Wednesday afternoon and the Public Hearing for the budget is scheduled for June 3, 2024.

The budget outlines all the expenditures and the revenues for each operating fund of the City. The overall budget for 2024-2025 is \$104,713,489. The tax rate is set to stay at 51.75 cents per \$100 valuation.

The primary driver on the spending side are wages and a salary increase which consists of 2.5% for all city employees in July, and an additional 2% for all city employees in January, 2025.

In addition, 5% salary market adjustments will be made to sworn police, and Water Resources staff and a 10% salary market adjustment will be made to IT staff. No additional market increase in Electric due to significant increases two years ago.

The City will also see a 6% increase overall in health insurance costs.

Mr. Howell concluded by stating his budget message, the budget ordinance and supplemental budget ordinance will be published on the website. Line-item budgets will also be available for public inspection.

H. Council Announcements and Remarks:

Mayor Anthony mentioned on May 21st the groundbreaking for the new Cleveland County Justice Center will be at 4:00 p.m.

On Saturday, May 25th the Firefighter Memorial Service will be at the Fallen Heroes Memorial at Raper-Roark Park at 12:00 p.m. This will be the 45th anniversary of the Uptown Shelby fire.

I. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 6:40 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony, III
Mayor**

Minutes of May 20, 2024

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-4

- 4) Approval of a Resolution honoring Samuel Scott Champion on the occasion of his retirement from employment with the City of Shelby: Resolution No. 38-2024

Consent Agenda Item: (Stan Anthony, Mayor)

Summary of Available Information:

- Memorandum dated May 16, 2024, from Brad Fraser, Chief of Police to Rick Howell, City Manager
- Resolution No. 38-2024

City Manager's Recommendation / Comments

This time is scheduled on your agenda to consider a resolution recognizing Captain Samuel Scott Champion on the occasion of his retirement from employment. In keeping with policy Resolution No. 38-2024 will recognize him for having served the City faithfully for the past 27 years as a City of Shelby Police Officer. He is to be congratulated! Captain Champion will be greatly missed by his fellow police officers.

As is in keeping with current policy Capt. Champion will be presented with a framed resolution, a city lapel pin, and a key to the City. It is customary and appropriate to recognize Scott Champion for his many years of service to the City. Capt. Champion's dedication to the City is to be admired.

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

It is recommended that Resolution No. 38-2024 be adopted and approved via the Consent Agenda.

Shelby Police Department



Memorandum

To: Rick Howell, City Manager
From: Brad Fraser, Chief of Police
Date: May 16, 2024
RE: Retirement Resolution Request; Samuel Scott Champion

Background

Captain Samuel Scott Champion was hired by the City of Shelby as a law enforcement officer on January 3, 1996. On September 1, 2023, Captain Champion retired after twenty-seven years of honorable service to the Shelby Police Department and our community. During his tenure with the Shelby Police Department, Captain Champion served in many roles, including Patrol Officer, Canine Officer, Detective, Detective Sergeant, Patrol Lieutenant, Detective Lieutenant, and rounded out his career serving as the Professional Services Captain. Captain Champion was well known and respected both within the department and in our community. During his tenure, Captain Champion completed over 1,500 hours of law enforcement training and has received his Law Enforcement Advanced Certificate from the North Carolina Criminal Justice Education and Training Standards Commission.

Review

When Captain Champion retired on September 1, 2023, he had twenty-seven years of credible service in the NC Local Government Retirement System. Prior to his retirement, a retirement reception was held in the City of Shelby Council Chambers in honor of his service to our community. During this time, he was honored for his leadership, loyalty, and commitment to protect and serve our community with courage and compassion.

Recommendation

Captain Champion has had a long, successful career with the City of Shelby and has demonstrated his dedication and commitment to public service over the last twenty-seven years. It is recommended that consideration be given honoring Captain Champion's service to our community through a Shelby City Council resolution.

Resolution No. 38-2024

**A RESOLUTION HONORING SAMUEL SCOTT CHAMPION
ON THE OCCASION OF HIS RETIREMENT FROM EMPLOYMENT
WITH THE CITY OF SHELBY**

WHEREAS, on the occasion of his retirement from employment on September 1, 2023, it is fitting for City Council to express its appreciation to Samuel Scott Champion for his loyal service to the City of Shelby from January 3, 1996 to September 1, 2023; and

WHEREAS, Mr. Champion has been a loyal team member in the continuing development of the City of Shelby Police Department and to the City of Shelby government as a whole; and,

WHEREAS, the City of Shelby is most grateful for the professional contributions Mr. Champion has given to all the citizens and organizations within the Shelby community; and,

WHEREAS, the City Council of the City of Shelby wishes to acknowledge and express its appreciation to Mr. Champion for his over 27 years of employment, noting that Mr. Champion will be missed both professionally and as a fellow co-worker.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council publicly express their sincere appreciation to Samuel Scott Champion and extend the very best wishes for a successful, healthy, safe, and happy retirement.

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

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Shelby to be affixed this the 3rd day of June, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-5

- 5) Approval of a Resolution honoring Richard Perry Ivey, Jr. on the occasion of his retirement from employment with the City of Shelby: Resolution No. 39-2024

Consent Agenda Item: (Stan Anthony, Mayor)

Summary of Available Information:

- Memorandum dated May 16, 2024, from Brad Fraser, Chief of Police to Rick Howell, City Manager
- Resolution No. 39-2024

City Manager's Recommendation / Comments

This time is scheduled on your agenda to consider a resolution recognizing Sergeant Richard Perry Ivey, Jr. on the occasion of his retirement from employment. In keeping with policy Resolution No. 39-2024 will recognize him for having served the City faithfully for the past 25 years as a City of Shelby Police Officer. He is to be congratulated! Sgt Ivey will be greatly missed by his fellow police officers.

As is in keeping with current policy Sgt Ivey will be presented with a framed resolution, a city lapel pin, and a key to the City. It is customary and appropriate to recognize Richard Ivey for his many years of service to the City. Sgt Ivey's dedication to the City is to be admired.

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

It is recommended that Resolution No. 39-2024 be adopted and approved via the Consent Agenda.



Memorandum

To: Rick Howell, City Manager
From: Brad Fraser, Chief of Police
Date: May 16, 2024
RE: Retirement Resolution Request; Richard Perry Ivey, Jr.

Background

Sergeant Richard Perry Ivey, Jr. was hired by the City of Shelby as a law enforcement officer on January 5, 1998. On December 1, 2023, Sergeant Ivey retired after twenty-five years of honorable service to the Shelby Police Department and our community. During his tenure with the Shelby Police Department, Sergeant Ivey served in many roles, including Patrol Officer, Detective, Detective Sergeant, and rounded out his career serving as Patrol Sergeant. Sergeant Ivey was well known and respected both within the department and in our community. During his tenure, Sergeant Ivey completed over 1,500 hours of law enforcement training and has received his Law Enforcement Advanced Certificate from the North Carolina Criminal Justice Education and Training Standards Commission.

Review

When Sergeant Ivey retired on December 1, 2023, he had twenty-five years of credible service in the NC Local Government Retirement System. Prior to his retirement, a retirement reception was held in the City of Shelby Council Chambers in honor of his service to our community. During this time, he was honored for his leadership, loyalty, and commitment to protect and serve our community with courage and compassion.

Recommendation

Sergeant Ivey has had a long, successful career with the City of Shelby and has demonstrated his dedication and commitment to public service over the last twenty-five years. It is recommended that consideration be given honoring Sergeant Ivey's service to our community through a Shelby City Council resolution.

Resolution No. 39-2024

**A RESOLUTION HONORING RICHARD PERRY IVEY, JR.
ON THE OCCASION OF HIS RETIREMENT FROM EMPLOYMENT
WITH THE CITY OF SHELBY**

WHEREAS, on the occasion of his retirement from employment on January 5, 1998, it is fitting for City Council to express its appreciation to Richard Perry Ivey, Jr. for his loyal service to the City of Shelby from January 5, 1998 to December 1, 2023; and

WHEREAS, Mr. Ivey has been a loyal team member in the continuing development of the City of Shelby Police Department and to the City of Shelby government as a whole; and,

WHEREAS, the City of Shelby is most grateful for the professional contributions Mr. Ivey has given to all the citizens and organizations within the Shelby community; and,

WHEREAS, the City Council of the City of Shelby wishes to acknowledge and express its appreciation to Mr. Ivey for his over 25 years of employment, noting that Mr. Ivey will be missed both professionally and as a fellow co-worker.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council publicly express their sincere appreciation to Richard Perry Ivey, Jr. and extend the very best wishes for a successful, healthy, safe, and happy retirement.

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

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Shelby to be affixed this the 3rd day of June, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-6

- 6) Approval of a Resolution to withdraw the City's acceptance of the Rural Transformation Grant Fund, Grant Agreement Rural Downtown Transformation Grant: Resolution No. 40-2024

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Resolution No. 40-2024

City Manager's Recommendation / Comments

Resolution No. 40-2024 is presented for City Council consideration via the Consent Agenda. If approved this resolution would formally withdraw acceptance of the Rural Transformation Grant in the amount of \$750,000 awarded to the City by the NC Department of Commerce in January 2023. This grant is geared toward projects that would continue the revitalization of the historic uptown. The general scope of work put forth by the City was that the historic depot would be renovated keeping intact as much of the historic elements as reasonably possible while at the same time turning the building into an activity center with the intent of leasing the space to a yet to be determined private developer for use as a restaurant space.

Through the process of evaluating the building and initial design it was determined by the City and our contracted engineering/architecture team that a review of the proposed improvements to the Depot would be required. An historic preservation specialist was retained by the architectural firm as a subcontractor to conduct a review that would then be used by the State Historic Preservation Office. Following a meeting with City representatives, our architectural firm, the subcontracted historic preservation specialist and a representative of SHPO I asked the architect to put together an initial cost estimate taking into consideration the steps the City would likely need to take to avoid an adverse impact on the historic structure. This cost amounted to approximately \$2,800,000 and was largely related to addressing and retaining the historic elements identified. The \$750,000 grant received is clearly contingent upon the City retaining the historic elements identified.

In my estimation the additional costs that accompany the specific historic preservation elements required to be retained make this project unaffordable and therefore I am recommending to Council that the City withdraw acceptance of the grant award. I do believe that the City can move forward with the project retaining the historic integrity of the building as well as many of the features deemed important. However, the main element that is not viable is the retention of the existing (original) roofing system which is the bulk of the cost.

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

In order to allow this project to move forward I believe the City should withdraw acceptance and move forward with a more common-sense plan that seeks to retain as many historic elements as possible but allows the building to be better utilized for a future commercial use.

This project will be ready to proceed to bid by the end of June with a potential award in early August.

It is my recommendation that Resolution No. 40-2024 be adopted and approved by City Council at this time via the Consent Agenda.

RESOLUTION NO. 40-2024

A RESOLUTION TO WITHDRAW THE CITY’S ACCEPTANCE OF THE RURAL TRANSFORMATION GRANT FUND, GRANT AGREEMENT RURAL DOWNTOWN TRANSFORMATION GRANT

WHEREAS, the City of Shelby was awarded a grant from the State of North Carolina Department of Commerce in 2023 in the amount not to exceed seven hundred fifty thousand dollars (\$750,000.00) as a reimbursement grant for funds specifically paid out under federal Coronavirus Sate Fiscal Recovery Funds (SFRF) authorized in section 9901 of the American Rescue Plan Act, Pub. L. No. 117-2.

WHEREAS, The City of Shelby has until December 31, 2026, to either use the funds or to see to terminate the contract.

WHEREAS, the City of Shelby owns certain property, and that property is to be developed as part of the Depot Park and Carolina Harmony Trail; and

WHEREAS, the grant contract appears to require the City to expend funds for historic preservation far in excess of the seven hundred fifty thousand dollars (\$750,000.00) of grant funds awarded; and

WHEREAS, the City has not expended any funds or requested any reimbursement from the State concerning compliance with the grant; and

WHEREAS, it is more beneficial for the City to proceed with the planned project design and implementation than attempt to meet the various requirements imposed as part of acceptance of the grant funding.

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

1. In order to proceed with the planned park design and maintain progress under the proposed schedule while also staying within the proposed budget, it is economically best to forgo the grant funding.
2. That proceeding without grant funding would result in a net positive of roughly one million dollars (\$1,000,000.00) to the City’s project budget.
3. That the City may terminate the grant contract and provide notice to the State of such decision.

Adopted and approved this 3rd day of June 2024.

O. Stanhope Anthony, III
Mayor

Resolution No. 40-2024
June 3, 2024
Page 2

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-7

- 7) Adoption of FY 2023-2024 Budget Ordinance Amendment No. 11: Ordinance No. 43-2024

Consent Agenda Item: (Beth Beam, Finance Director)

Summary of Available Information:

- Memo dated May 29, 2024, from Beth Beam, Finance Director to Rick Howell, City Manager
- Ordinance No. 43-2024

City Manager's Recommendation / Comments

Ordinance No. 43-2024 is presented to City Council as a matter of routine business via the Consent Agenda. It is the final budget amendment for fiscal year 2023-24 which closes June 30. These are final budget adjustments of previously authorized Council expenditures to ensure that the audited financial statements reflect a balanced budget as required by statute.

This final budget amendment moves funding within and in between line items within the General Fund, Economic Development Fund, and Water Fund. All transfers balance spending accounts within the noted operating funds.

It is my recommendation that Ordinance No. 43-2024 be adopted and approved by City Council at this time via the Consent Agenda.



MEMORANDUM

To: Rick Howell, City Manager

From: Beth B. Beam, Director of Finance

RE: Budget Amendment No. 11

Date: May 29, 2024

As we close the fiscal year, we have begun several procedures to ensure that the City remains within budget as of June 30, 2024. One of these procedures is reviewing departmental budgets to identify potential overages and identify funds that can help offset these overages. Generally, overages can occur due to unexpected repairs/equipment breakdowns, changes in mandated procedures or other unforeseen events that occur throughout the year.

Recommended Action:

Seek Council approval of the attached budget amendment.

ORDINANCE NO. 43-2024

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. 11 for the year:

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

(a) Increase 11001000-37001 Interest Income	\$787,000
(b) Increase 110434-40100 Salaries	\$558,000
Increase 110434-40101 Overtime	\$ 25,000
Increase 110434-40502 Retirement	\$ 86,000
Increase 110434-40509 Deferred Compensation	\$ 31,000
Increase 110612-40100 Salaries	\$ 87,000
(c) Decrease 11001000-38001 Proceeds from Financing	(\$500,000)
(d) Decrease 110612-58000 Buildings	(\$500,000)

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

(a) Increase 23001000-32203 Local Occupancy Tax	\$ 30,000
(b) Increase 230590-85004 Local Occupancy Tax Expense	\$ 30,000

(3) The following Water Fund Line Items are amended:

(a) Increase 61006000-35900 Utility Late Fees	\$ 5,000
Increase 61006000-36301 Proceeds-Sales of Assets	\$ 5,000
Increase 61006000-36711 Water Taps	\$100,000

Increase 61006000-37001	\$ 2,000
Interest Income	
Increase 61006000-38950	\$ 8,000
Other Income	
(b) Increase 610713-41511	\$120,000
Materials	

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

	<u>Current Budget</u>	<u>Amendment No. 11</u>
General Fund	\$ 32,727,053	\$ 33,014,053
Emergency Telephone System Fund	87,817	87,817
Powell Bill Fund	701,225	701,225
Economic Dev. Fund	1,814,334	1,844,334
Housing Fund	2,736,183	2,736,183
Cemetery Fund	36,000	36,000
Utilities-Water Fund	7,554,162	7,674,162
Utilities-Sewer Fund	8,215,577	8,215,577
Utilities-Electric Fund	25,427,789	25,427,789
Utilities-Gas Fund	26,142,621	26,142,621
Utilities – Stormwater Fund	1,439,627	1,439,627
FY 2023-2024 Budget Total	<u>\$106,882,388</u>	<u>\$107,319,388</u>

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

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

Adopted and approved this the 3rd day of June A. D. 2024.

 O. Stanhope Anthony, III
 Mayor

ATTEST:

 Carol Williams
 City Clerk

APPROVED AS TO FORM:

 Jason Lunsford
 City Attorney

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-8

8) Approval of a Special Event Applications:

- a) First Baptist Church Block Party, requested date: June 19, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memo dated May 28, 2024, from Carol Williams, City Clerk to Rick Howell, City Manager
- Special Event Application – First Baptist Church Block Party

City Manager's Recommendation / Comments

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

Memo

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: May 28, 2024

Re: Special Event Permit Application

BACKGROUND:

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

- ✓ First Baptist Church Block Party: requested date: June 19, 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 June 3, 2024 for Council's review and approval.

ATTACHMENT:

- A. Special Event Permit Application packet received May 16, 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:

FBC Shelby Block Party

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT:

Annual churchwide summer celebration. Primarily for kids and families, promoting Vacation Bible School

3. LOCATION OF EVENT (ATTACH MAP):

Between FBC Shelby and Boy Scout bldg. and parking lot. Section of Washington Street between Campbell St and W. Sumter Street.

4. PLEASE INDICATE:

Approximately how many people will attend the event? 100

Approximately how many vehicles will be present? ≈ 100

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 _____

All lanes in travel direction _____

Whole street _____

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

Name: Susan Evans, Raychel Panton

Address: ↳ 1426 Costner Rd, Shelby NC

Phones: 704-913-1796
(Daytime) (Evening)

ssevans@icloud.com
E-mail address

Name: _____

Address: _____

Phones: _____
(Daytime) (Evening)

E-mail address

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) June 19, Wednesday

Alternate day(s) and date(s) _____

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

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:

barricades to block section of N. Washington Street,
between Campbell and W. Sumter

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:

We appreciate that the City of Shelby has worked with us each year to conduct this event safely.
Thank you!

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.

Susan Evans
SIGNATURE

Susan Evans 704.913.1796
APPLICANT PHONE

1426 Costner Rd Shelby NC
PHYSICAL ADDRESS

ssevans42@icloud.com
E-MAIL ADDRESS

May 16, 2024
DATE

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-9

9) Management Reports:

- a) Monthly Financial Summary – April 2024

Consent Agenda Item: (Beth Beam, Finance Director)

Summary of Available Information:

- Monthly Financial Summary – April 2024

City Manager's Recommendation / Comments

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

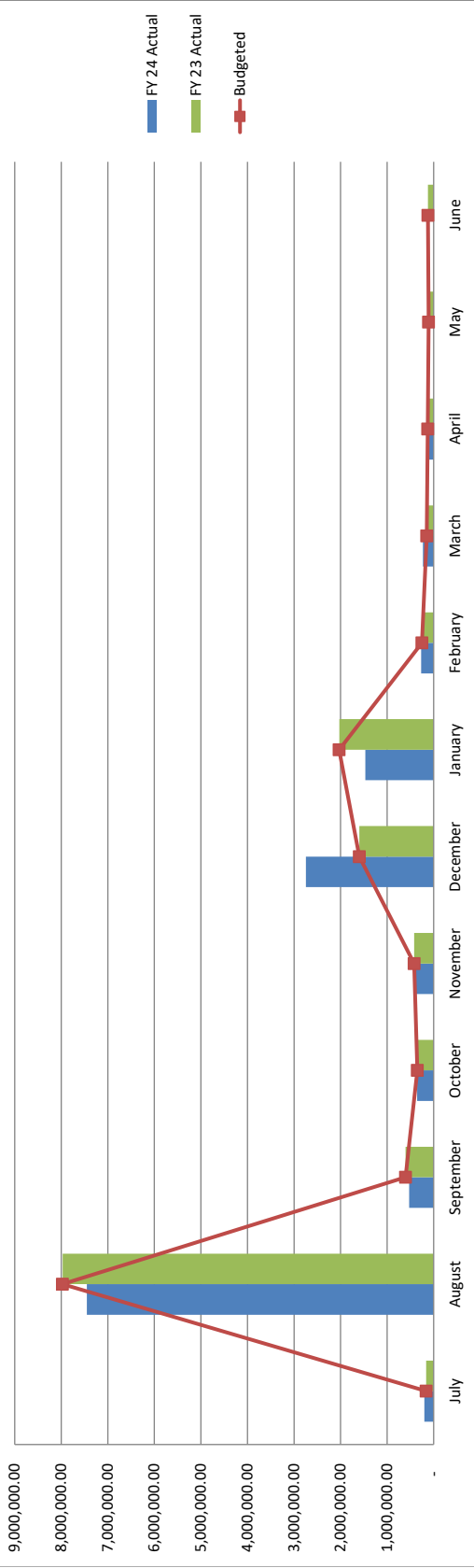


**Monthly Financial Summary
April 2024**

City of Shelby
 Current Property Tax Collections
 FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	159,933.38	7,975,543.92	606,204.49	351,647.91	420,081.33	1,596,722.79	2,030,450.43	252,495.36	149,439.68	127,820.47	108,378.28	121,281.94	13,900,000.00
FY 2023	159,791.35	7,968,461.04	605,666.14	351,335.62	419,708.27	1,595,304.78	2,028,647.24	252,271.13	149,306.97	127,706.96	108,282.03	121,174.23	13,887,655.76
FY 2024	201,701.74	7,448,265.31	527,189.17	354,217.44	437,421.69	2,743,027.02	1,466,171.36	268,739.73	229,298.61	150,454.96	0.00%	0.00%	13,826,487.03
% of Budget	1.45%	53.58%	3.79%	2.55%	3.15%	19.73%	10.55%	1.93%	1.65%	1.08%	0.00%	0.00%	99.47%
Variance	41,768.36	(527,278.61)	(79,015.32)	2,569.53	17,340.36	1,146,304.23	(564,279.07)	16,244.37	79,858.93	22,634.49	(108,378.28)	(121,281.94)	(73,512.97)

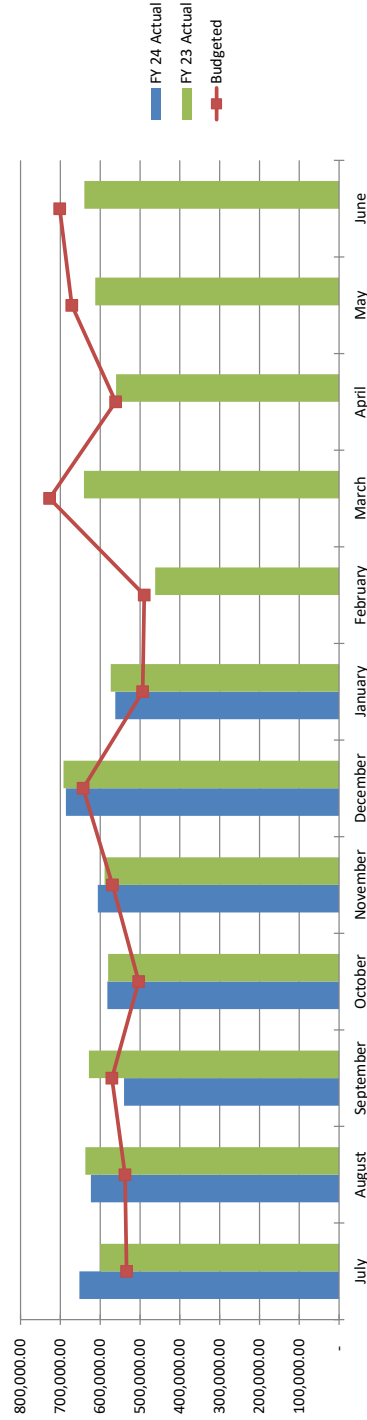
Current Property Tax Collections Budgeted and Collected



City of Shelby
Sales Tax Collections
FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	533,422.75	537,608.51	570,286.63	503,355.20	568,990.67	642,691.03	493,303.21	489,313.30	727,152.85	561,084.49	671,026.81	701,764.55	7,000,000.00
FY 2023	599,746.02	637,258.67	628,199.97	579,827.53	588,994.10	691,881.93	573,374.28	461,766.04	640,874.83	560,282.24	612,400.86	639,711.05	7,214,317.52
FY 2024	651,996.59	623,223.01	540,272.34	581,949.88	606,142.68	686,031.77	562,282.87						4,251,899.14
% of Budget	9.31%	8.90%	7.72%	8.31%	8.66%	9.80%	8.03%	0.00%	0.00%	0.00%	0.00%	0.00%	60.74%
Variance	118,573.84	85,614.50	(30,014.29)	78,594.68	37,152.01	43,340.74	68,979.66	(489,313.30)	(727,152.85)	(561,084.49)	(671,026.81)	(701,764.55)	(2,748,100.86)

Sales Tax Collections Budgeted and Collected

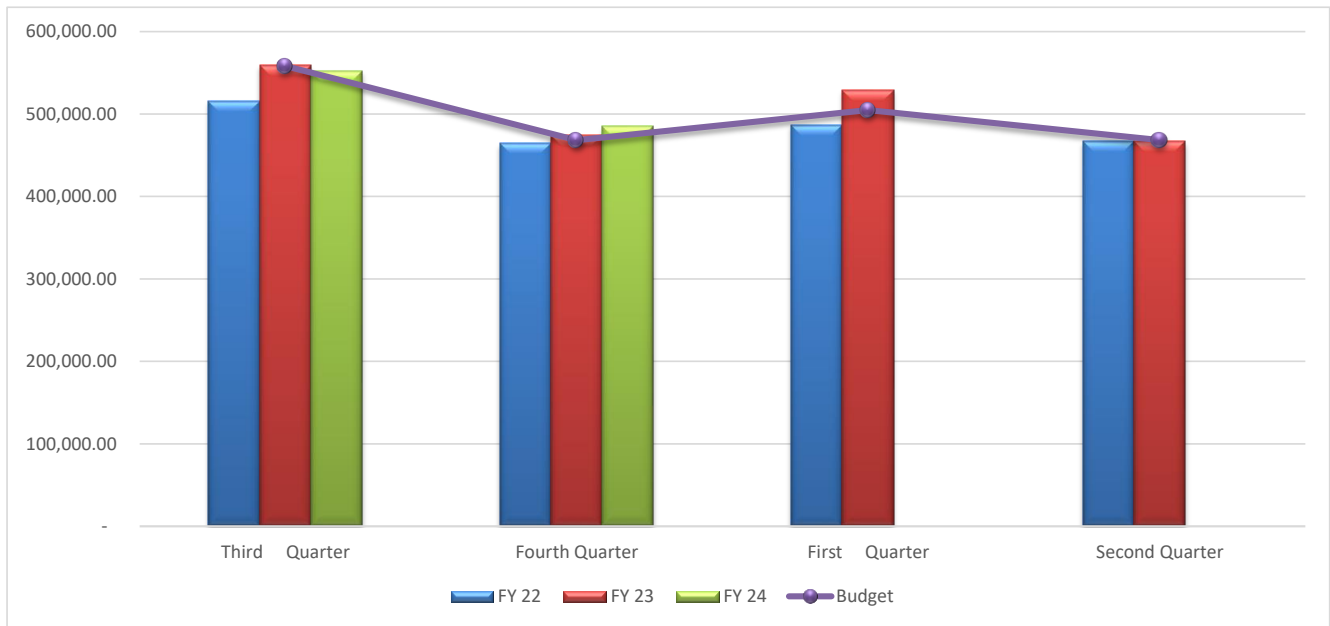


Notes:
Sales Tax Expansion to include Service Contracts: NCGS §105-164.4(a)(11), effective January 2014, has expanded the NC Sales and Use Tax to include "the sales price of a service contract".
A link to the NCDOR directive on this change is embedded here: <http://www.dor.state.nc.us/practitioner/sales/directives/SD-13-5.pdf>

Sales Tax Distribution Method: A link to a description of the individual articles of Sales Tax is embedded here: http://www.dor.state.nc.us/publications/sales/distribution_articles.pdf

City of Shelby
 Utility Sales Tax Distribution (Formerly Utility Franchise Tax)
 Last Three Years

	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Totals
Collection Period:	(July-Sept.)	(Oct.-Dec.)	(Jan.-Mar.)	(Apr.-June)	
Received in:	December	March	June	September	
FY 22	515,722.31	464,401.65	486,627.19	466,918.19	1,933,669.34
FY 23	559,313.87	474,142.33	529,125.92	466,640.75	2,029,222.87
FY 24	551,849.28	484,885.74			
Budget	558,185.58	468,321.94	504,905.73	468,586.74	2,000,000.00
% of Budget	27.59%	24.24%	0.00%	0.00%	51.84%

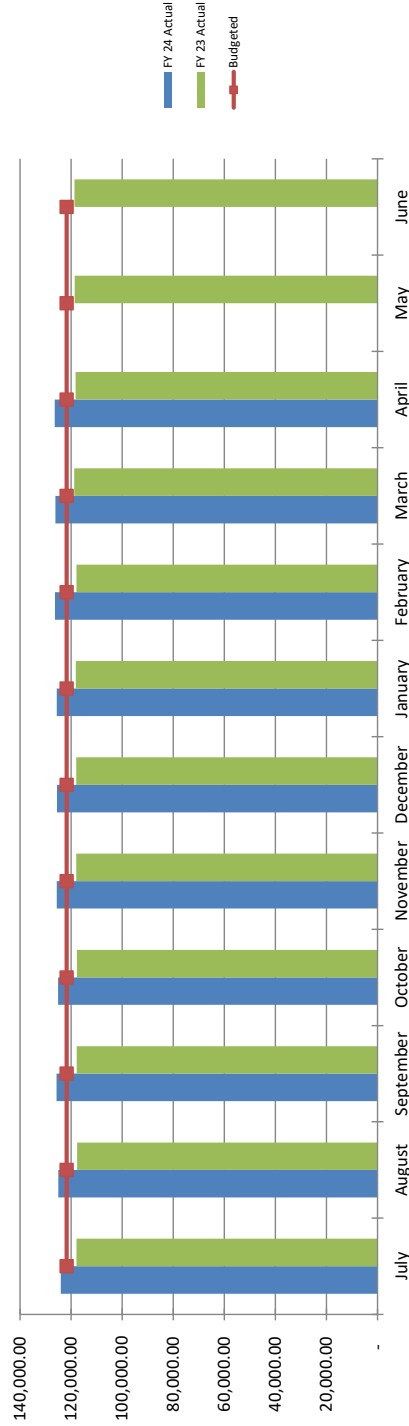


Notes:
 Effective July 2014, utility franchise tax was eliminated on sales of electricity and piped natural gas. A "hold harmless" provision will keep local distribution levels at the amounts received during the 2013-14 Fiscal Year.

City of Shelby
Solid Waste Fees
FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	121,750.00	1,461,000.00
FY 2023	117,913.85	117,612.75	117,828.07	117,733.50	118,009.65	117,968.28	118,156.30	117,897.94	118,773.55	118,224.04	118,590.37	118,670.51	1,417,378.81
FY 2024	124,060.37	124,970.54	125,700.19	125,132.33	125,651.51	125,574.18	125,577.70	126,316.56	126,112.41	126,424.87			1,255,520.66
% of Budget	8.49%	8.55%	8.60%	8.56%	8.60%	8.60%	8.60%	8.65%	8.63%	8.65%	0.00%	0.00%	85.94%
Variance	2,310.37	3,220.54	3,950.19	3,382.33	3,901.51	3,824.18	3,827.70	4,566.56	4,362.41	4,674.87	(121,750.00)	(121,750.00)	(205,479.34)
Res. Accts:	7,782	7,846	7,880	7,849	7,878	7,878	7,886	7,926	7,909	7,931			
Comm. Accts:	680	680	686	682	688	687	682	688	689	689			

Solid Waste Fees Budgeted and Collected



DEBT SERVICE - GENERAL FUND

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
--	------------	------------	------------	------------	------------	------------	------------

General Obligation BondsStreet & Sidewalk GO Bond (\$6mm) - 2.70%

Principal	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00
2.70% Interest	151,200.00	140,400.00	129,600.00	118,800.00	108,000.00	97,200.00	86,400.00
Debt Retired In 2037	551,200.00	540,400.00	529,600.00	518,800.00	508,000.00	497,200.00	486,400.00

Installment Purchase ContractsHanna Park Recreation Complex - 2.83%

2.83% Debt Retired In 2032	644,079.33	629,552.00	615,024.66	600,497.33	585,970.00	571,442.66	556,915.33
----------------------------	------------	------------	------------	------------	------------	------------	------------

Electric Loan to GF - Firetruck - 4.75%

4.75% Debt Retired in 15 years		257,871.10		250,718.48	243,565.85	236,413.22	229,260.59
--------------------------------	--	------------	--	------------	------------	------------	------------

Shell #4 - Interlocal - 2.39%

Principal	427,000.00	427,000.00	427,000.00	427,000.00	427,000.00	426,500.00	426,500.00
2.39% Interest	91,799.90	81,594.60	71,389.30	61,184.00	50,978.70	40,773.40	30,580.05
Debt Retired in 2032	518,799.90	508,594.60	498,389.30	488,184.00	477,978.70	467,273.40	457,080.05

FY 19 Installment Purchase

Debt Retired In 2024	104,354.77	-	-	-	-	-	-
----------------------	------------	---	---	---	---	---	---

FY 20 Installment Purchase

Debt Retired In 2025	189,692.00	176,873.83	-	-	-	-	-
----------------------	------------	------------	---	---	---	---	---

FY 21 Installment Purchase

Debt Retired In 2026	128,617.50	128,617.50	127,738.36	-	-	-	-
----------------------	------------	------------	------------	---	---	---	---

FY 22 Installment Purchase

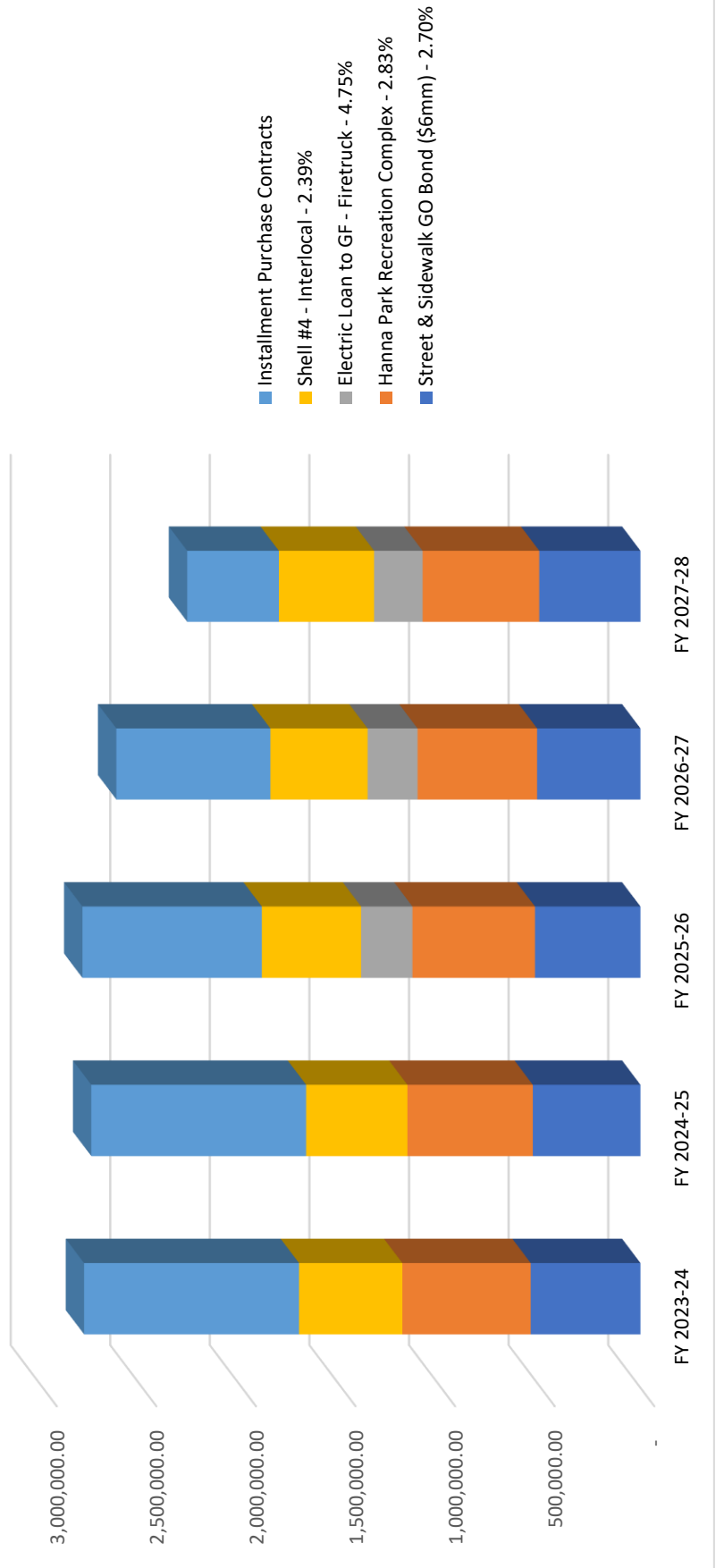
Debt Retired In 2027	313,080.27	313,080.27	313,080.27	313,080.27	-	-	-
----------------------	------------	------------	------------	------------	---	---	---

FY 23 Installment Purchase - Radios

Debt Retired in 2028	158,235.00	274,873.35	274,873.35	274,873.35	274,873.35	274,873.35	274,873.35
----------------------	------------	------------	------------	------------	------------	------------	------------

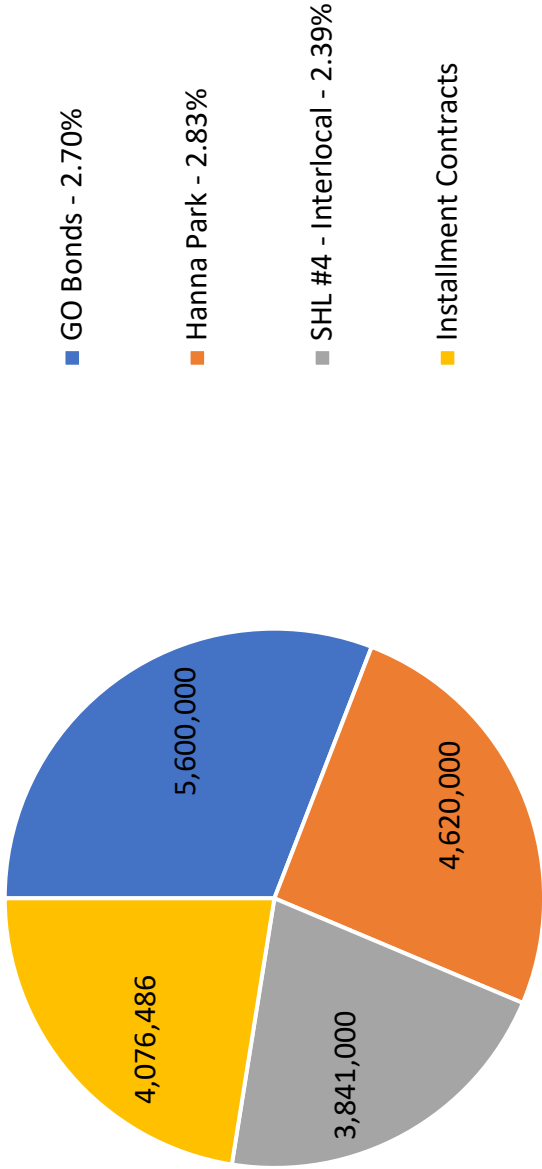
FY 23 Installment Purchase	185,002.10	185,002.10	185,002.10	185,002.10	185,002.10	185,002.08
Debt Retired in 2028	1,078,981.63	1,078,447.04	900,694.08	772,955.71	459,875.43	
Total Debt Service - General Fund	2,793,060.86	2,756,993.64	2,801,579.14	2,631,155.52	2,275,389.97	1,729,655.97

General Fund Debt Service - next 5 years



* The County debt for Shell #4 will be deleted once the building is sold.

6/30/2023 Outstanding Debt Principal - General



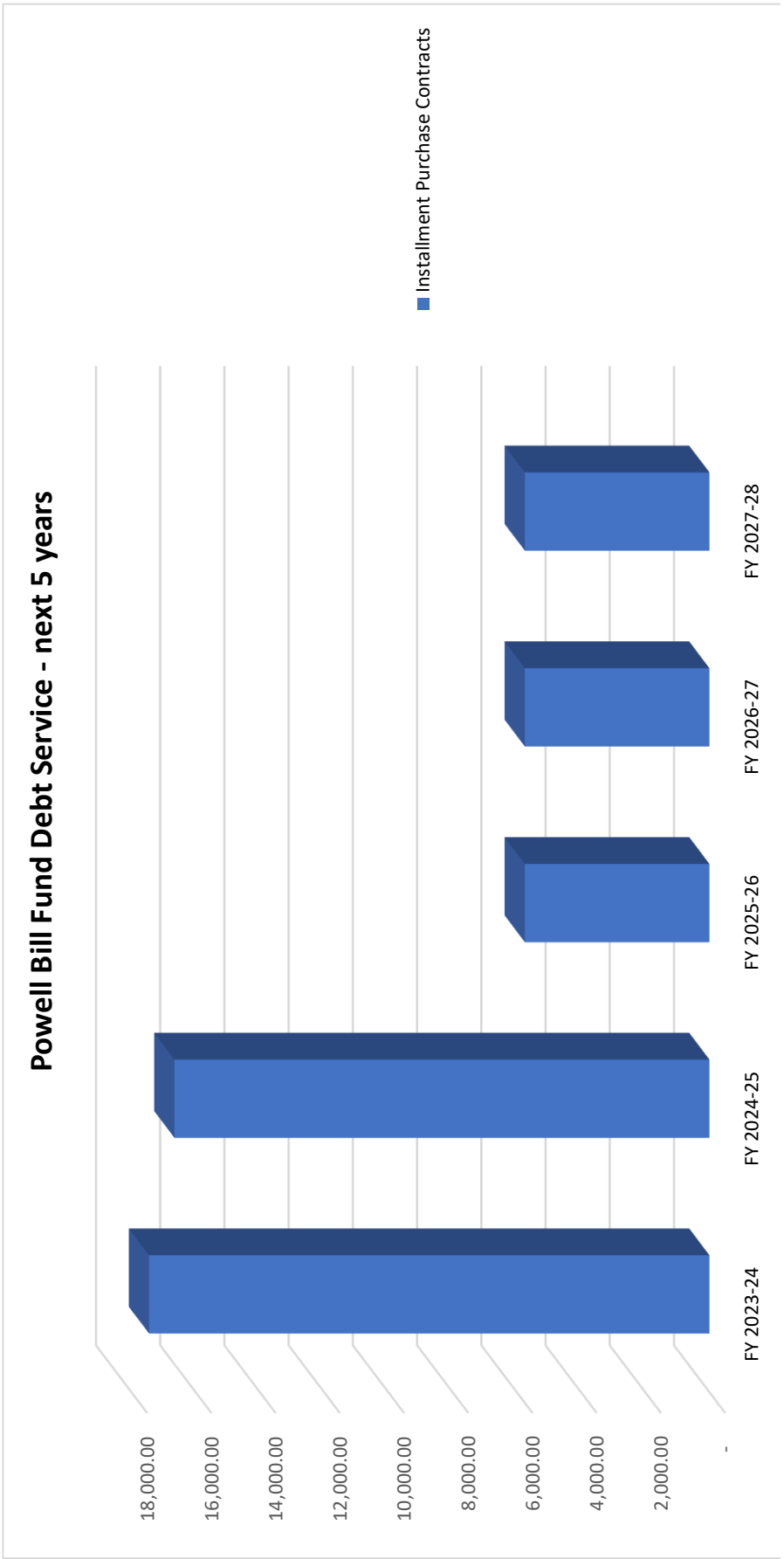
City of Shelby
 For FY24 - April 2024 (83.33% of Fiscal Year)
 General Fund Expenditures by Division

<u>ACCOUNT DESCRIPTION</u>	<u>ORIGINAL APPROP</u>	<u>REVISED BUDGET</u>	<u>YTD EXPENDED</u>	<u>ENCUMB</u>	<u>AVAIL BUDGET</u>	<u>% USED</u>
Total 110411 GOVERNING BOARD	81,200	81,428	65,274.15	0.00	16,153	80.20 %
Total 110412 ADMINISTRATION	793,199	840,154	473,068.06	0.00	367,086	56.30 %
Total 110413 FINANCE	838,107	841,841	678,613.36	0.00	163,228	80.60 %
Total 110414 PURCHASING	124,387	125,812	68,963.68	0.00	56,848	54.80 %
Total 110416 HUMAN RESOURCES	466,973	468,993	315,746.42	655.85	152,591	67.50 %
Total 110419 CUSTOMER SERVICE	83,044	98,262	57,463.32	8,440.00	32,359	67.10 %
Total 110420 INFORMATION SERVICES	516,007	532,513	393,602.63	41,282.63	97,627	81.70 %
Total 110421 METER SERVICE	921	19,170	-9,806.33	0.00	28,976	-51.20 %
Total 110425 GARAGE	924,726	925,898	675,170.76	7,475.00	243,252	73.70 %
Total 110427 CITY HALL	113,000	122,892	96,682.49	0.00	26,209	78.70 %
Total 110431 POLICE	9,103,400	9,417,860	7,149,852.15	113,029.42	2,154,978	77.10 %
Total 110433 COMMUNICATION	964,800	965,025	679,073.01	0.00	285,952	70.40 %
Total 110434 FIRE	7,563,440	5,840,057	4,983,754.06	24,738.93	831,564	85.80 %
Total 110435 BUILDING INSPECTIONS	543,850	551,492	396,197.53	0.00	155,294	71.80 %
Total 110451 STREETS	1,447,150	1,499,264	1,053,952.22	356.73	444,955	70.30 %
Total 110453 AIRPORT	517,225	539,812	465,945.12	3,190.25	70,677	86.90 %
Total 110471 SOLID WASTE	2,232,160	2,429,486	1,989,013.82	11,281.00	429,191	82.30 %
Total 110491 GIS	127,089	126,609	88,017.80	111.04	38,480	69.60 %
Total 110493 PLANNING SERVICES	629,050	730,448	575,977.40	14,756.55	139,714	80.90 %
Total 110495 SPECIAL APPROPRIATIONS	3,725,800	4,535,127	3,724,198.63	0.00	810,928	82.10 %
Total 110612 PARKS & RECREATION	2,185,025	2,395,680	1,500,763.14	15,655.00	879,262	63.30 %
Total 110613 MAINTENANCE GROUNDS &	1,784,200	1,844,606	1,367,850.37	32,795.23	443,961	75.90 %
Total 110 GENERAL FUND	34,764,753	34,932,427	26,789,413.79	273,767.63	7,869,245	77.50 %

DEBT SERVICE - POWELL BILL FUND FY 2023-24 FY 2024-25 FY 2025-26 FY 2026-27 FY 2027-28 FY 2028-29 FY 2029-30

Installment Purchase Contracts

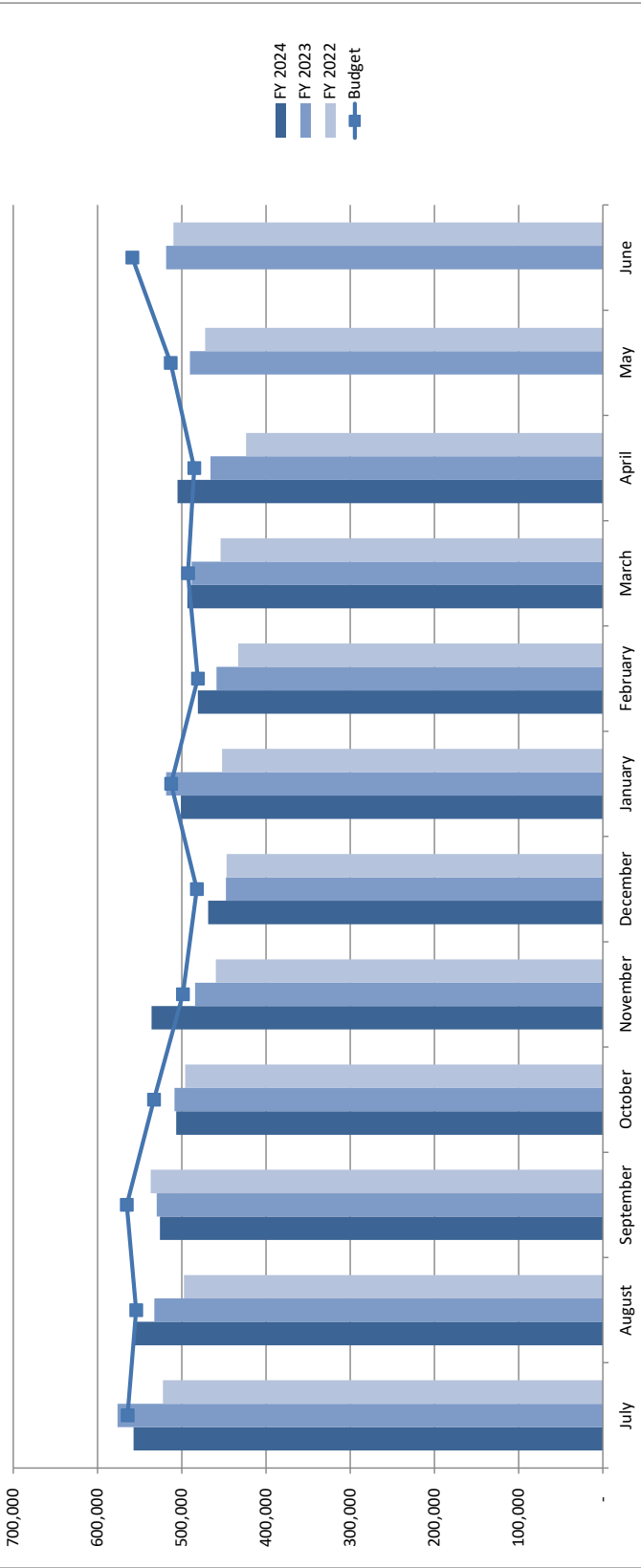
FY 20 Installment Purchase Debt Retired in 2025	11,703.00	10,912.19	-	-	-	-	-
FY 23 Installment Purchase Debt Retired in 2028	5,748.09	5,748.09	5,748.09	5,748.09	5,748.09	5,748.09	5,748.09
Total Debt Service - Powell Bill Fund	17,451.09	16,660.28	5,748.09	5,748.09	5,748.09	5,748.09	-



City of Shelby
Water Revenue Budget to Actual
FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Total
FY 2024 Budget													
Inside Water													
Useage	142,976	137,789	146,252	131,451	121,474	115,259	129,051	114,816	121,810	117,773	124,644	142,718	1,546,015
Dollars	502,957.37	489,948.04	502,991.50	474,886.45	446,554.24	429,674.28	458,920.10	427,215.95	442,656.03	433,077.07	454,475.65	497,967.23	5,561,323.91
Outside Water													
Useage	14,993	15,882	15,391	14,046	12,213	12,317	12,360	12,797	11,486	12,263	14,146	14,898	162,792
Dollars	61,370.21	64,049.81	62,203.41	58,057.27	52,049.02	52,397.84	53,641.82	53,735.83	49,806.90	52,038.62	58,623.69	60,701.67	678,676.09
Totals													
Useage	157,969	153,671	161,643	145,497	133,687	127,577	141,411	127,613	133,296	130,036	138,790	157,616	1,708,807
Dollars	564,327.57	553,997.85	565,194.91	532,943.72	498,603.26	482,072.12	512,561.92	480,951.78	492,462.93	485,115.69	513,099.35	558,668.90	6,240,000.00
FY 2024 Actual													
Inside Water													
Useage	141,317	139,654	126,617	119,697	129,348	110,092	123,841	115,626	123,359	124,506	-	-	1,254,057
Dollars	495,811	493,700	463,854	447,994	472,585	418,793	448,392	429,922	446,525	451,424	-	-	4,568,999.03
Outside Water													
Useage	15,021	15,899	15,309	14,281	15,768	11,518	12,324	11,908	10,459	12,735	-	-	135,222
Dollars	61,249	63,405	61,988	58,499	63,219	49,829	52,639	50,839	46,825	53,507	-	-	561,998
Totals													
Useage	156,338	155,553	141,926	133,978	145,116	121,610	136,165	127,534	133,818	137,241	-	-	1,389,279
Dollars	557,060	557,105	525,841	506,492	535,804	468,622	501,031	480,762	493,350	504,930	-	-	5,130,996.82
Variance													
Useage	(1,659)	1,865	(19,635)	(11,754)	7,874	(5,167)	(5,210)	810	1,549	6,733	(124,644)	(142,718)	(291,958)
Dollars	(7,146.10)	3,752.39	(39,137.54)	(26,892.53)	26,030.26	(10,881.62)	(10,528.45)	2,706.33	3,868.76	18,346.50	(454,475.65)	(497,967.23)	(992,324.88)
Outside Water													
Useage	28	17	(82)	235	3,555	(799)	(36)	(889)	(1,027)	472	(14,146)	(14,898)	(27,570)
Dollars	(121.69)	(644.94)	(215.91)	441.30	11,170.43	(2,568.84)	(1,002.85)	(2,896.60)	(2,981.94)	1,468.10	(58,623.69)	(60,701.67)	(116,678)
Totals													
Useage	(1,631)	1,882	(19,717)	(11,519)	11,429	(5,967)	(5,246)	(79)	522	7,205	(138,790)	(157,616)	(319,528)
Dollars	(7,267.78)	3,107.45	(39,353.45)	(26,451.23)	37,200.69	(13,450.46)	(11,531.30)	(190.27)	886.82	19,814.60	(513,099.35)	(558,668.90)	(1,109,003.18)

Water Sales In Dollars - Budget to Actual FY 2023 - 2024



DEBT SERVICE - WATER FUND FY 2023-24 FY 2024-25 FY 2025-26 FY 2026-27 FY 2027-28 FY 2028-29 FY 2029-30

General Obligation Bonds

Revenue Bonds

Series 2021 Refunding Revenue Bonds

Principal	826,907.09	838,733.50	470,516.88	474,598.56	484,259.94	490,006.96	187,000.00
Interest	51,174.98	39,553.76	29,097.59	22,504.52	15,822.83	9,024.53	3,220.00
Debt Retired In 2031	878,082.07	878,287.26	499,614.47	497,103.08	500,082.77	499,031.49	190,220.00

Series 2016 Revenue Bonds-Grover/Morgan - 1.95%

Principal	198,874.41	202,771.36	206,744.67	210,795.85	214,836.41	219,137.91	223,431.93
Interest	34,525.59	30,628.64	26,655.33	22,604.15	18,473.59	14,262.09	9,968.07
Debt Retired In 2032	233,400.00	233,400.00	233,400.00	233,400.00	233,310.00	233,400.00	233,400.00

NCDEQ-DWI SRF Loan-WTP - 1.53%

Principal	821,392.50	821,392.50	821,392.50	821,392.50	821,392.50	821,392.50	821,392.50
Interest	213,644.18	201,076.88	188,509.58	175,942.28	163,374.96	150,807.66	138,240.36
1.53% Debt Retired In 2040	1,035,036.68	1,022,469.38	1,009,902.08	997,334.78	984,767.46	972,200.16	959,632.86

Project Grizzley - Interlocal - 3.25%

Principal	298,570.05	298,570.05	298,570.05	298,570.05	298,570.05	298,570.05	298,570.05
Interest	81,509.59	72,452.97	63,396.35	54,339.73	45,283.11	36,226.49	27,169.86
Debt Retired in 2032	380,079.65	371,023.02	361,966.40	352,909.78	343,853.16	334,796.54	325,739.92

Installment Purchase Contracts

Uptown Infrastructure - Electric Fund Loan

Debt Retired In 2038	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00
-----------------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

FX 19 Installment Purchase

Debt Retired In 2024

54,380.79

-

-

-

-

-

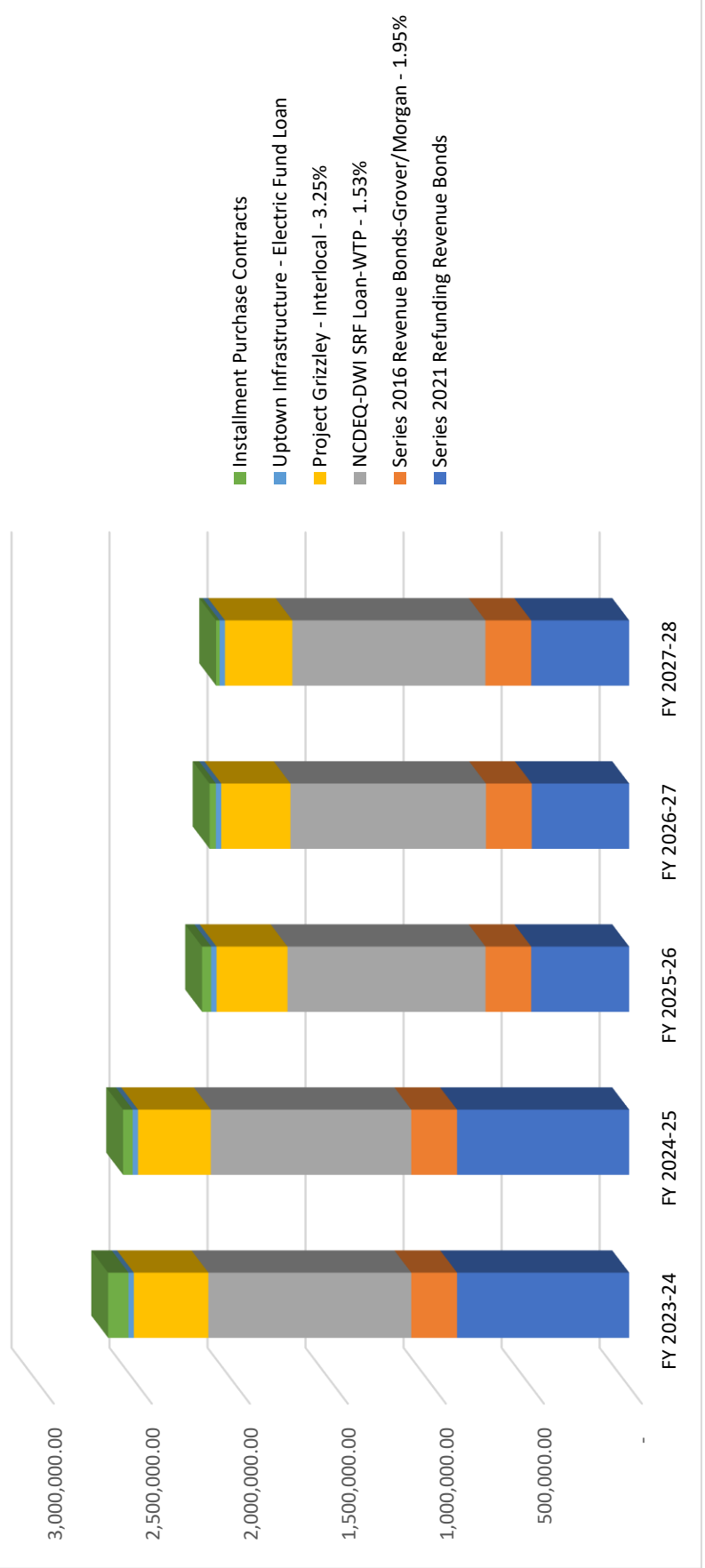
-

-

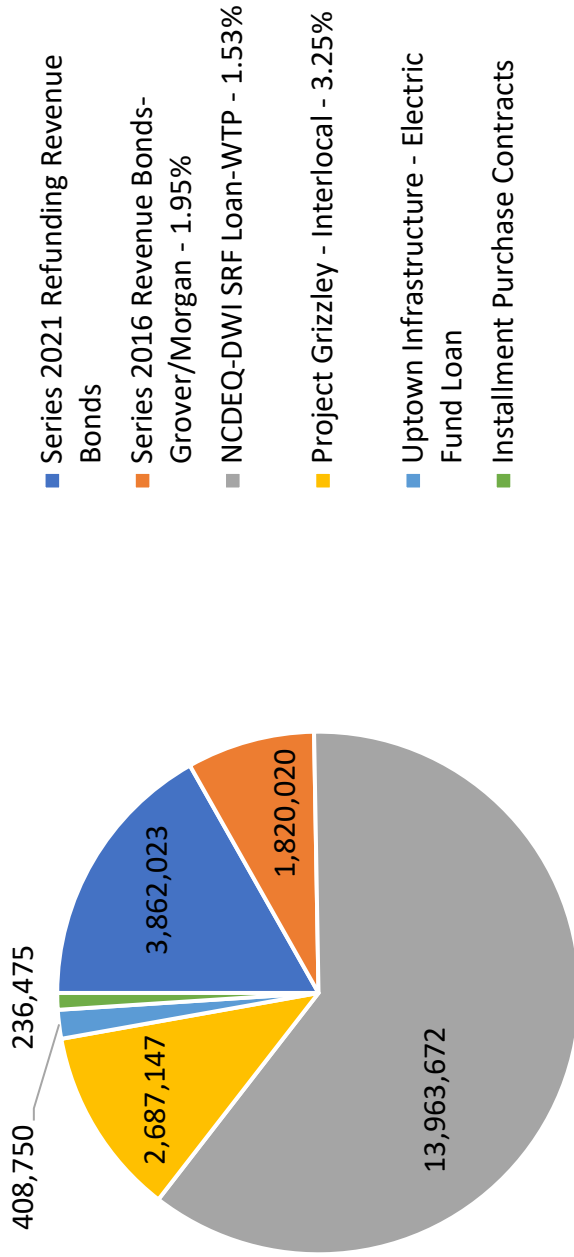
-

FY 20 Installment Purchase									
Debt Retired In 2025	2,561.50	2,388.41	-	-	-	-	-	-	-
FY 21 Installment Purchase									
Debt Retired In 2026	14,465.00	14,465.00	14,366.13	-	-	-	-	-	-
FY 22 Installment Purchase									
Debt Retired In 2027	14,628.58	14,628.58	14,628.58	14,628.58	-	-	-	-	-
FY 23 Installment Purchase									
Debt Retired in 2028	17,676.21	17,676.21	17,676.21	17,676.21	17,676.21	17,676.21	17,676.21	17,676.21	-
Total Installment Debt	103,712.07	49,158.19	46,670.91	32,304.78	17,676.21	17,676.21	17,676.21	17,676.21	
Total Debt Service - Water Fund	2,657,560.47	2,581,587.86	2,178,803.86	2,140,302.43	2,106,939.59	2,066,678.19	1,736,242.78		

Water Fund Debt Service - next 5 years



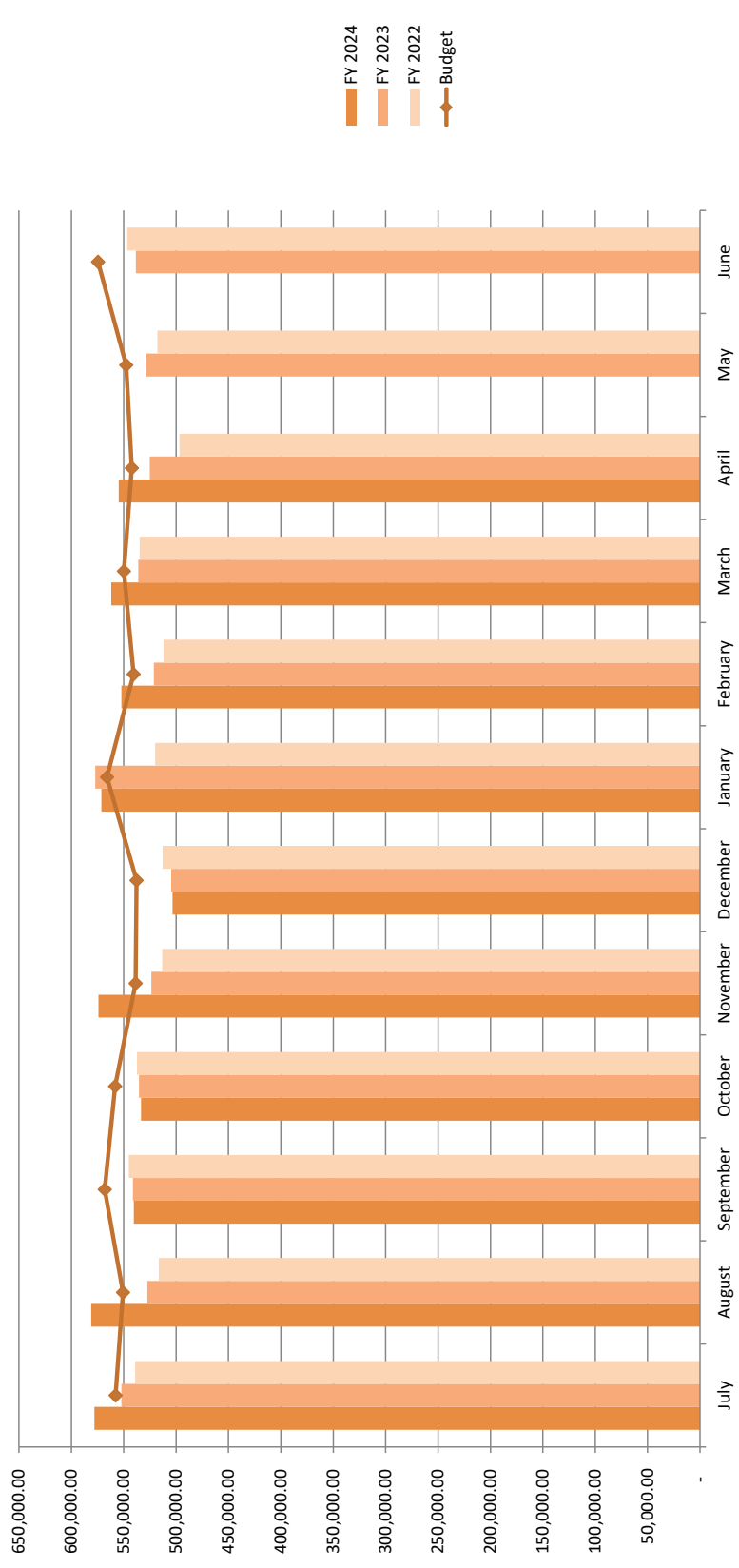
6/30/2023 Outstanding Debt Principal - Water



City of Shelby
Sewer Revenue Budget to Actual
FY 2024

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
FY 2024 Budget													
Inside Sewer													
Useage	74,985	73,529	53,846	72,732	69,675	68,967	76,473	69,621	72,374	68,969	70,110	77,240	848,522
Dollars	519,453.28	512,329.41	525,830.10	513,414.01	494,883.42	493,310.48	520,087.93	496,415.06	503,970.41	493,522.38	499,802.31	527,410.04	6,099,428.81
Outside Sewer													
Useage	2,711	2,672	3,205	3,524	3,405	3,525	3,652	3,563	3,662	3,648	3,527	3,406	40,500
Dollars	38,354.51	38,280.19	42,242.38	44,771.59	43,767.83	44,441.15	45,832.64	45,076.15	45,894.00	48,675.97	47,929.54	47,074.23	532,340.19
Totals													
Useage	77,696	76,201	57,051	76,257	73,080	72,492	80,125	73,184	76,036	72,617	73,637	80,646	889,022
Dollars	557,807.79	550,609.60	568,072.48	558,185.60	538,651.25	537,751.63	565,920.57	540,491.21	549,864.41	542,198.35	547,731.85	574,484.26	6,631,769.00
FY 2024 Actual													
Inside Sewer													
Useage	78,990	79,272	66,902	66,238	75,363	60,868	75,171	70,647	74,730	70,460	-	-	718,641
Dollars	531,231.82	535,281.67	487,364.47	482,675.17	524,498.62	454,462.84	515,326.30	496,572.70	510,356.56	501,667.74	-	-	5,039,437.89
Outside Sewer													
Useage	3,420	3,245	4,208	3,928	3,743	3,681	4,696	4,631	4,028	4,239	-	-	39,819
Dollars	46,729.65	45,780.22	52,939.43	50,727.60	49,539.65	48,851.38	56,079.24	55,520.26	51,468.96	53,134.75	-	-	510,771.14
Totals													
Useage	82,410	82,517	71,110	70,166	79,106	64,549	79,867	75,278	78,758	74,699	-	-	758,460
Dollars	577,961.47	581,061.89	540,303.90	533,402.77	574,038.27	503,314.22	571,405.54	552,092.96	561,825.52	554,802.49	-	-	5,550,209.03
Variance													
Inside Sewer													
Useage	4,005	5,743	13,056	(6,494)	5,688	(8,099)	(1,302)	1,026	2,356	1,491	(70,110)	(77,240)	(129,881.00)
Dollars	11,778.54	22,952.26	(38,465.63)	(30,738.84)	29,615.20	(38,847.64)	(4,761.63)	1,157.64	6,386.15	8,145.36	(499,802.31)	(527,410.04)	(1,059,990.92)
Outside Sewer													
Useage	709	573	1,003	404	338	156	1,044	1,068	366	591	(3,527)	(3,406)	(681.00)
Dollars	8,375.14	7,500.03	10,697.05	5,956.01	5,771.82	4,410.23	10,246.60	10,444.11	5,574.96	4,458.78	(47,929.54)	(47,074.23)	(21,569.05)
Totals													
Useage	4,714	6,316	14,059	(6,091)	6,026	(7,943)	(258)	2,094	2,722	2,082	(73,637)	(80,646)	(130,562.00)
Dollars	20,153.68	30,452.29	(27,768.58)	(24,782.83)	35,387.02	(34,437.41)	5,484.97	11,601.75	11,961.11	12,604.14	(547,731.85)	(574,484.26)	(1,081,559.97)

Sewer Sales in Dollars - Budget to Actual FY 2023 - 2024



DEBT SERVICE - SEWER FUND FY 2023-24 FY 2024-25 FY 2025-26 FY 2026-27 FY 2027-28 FY 2028-29 FY 2029-30

General Obligation Bonds

Revenue Bonds

Series 2021 Refunding Revenue Bonds

Principal	419,301.32	424,434.90	277,664.01	279,862.62	283,510.18	96,815.67
Interest	23,472.47	17,582.87	12,157.65	8,263.12	4,332.28	1,017.03
Debt Retired In 2031	442,773.79	442,017.77	289,821.66	288,125.74	287,842.46	97,832.70

NC DENR-DWI SRF Loan-Mall Lift Station - 0%

0% Debt Retired in 2034

	36,300.10	36,300.10	36,300.10	36,300.10	36,300.10	36,300.10
--	-----------	-----------	-----------	-----------	-----------	-----------

NC DENR-DWI SRF Loan-Outfall Project - 0%

0% Debt Retired in 2035

	156,521.90	156,521.90	156,521.90	156,521.90	156,521.90	156,521.90
--	------------	------------	------------	------------	------------	------------

NC DENR-DWI SRF Loan-WWTP Upgrades - 0%

0% Debt Retired in 2036

	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90
--	------------	------------	------------	------------	------------	------------

NC DENR-DWI SRF Loan-Biosolids - 0%

0% Debt Retired in 2041

	967,046.85	967,046.85	967,046.85	967,046.85	967,046.85	967,046.85
--	------------	------------	------------	------------	------------	------------

Project Grizzley - Inter/Local - 3.25%

Principal	407,155.35	407,155.35	407,155.35	407,155.35	407,155.35	407,155.35
3.25% Interest	111,153.37	98,803.00	86,452.62	74,102.25	61,751.87	49,401.50
Debt Retired in 2032	518,308.72	505,958.34	493,607.97	481,257.59	468,907.22	444,206.47

Installment Purchase Contracts

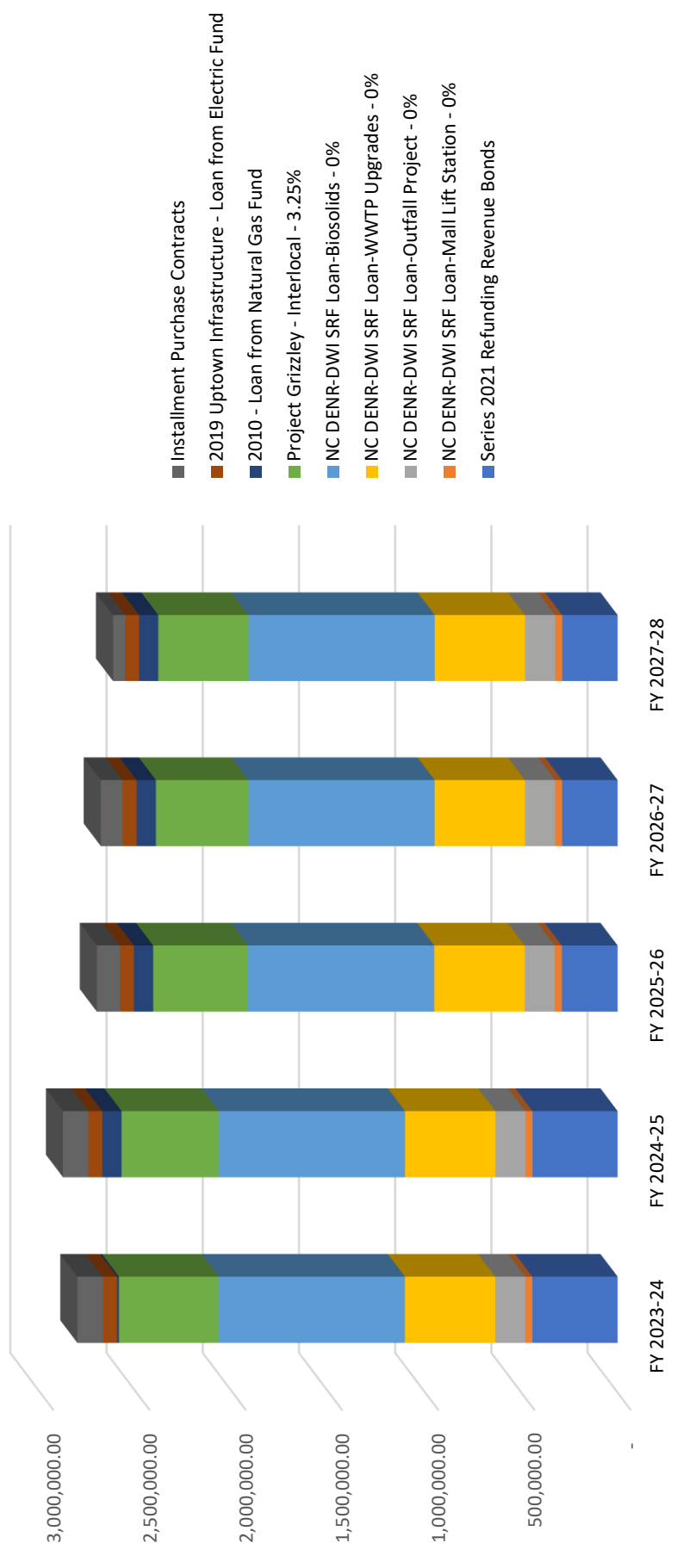
2050 - Loan from Natural Gas Fund

0% Debt Retired in 2064

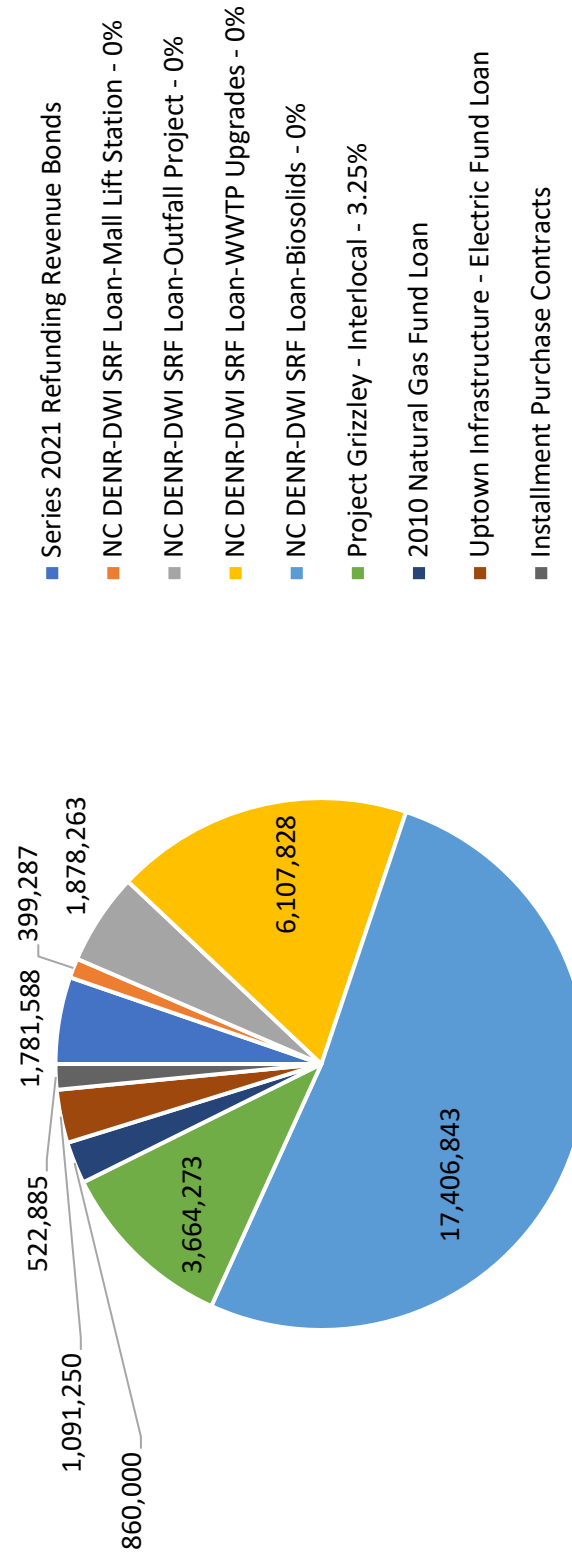
	10,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
--	-----------	------------	------------	------------	------------	------------

2019 Uptown Infrastructure - Loan from Electric	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00
0% Debt Retired in 2038										
FY 19 Installment Purchase	1,408.74	-	-	-	-	-	-	-	-	-
Debt Retired In 2024										
FY 20 Installment Purchase	12,525.50	11,679.11	-	-	-	-	-	-	-	-
Debt Retired In 2025										
FY 21 Installment Purchase	6,215.00	6,215.00	6,172.52	-	-	-	-	-	-	-
Debt Retired In 2026										
FY 22 Installment Purchase	50,913.19	50,913.19	50,913.19	50,913.19	50,913.19	50,913.19	50,913.19	50,913.19	50,913.19	50,913.19
Debt Retired In 2027										
FY 23 Installment Purchase	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37
Debt Retired in 2028										
Total Installment Debt	133,759.80	131,504.67	119,783.08	113,610.56	113,610.56	113,610.56	113,610.56	113,610.56	113,610.56	113,610.56
Total Debt Service - Sewer Fund	2,807,294.05	2,881,932.53	2,705,664.46	2,685,445.64	2,685,445.64	2,685,445.64	2,685,445.64	2,621,898.80	2,356,841.29	2,246,658.22

Sewer Fund Debt Service - next 5 years



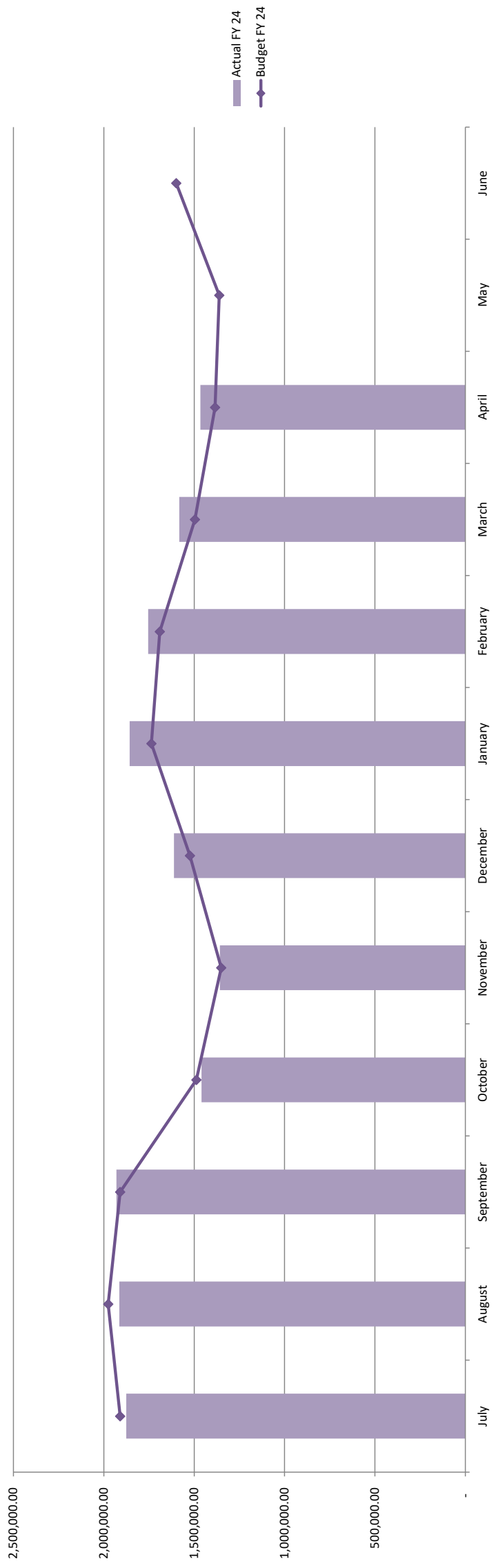
6/30/2023 Outstanding Debt Principal - Sewer



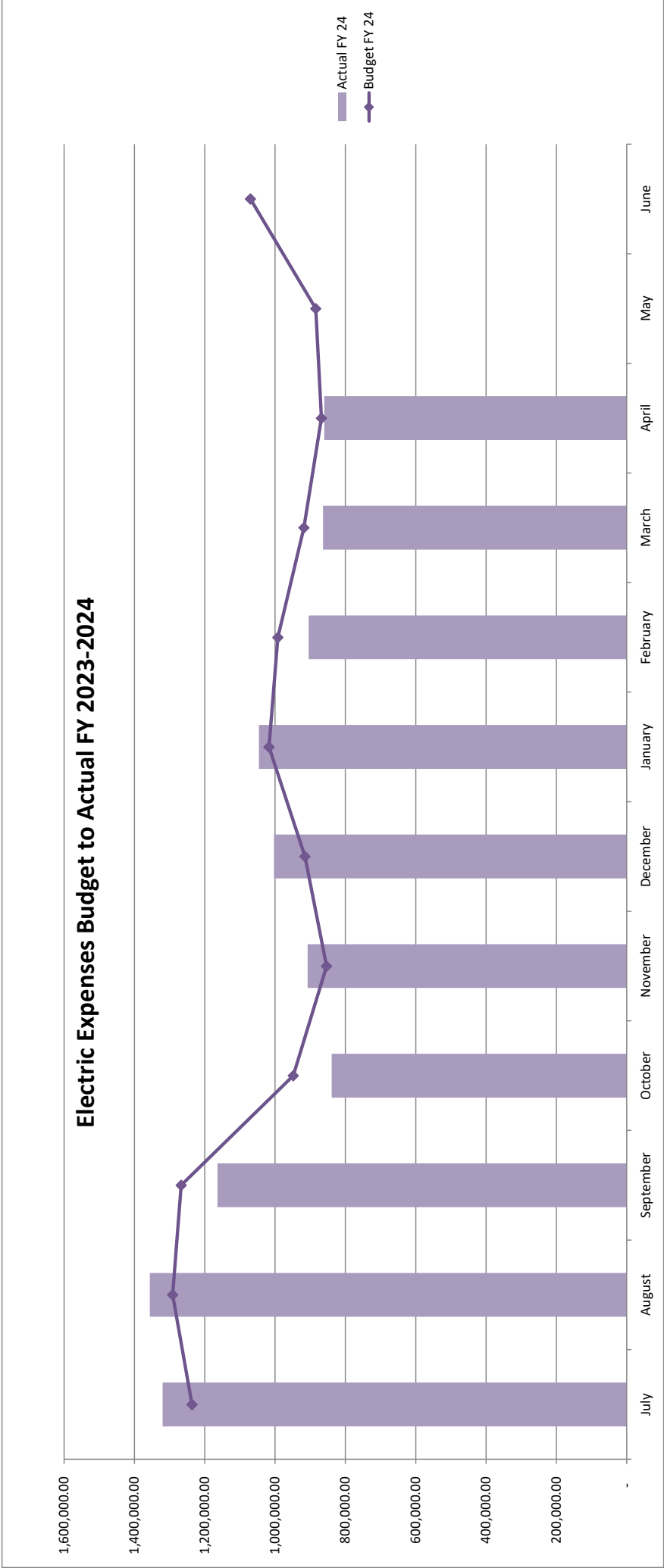
City of Shelby
Electric Revenues Budget to Actual
FY 2024

Revenues Budget FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	829,227.70	866,313.51	791,706.78	569,923.67	552,629.57	719,791.80	876,304.88	855,655.09	682,324.61	583,065.41	544,188.82	669,742.72	8,540,874.57
Commercial/Industrial	1,080,230.90	1,109,615.15	1,118,103.43	917,680.91	797,858.83	804,318.62	860,318.30	834,580.37	813,338.81	801,817.48	816,822.53	929,440.11	10,884,125.43
Totals	1,909,458.60	1,975,928.66	1,909,810.20	1,487,604.58	1,350,488.40	1,524,110.43	1,736,623.17	1,690,235.46	1,495,663.42	1,384,882.90	1,361,011.35	1,599,182.84	19,425,000.00
Actual FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	803,530.65	806,904.38	811,337.27	549,097.02	545,368.03	751,742.09	966,199.37	871,156.85	725,167.05	629,061.84			7,459,564.55
Commercial/Industrial	1,072,635.83	1,107,224.95	1,118,573.61	910,711.14	812,324.89	860,444.00	890,687.44	882,985.34	857,169.21	836,361.51			9,349,117.92
Totals	1,876,166.48	1,914,129.33	1,929,910.88	1,459,808.16	1,357,692.92	1,612,186.09	1,856,886.81	1,754,142.19	1,582,336.26	1,465,423.35	-	-	16,808,682.47
Revenue Variance	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	(25,697.05)	(59,409.13)	19,630.49	(20,826.65)	(7,261.54)	31,950.29	89,894.49	15,501.76	42,842.44	45,996.43	(544,188.82)	(669,742.72)	(1,081,310.02)
Commercial/Industrial	(7,595.07)	(2,390.20)	470.18	(6,969.77)	14,466.06	56,125.38	30,369.14	48,404.97	43,830.40	34,544.03	(816,822.53)	(929,440.11)	(1,535,007.51)
Totals	(33,292.12)	(61,799.33)	20,100.68	(27,796.42)	7,204.52	88,075.66	120,263.64	63,906.73	86,672.84	80,540.45	(1,361,011.35)	(1,599,182.84)	(2,616,317.53)

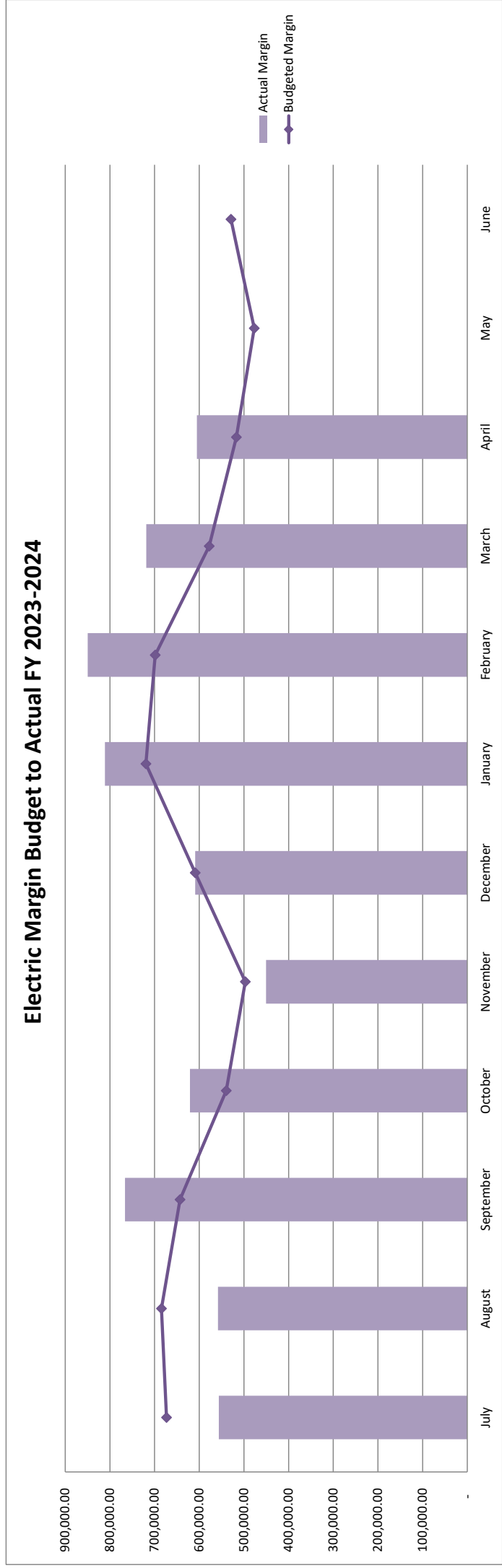
Electric Revenues Budget to Actual FY 2023-2024



Expenses													
Budget FY 24													
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
NCMPA1	1,191,139.10	1,245,505.88	1,224,200.69	915,026.39	821,469.73	881,011.79	982,318.56	955,439.13	884,629.07	836,167.62	852,299.22	1,031,347.81	11,820,555.00
SEPA	45,008.68	45,752.43	42,651.96	33,111.34	32,101.77	33,961.59	34,856.92	36,394.40	33,458.70	31,998.50	31,796.70	38,907.01	440,000.00
Totals	1,236,147.78	1,291,258.31	1,266,852.65	948,137.73	853,571.50	914,973.38	1,017,175.48	991,833.53	918,087.78	868,166.12	884,095.92	1,070,254.81	12,260,555.00
Actual FY 24													
NCMPA1	1,285,497.02	1,319,307.36	1,127,638.57	801,495.69	868,387.68	965,194.21	1,004,778.65	869,842.13	826,316.43	827,808.71			9,896,266.45
SEPA	34,382.93	36,781.34	35,996.68	37,613.09	39,004.58	37,915.06	41,074.68	34,572.32	37,419.19	32,220.75			366,980.62
Totals	1,319,879.95	1,356,088.70	1,163,635.25	839,108.78	907,392.26	1,003,109.27	1,045,853.33	904,414.45	863,735.62	860,029.46	-	-	10,263,247.07
Expense Variance													
NCMPA1	(94,357.92)	(73,801.48)	96,562.12	113,530.70	(46,917.95)	(84,182.42)	(22,460.09)	85,597.00	58,312.64	8,358.91	852,299.22	1,031,347.81	1,924,288.55
SEPA	10,625.75	8,971.09	6,655.28	(4,501.75)	(6,902.81)	(3,953.47)	(6,217.76)	1,822.08	(3,960.49)	(222.25)	31,796.70	38,907.01	73,019.38
Totals	(83,732.17)	(64,830.39)	103,217.40	109,028.95	(53,820.76)	(88,135.89)	(28,677.85)	87,419.08	54,352.16	8,136.66	884,095.92	1,070,254.81	1,997,307.93



Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	1,909,458.60	1,975,928.66	1,909,810.20	1,487,604.58	1,350,488.40	1,524,110.43	1,736,623.17	1,690,235.46	1,495,663.42	1,384,882.90	1,361,011.35	1,599,182.84	19,425,000.00
Budgeted Expenses	(1,236,147.78)	(1,291,258.31)	(1,266,852.65)	(948,137.73)	(853,571.50)	(914,973.38)	(1,017,175.48)	(991,833.53)	(918,087.78)	(868,166.12)	(884,095.92)	(1,070,254.81)	(12,260,555.00)
Budgeted Margin	673,310.82	684,670.34	642,957.56	539,466.85	496,916.90	609,137.05	719,447.69	698,401.93	577,575.64	516,716.78	476,915.43	528,928.02	7,164,445.00
Actual Revenues	1,876,166.48	1,914,129.33	1,929,910.88	1,459,808.16	1,357,692.92	1,612,186.09	1,856,886.81	1,754,142.19	1,582,336.26	1,465,423.35	-	-	16,808,682.47
Actual Expenses	(1,319,879.95)	(1,356,088.70)	(1,163,635.25)	(839,108.78)	(907,392.26)	(1,003,109.27)	(1,045,853.33)	(904,414.45)	(863,735.62)	(860,029.46)	-	-	(10,263,247.07)
Actual Margin	556,286.53	558,040.63	766,275.63	620,699.38	450,300.66	609,076.82	811,033.48	849,727.74	718,600.64	605,393.89	-	-	6,545,435.40
Margin Variance	(117,024.29)	(126,629.71)	123,318.07	81,232.53	(46,616.24)	(60.23)	91,585.79	151,325.81	141,025.00	88,677.11	(476,915.43)	(528,928.02)	(619,009.60)



DEBT SERVICE - ELECTRIC FUND

FY 2023-24 FY 2024-25 FY 2025-26 FY 2026-27 FY 2027-28 FY 2028-29 FY 2029-30

General Obligation Bonds

Revenue Bonds

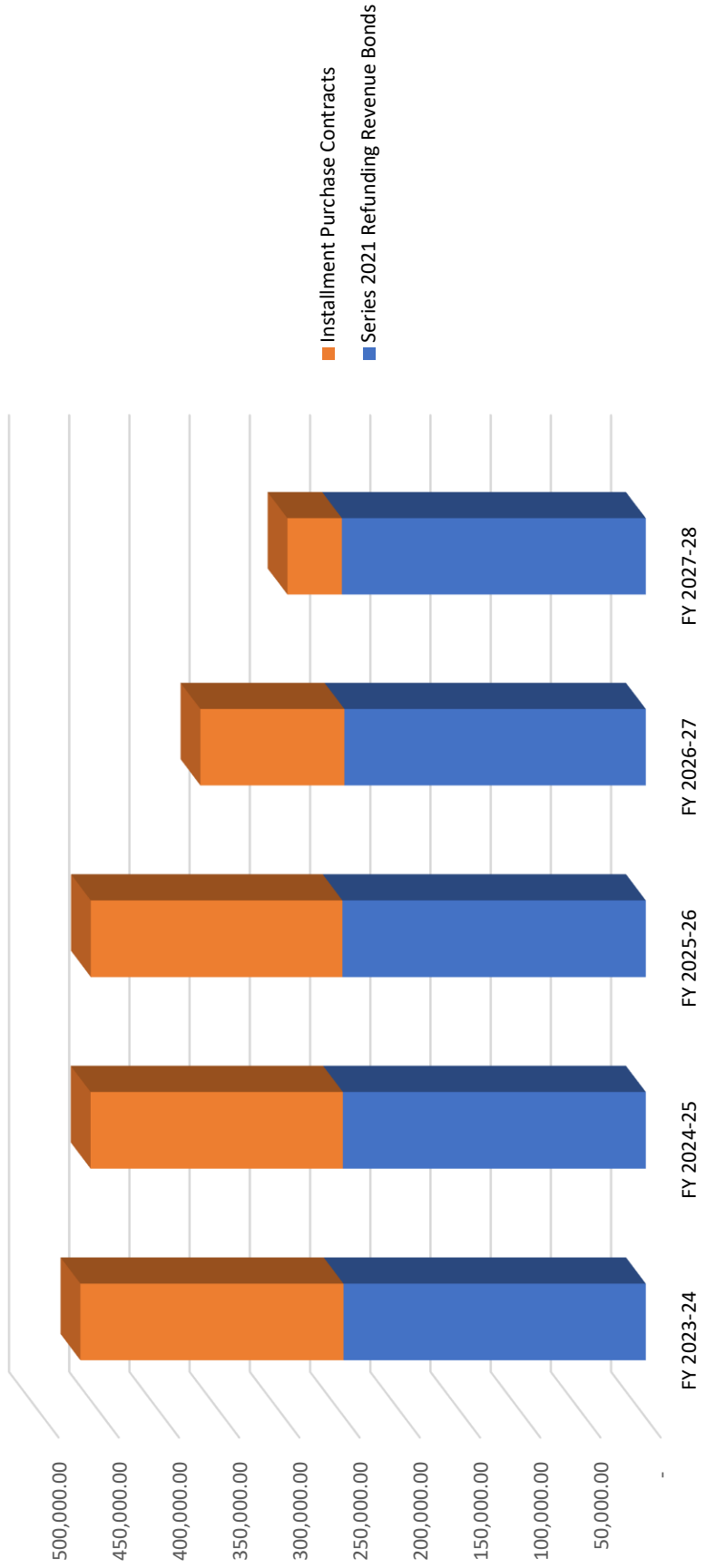
Series 2021 Refunding Revenue Bonds

Principal	231,676.33	235,407.58	239,138.82	240,834.84	246,262.10	249,314.94	-
Interest	19,384.83	16,129.49	12,819.53	9,466.84	6,076.16	2,618.99	-
Debt Retired In 2031	251,061.16	251,537.07	251,958.35	250,301.68	252,338.26	251,933.93	

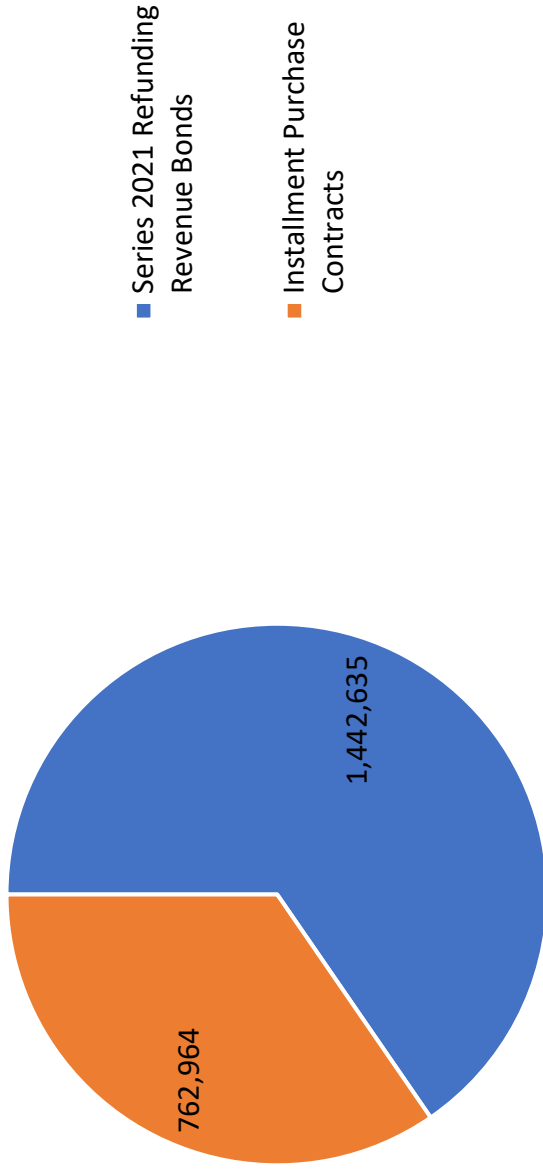
Installment Purchase Contracts

FY 19 Installment Purchase							
Debt Retired In 2024	8,921.99						
FY 21 Installment Purchase							
Debt Retired In 2026	89,952.50	89,952.50	89,337.65				
FY 22 Installment Purchase							
Debt Retired In 2027	74,290.23	74,290.23	74,290.23	74,290.23			
FY 23 Installment Purchase							
Debt Retired in 2028	45,253.75	45,253.75	45,253.75	45,253.75	45,253.73		
Total Installment Debt	218,418.47	209,496.48	208,881.63	119,543.98	45,253.73		
Total Debt Service - Electric Fund	469,479.63	461,033.55	460,839.98	369,845.66	297,591.99	251,933.93	-

Electric Fund Debt Service - next 5 years



6/30/2023 Outstanding Debt Principal - Electric



City of Shelby
Gas Revenues Budget to Actual
FY 2024

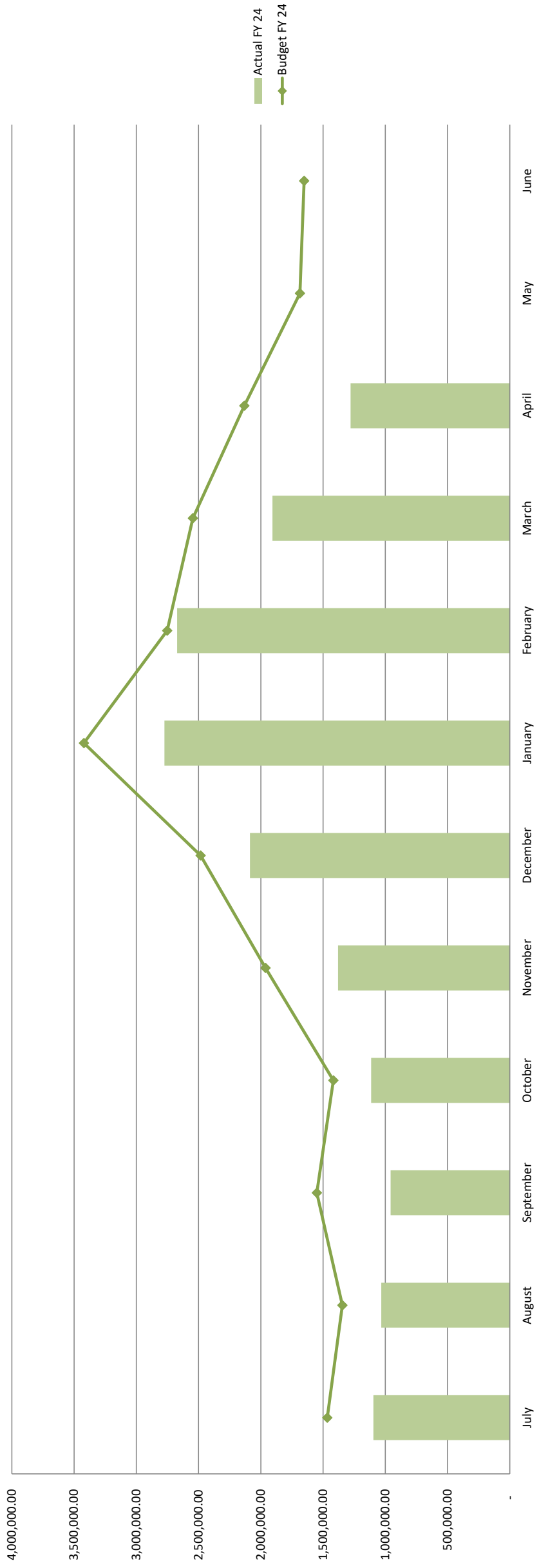
Revenues Budget FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	146,451.99	142,477.46	144,911.67	155,057.81	293,884.14	700,054.66	945,769.94	761,897.08	602,242.21	439,213.97	220,217.83	167,855.56	4,720,034.31
Commercial	190,909.53	207,335.74	226,564.93	236,190.73	336,570.64	678,053.30	979,637.61	784,787.99	632,262.25	507,170.99	241,031.27	213,783.10	5,234,298.07
High Load Factor	28,841.56	23,470.89	17,948.35	14,332.79	60,413.53	67,594.53	70,645.11	77,441.29	68,350.67	72,903.25	68,661.43	68,634.66	639,238.09
Interruptibles	88,192.32	88,995.29	84,771.55	82,364.39	106,639.37	91,769.73	87,767.26	125,595.98	86,416.49	89,767.36	83,908.70	89,344.14	1,105,532.58
Special Ind Class	1,012,290.86	882,830.69	1,076,080.56	929,990.94	1,164,274.58	945,984.77	1,337,610.23	1,003,075.69	1,156,949.41	1,023,670.57	1,072,247.56	1,112,853.09	12,717,858.95
Totals	1,466,686.27	1,345,110.07	1,550,277.06	1,417,936.66	1,961,782.26	2,483,456.98	3,421,430.15	2,752,798.02	2,546,221.04	2,132,726.13	1,686,066.79	1,652,470.55	24,416,962.00

Actual FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	129,689.00	123,830.82	114,888.37	138,732.48	270,826.74	549,697.78	849,615.54	766,993.42	533,377.24	316,911.71			3,794,563.10
Commercial	152,810.73	153,701.31	162,129.03	239,213.63	226,322.86	482,159.42	754,491.70	743,575.05	526,425.34	316,735.34			3,757,564.41
High Load Factor	17,530.83	18,138.51	17,539.21	15,615.95	18,010.55	19,020.54	23,010.61	25,115.52	22,686.66	17,542.80			194,211.18
Interruptibles	58,154.26	51,703.03	63,740.28	56,384.94	66,086.05	79,052.44	90,506.20	66,610.99	75,893.64	53,573.83			661,705.66
Special Ind Class	738,224.05	685,662.08	599,858.73	664,076.32	798,365.95	956,927.43	1,057,052.94	1,070,306.74	747,859.16	574,885.57			7,893,218.97
Totals	1,096,408.87	1,033,035.75	958,155.62	1,114,023.32	1,379,612.15	2,086,857.61	2,774,676.99	2,672,601.72	1,906,242.04	1,279,649.25	-	-	16,301,263.32

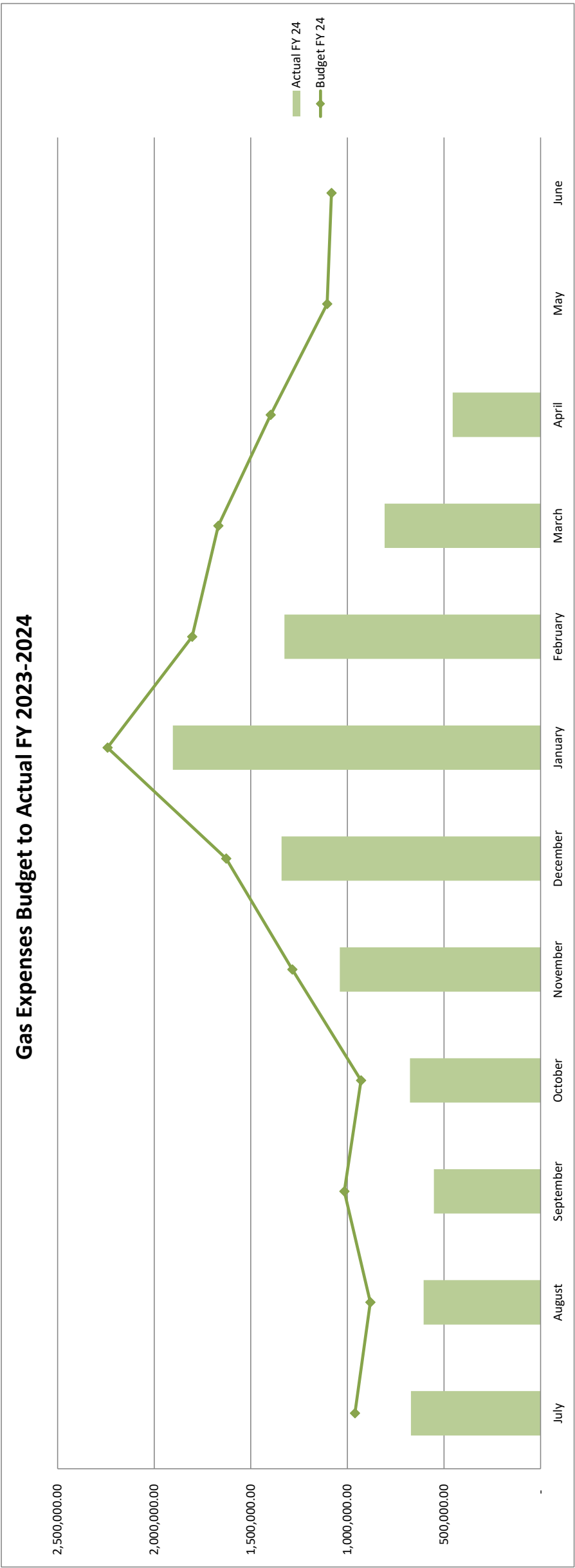
Revenue Variance	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	(16,762.99)	(18,646.64)	(30,023.30)	(16,325.33)	(23,057.40)	(150,356.88)	(96,154.40)	5,096.34	(68,864.97)	(122,302.26)	(220,217.83)	(167,855.56)	(925,471.21)
Commercial	(38,098.80)	(53,634.43)	(64,435.90)	3,022.90	(110,247.78)	(195,893.88)	(225,145.91)	(41,212.94)	(105,836.91)	(190,435.65)	(241,031.27)	(213,783.10)	(1,476,733.66)
High Load Factor	(11,310.73)	(5,332.38)	(409.14)	1,283.16	(42,402.98)	(48,573.99)	(47,634.50)	(52,325.77)	(45,664.01)	(55,360.45)	(68,661.43)	(68,634.66)	(445,026.91)

Interruptibles	(30,038.06)	(37,292.26)	(21,031.27)	(25,979.45)	(40,553.32)	(12,717.29)	2,738.94	(58,984.99)	(10,522.85)	(36,193.53)	(83,908.70)	(89,344.14)	(443,826.92)
Special Ind Class	(274,066.81)	(197,168.61)	(476,221.83)	(265,914.62)	(365,908.63)	10,942.66	(280,557.29)	67,231.05	(409,090.25)	(448,785.00)	(1,072,247.56)	(1,112,853.09)	(4,824,639.98)
Totals	(370,277.40)	(312,074.32)	(592,121.44)	(303,913.34)	(582,170.11)	(396,599.37)	(646,753.16)	(80,196.30)	(639,979.00)	(853,076.88)	(1,686,066.79)	(1,652,470.55)	(8,115,698.68)

Gas Revenues Budget to Actual FY 2023-2024

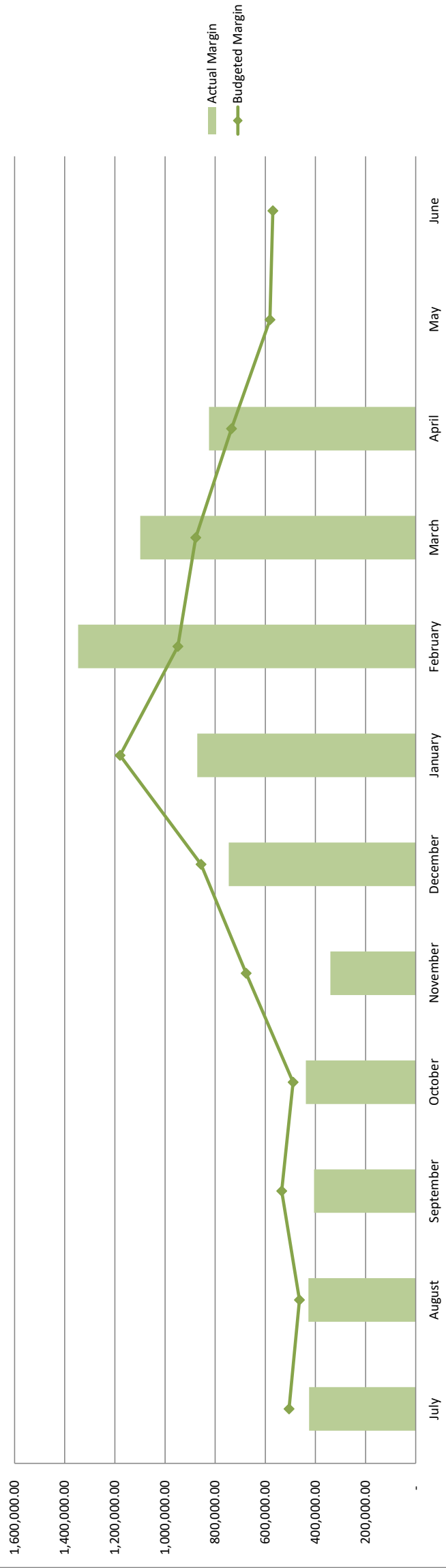


Expenses	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget FY 24	961,093.37	881,426.65	1,015,868.93	929,148.62	1,285,520.95	1,627,365.10	2,242,002.20	1,803,859.48	1,668,493.26	1,397,537.42	1,104,849.52	1,082,834.50	16,000,000.00
Actual FY 24	670,914.51	605,246.61	552,368.38	676,065.61	1,039,073.00	1,340,830.60	1,903,641.34	1,325,823.89	807,713.12	454,918.90			9,376,595.96
Expense Variance	290,178.86	276,180.04	463,500.55	253,083.01	246,447.95	286,534.50	338,360.86	478,035.59	860,780.14	942,618.52	1,104,849.52	1,082,834.50	6,623,404.04



Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	1,466,686.27	1,345,110.07	1,550,277.06	1,417,936.66	1,961,782.26	2,483,456.98	3,421,430.15	2,752,798.02	2,546,221.04	2,132,726.13	1,686,066.79	1,652,470.55	24,416,962.00
Budgeted Expenses	961,093.37	881,426.65	1,015,868.93	929,148.62	1,285,520.95	1,627,365.10	2,242,002.20	1,803,859.48	1,668,493.26	1,397,537.42	1,104,849.52	1,082,834.50	16,000,000.00
Budgeted Margin	505,592.90	463,683.42	534,408.14	488,788.04	676,261.31	856,091.89	1,179,427.96	948,938.54	877,727.78	735,188.71	581,217.28	569,636.05	8,416,962.00
Actual Revenues	1,096,408.87	1,033,035.75	958,155.62	1,114,023.32	1,379,612.15	2,086,857.61	2,774,676.99	2,672,601.72	1,906,242.04	1,279,649.25	-	-	16,301,263.32
Actual Expenses	670,914.51	605,246.61	552,368.38	676,065.61	1,039,073.00	1,340,830.60	1,903,641.34	1,325,823.89	807,713.12	454,918.90	-	-	9,376,595.96
Actual Margin	425,494.36	427,789.14	405,787.24	437,957.71	340,539.15	746,027.01	871,035.65	1,346,777.83	1,098,528.92	824,730.35	-	-	6,924,667.36
Margin Variance	(80,098.54)	(35,894.28)	(128,620.90)	(50,830.33)	(335,722.16)	(110,064.88)	(308,392.31)	397,839.29	220,801.14	89,541.64	(581,217.28)	(569,636.05)	(1,492,294.64)

Gas Margin Budget to Actual FY 2023-2024



DEBT SERVICE - GAS FUND

FY 2023-24

FY 2024-25

FY 2025-26

FY 2026-27

FY 2027-28

FY 2028-29

FY 2029-30

General Obligation Bonds

Revenue Bonds

Series 2021 Refunding Revenue Bonds

Principal	173,115.26	175,424.02	134,680.29	135,703.98	137,967.78	82,862.43
Interest	11,149.72	8,717.88	6,405.23	4,516.52	2,608.73	870.45
Debt Retired In 2031	184,264.98	184,141.90	141,085.52	140,220.50	140,576.51	83,732.88

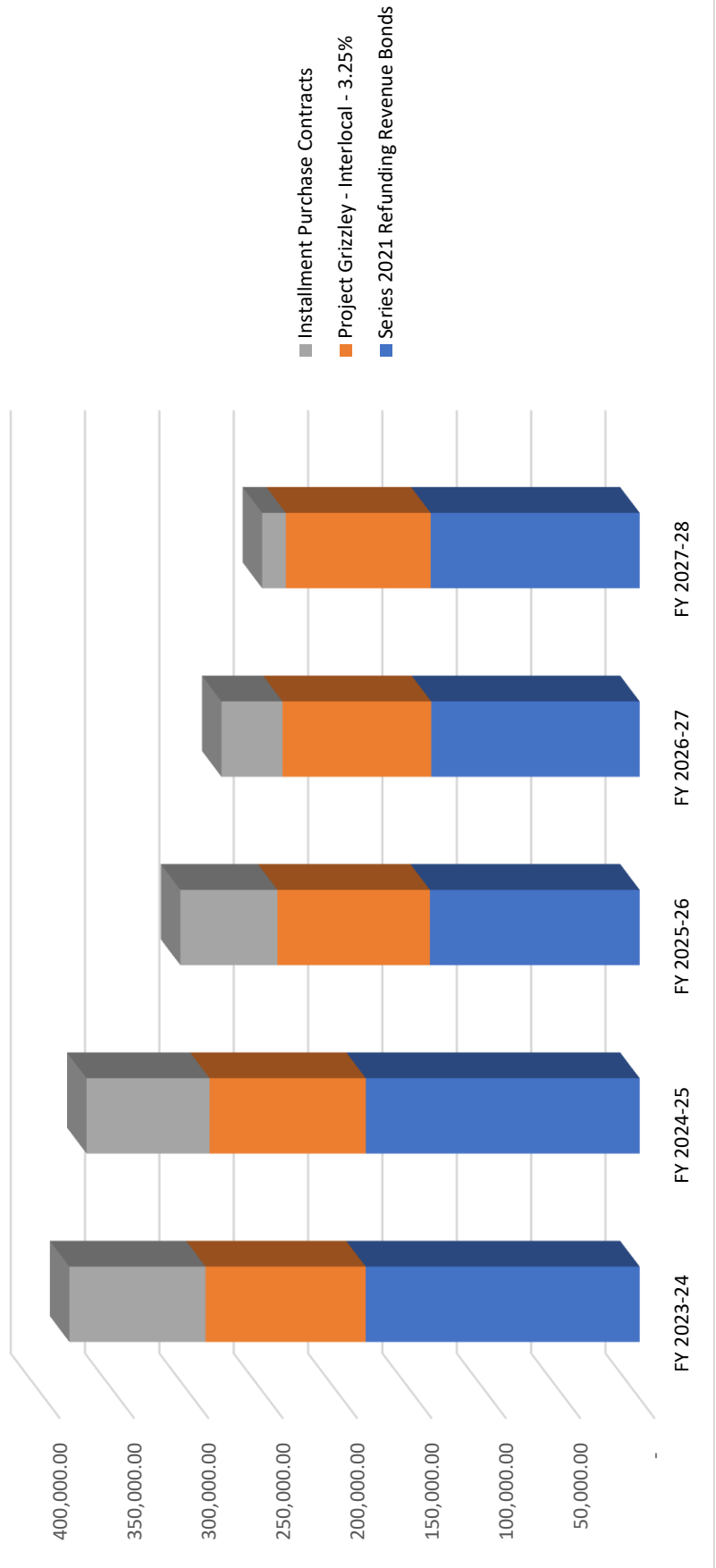
Project Grizzley - Interlocal - 3.25%

Principal	84,560.60	84,560.60	84,560.60	84,560.60	84,560.60	84,560.60
3.25% Interest	23,085.04	20,520.03	17,955.03	15,390.02	12,825.02	7,695.01
Debt Retired in 2032	107,645.64	105,080.63	102,515.63	99,950.62	97,385.62	92,255.61

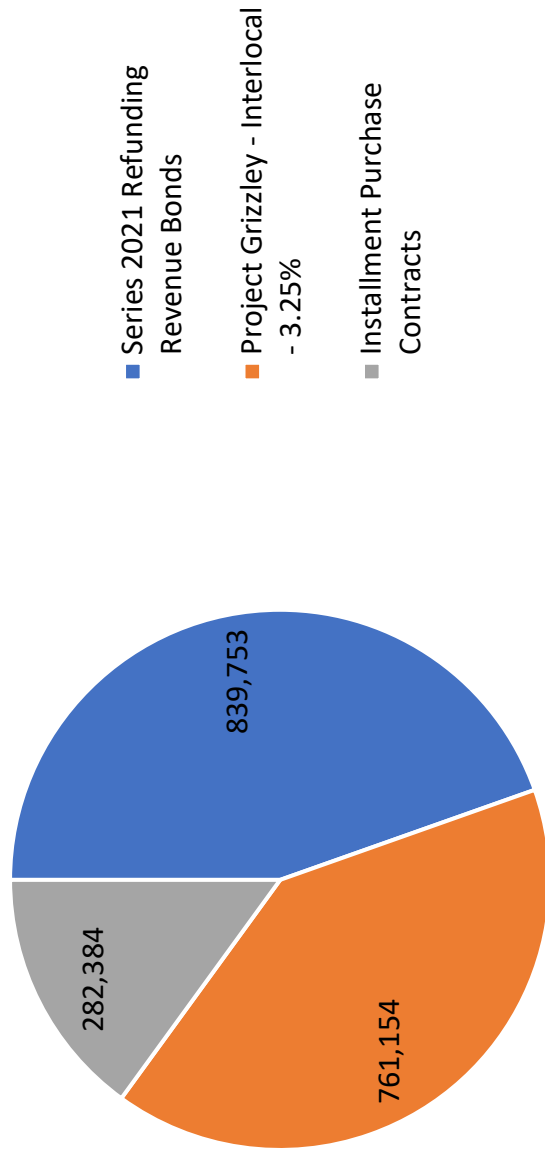
Installment Purchase Contracts

FY 19 Installment Purchase	7,621.62					
Debt Retired In 2024						
FY 20 Installment Purchase	18,518.00	17,266.67				
Debt Retired In 2025						
FY 21 Installment Purchase	24,392.50	24,392.50	24,225.77			
Debt Retired In 2026						
FY 22 Installment Purchase	25,145.86	25,145.86	25,145.86	25,145.86		
Debt Retired In 2027						
FY 23 Installment Purchase	15,882.00	15,882.00	15,882.00	15,882.00	15,882.02	
Debt Retired In 2028						
Total Installment Purchase Contracts	91,559.98	82,687.03	65,253.63	41,027.86	15,882.02	
Total Debt Service - Gas Fund	383,470.60	371,909.57	308,854.78	281,198.99	253,844.15	92,255.61

Natural Gas Fund Debt Service - next 5 years



6/30/2023 Outstanding Debt Principal - Gas



DEBT SERVICE - STORMWATER FUND FY 2023-24 FY 2024-25 FY 2025-26 FY 2026-27 FY 2027-28 FY 2028-29 FY 2029-30

Installment Purchase Contracts

FY 19 Installment Purchase 3,919.17

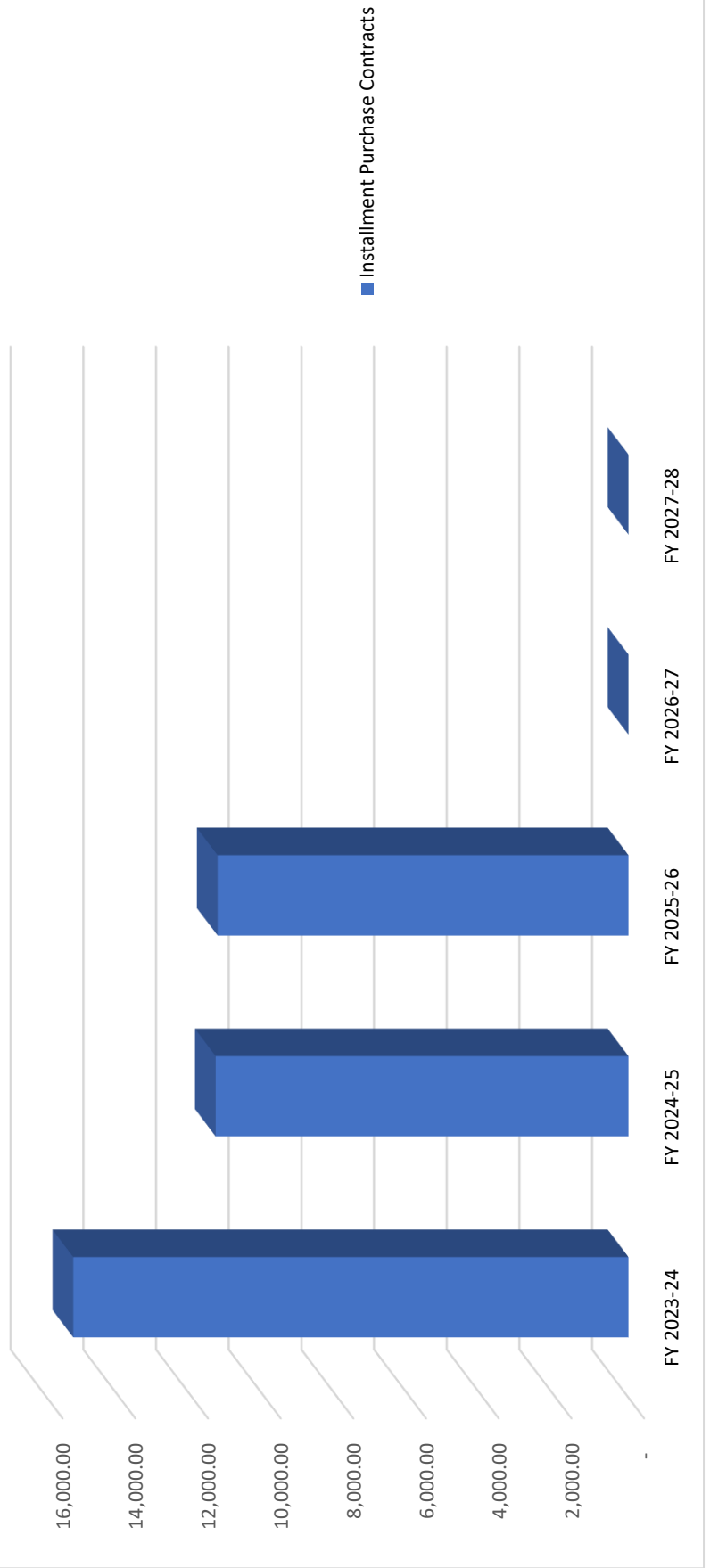
Debt Retired In 2024

FY 21 Installment Purchase 11,357.50 11,357.50 11,304.84

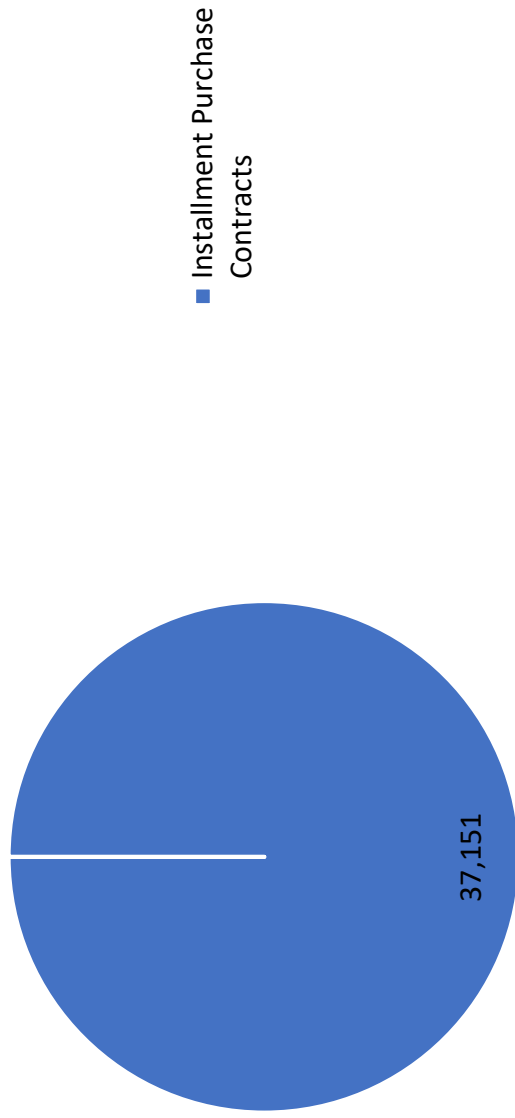
Debt Retired In 2026

Total Debt Service - Stormwater Fund 15,276.67 11,357.50 11,304.84

Stormwater Fund Debt Service - next 5 years



6/30/2023 Outstanding Debt Principal - Stormwater



City of Shelby
 For FY24 - April 2024 (83.33% of Fiscal Year)
 Enterprise Funds Expenditures by Division

<u>ACCOUNT DESCRIPTION</u>	<u>ORIGINAL APPROP</u>	<u>REVISED BUDGET</u>	<u>YTD EXPENDED</u>	<u>ENCUMB</u>	<u>AVAIL BUDGET</u>	<u>% USED</u>
Total 610711 WATER ADMINISTRATION	3,376,526	4,373,555	3,138,838.04	8,515.94	1,226,201	72.00 %
Total 610713 WATER LINES OPERATIONS	937,390	996,044	867,608.12	24,865.25	103,571	89.60 %
Total 610714 WATER PLANT OPERATIONS	2,342,416	2,408,726	1,693,315.48	297,331.30	418,079	82.60 %
Total 610 WATER FUND	6,656,332	7,778,326	5,699,761.64	330,712.49	1,747,852	77.50 %
Total 620721 SEWER ADMINISTRATION	3,121,474	4,512,928	3,549,442.63	13,903.23	949,582	79.00 %
Total 620723 SEWER LINES OPERATIONS	1,108,930	1,270,577	696,414.53	144,392.35	429,770	66.20 %
Total 620724 SEWER PLANT OPERATIONS	2,758,365	2,843,861	2,039,952.92	342,676.69	461,231	83.80 %
Total 620 SEWER FUND	6,988,769	8,627,366	6,285,810.08	500,972.27	1,840,584	78.70 %
Total 630731 ELECTRIC ADMINISTRATIO	3,918,825	9,478,225	8,575,488.17	73,278.75	829,458	91.20 %
Total 630732 ELECTRIC PURCHASE	13,760,555	13,760,555	11,298,351.51	0.00	2,462,203	82.10 %
Total 630733 ELECTRIC LINES	3,582,620	4,943,695	3,166,944.55	672,777.22	1,103,974	77.70 %
Total 630 ELECTRIC FUND	21,262,000	28,182,476	23,040,784.23	746,055.97	4,395,635	84.40 %
Total 640741 NATURAL GAS ADMINISTRA	5,135,252	6,469,336	4,794,388.45	12,204.83	1,662,742	74.30 %
Total 640742 NATUTRAL GAS PURCHASE	17,010,000	17,010,000	9,510,240.24	0.00	7,499,760	55.90 %
Total 640743 NATURAL GAS LINES	2,999,210	3,243,432	2,498,761.36	175,330.40	569,340	82.40 %
Total 640 NATURAL GAS FUND	25,144,462	26,722,767	16,803,390.05	187,535.23	9,731,842	63.60 %
Total 650751 STORMWATER ADMINISTRAT	919,527	1,783,188	974,711.81	15,738.80	792,737	55.50 %
Total 650 STORMWATER FUND	919,527	1,783,188	974,711.81	15,738.80	792,737	55.50 %

City of Shelby
Weather Variances
Fiscal Year to Date at April 30, 2024

Month	Average Rain*	Actual Rain	Variance	Average CDD**	Actual CDD	Variance	Average HDD**	Actual HDD	Variance
July	4.30	5.10	0.80	388	484	96	0	0	0
August	4.40	4.70	0.30	563	436	-127	0	0	0
September	3.80	0.09	(3.71)	256	258	2	5	3	-2
October	3.80	0.70	(3.10)	109	64	-45	129	148	19
November	3.40	1.60	(1.80)	0	8	8	460	411	-49
December	4.00	8.50	4.50	1	0	-1	564	574	10
January	3.90	9.90	6.00	0	0	0	810	715	-95
February	3.90	1.10	(2.80)	0	0	0	586	454	-132
March	4.70	10.40	5.70	24	8	-16	464	307	-157
April	3.30	2.60	(0.70)	23	59	36	223	124	-99
May	4.40	0.00	(4.40)	116	0	-116	51	0	-51
June	4.30	0.00	(4.30)	337	0	-337	0	0	0
Totals	48.20	44.69	(3.51)	1,817	1,317	(500)	3,292	2,736	(556)

Heating Degree Days: This is a value which gives an indication of the need to heat a building in a given climate. The number of heating degrees in a day is defined as the difference between a reference value of 65°F and the average outside temperature for that day.

Cooling Degree Days: This is a value which gives an indication of the need to cool a building in a given climate. The number of cooling degrees in a day is defined as the difference between a reference value of 65°F and the average outside temperature for that day.

* Source www.weather.com

** Source www.climate.fizber.com

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: C-10

10) Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council –
July 1, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Notice of Cancellation

City Manager's Recommendation / Comments

After reviewing with staff, the upcoming agenda schedule and any upcoming items requiring action by City Council it is my recommendation that the regular meeting slated for Monday, July 1, 2024, be cancelled via the Consent Agenda. If approved by City Council your next regularly scheduled meeting would be held on Monday, July 15, 2024.

**NOTICE OF CANCELLATION
IN THE
REGULAR MEETING SCHEDULE
OF
SHELBY CITY COUNCIL**

This notice is to inform the general public and the media and is conducted in accordance with the mandates of North Carolina General Statutes 160A-71 and 143-318.12 (a), that the regularly scheduled July 1, 2024, meeting of the Shelby City Council has been cancelled. The regular meeting schedule, as adopted by the Council, remains in place for all other regular meetings of the Council and will resume on Monday, July 15, 2024, at 6:00 p.m. at the Don Gibson Theatre located at 318 South Washington Street, Shelby, North Carolina next to City Hall.

Dated: June 3, 2024

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

D. Unfinished Business:

Agenda Item: D-1

1) City of Shelby's City Hall Annex Renovations Project:

a) Adoption of budget ordinance amendment for the City Hall Annex Renovations Project: Ordinance No. 44-2024

b) Approval of a resolution awarding the construction contract for the City of Shelby's City Hall Annex Renovations Project: Resolution No. 41-2024

Unfinished Business Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Ordinance No. 44-2024
- Resolution No. 41-2024
- Certified Bid Tabulation – Upland Architects
- City Hall Annex Plans

City Manager's Recommendation / Comments

The following two items are related to the City Hall Annex renovation. In 2023 the City retained Upland Architects to develop a plan and scope of work for these renovations for consideration by qualified bidders. The scope of the work is depicted on drawings in your agenda packet.

Ordinance No. 44-2024 is presented at this time for City Council consideration. City Council previously adopted Ordinance No. 56-2023 appropriating funding for the engineering and design of this project. If approved this project budget ordinance amendment would appropriate an additional \$1,881,000 from the General Fund reserves for the construction of this project.

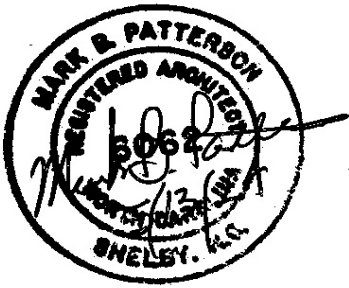
Resolution No. 41-2024 is presented for City Council consideration at this time. If approved this resolution would award a contract in the amount of \$1,880,714 to Neill Grading and Construction for this project.

It is my recommendation that Ordinance No. 44-2024 and Resolution No. 41-2024 be adopted and approved by City Council at this time.

CERTIFIED BID TAB
SHELBY CITY HALL ANNEX RENOVATIONS
 May 9, 2024

Contractor	Base Bid
Greene General Contractors	2,600,000.00
Morrison Construction	2,050,900.00
Neill Grading and Construction	1,880,714.00
Sossamon Construction	2,150,000.00

Neill Grading and Construction was the low bidder for this project based on bids received on May 9th, 2024. Based on those bids if the project is to be awarded, we recommend Neill Grading and Construction be awarded the General Construction contract.



DEMOLITION LEGEND

EXISTING PARTITIONS TO REMAIN, PATCH AND REPAIR AS REQUIRED DUE TO CONSTRUCTION.

PARTITIONS, MILLWORK AND CEILING ITEMS TO DEMOLISHED

NOTE ABOUT COLUMNS

DEMOLITION KEY NOTES

- REMOVE EXISTING VERTICAL BLINDS. DISCARD.
- REMOVE EXISTING FINISHES THROUGHOUT. PROVIDE FLOOR PREP FOR NEW FLOORING THROUGHOUT.
- EXISTING DOOR TO REMAIN.
- REMOVE ALL INTERIOR PARTITIONS INCLUDING G.C. IS TO REMOVE TO FRAMING, FINISHES, AND FASTENERS (TYPICAL UNLESS NOTED OTHERWISE)
- REMOVE PLUMBING FIXTURES & ACCESSORIES.
- REMOVE STAIRS IN ITS ENTIRETY.
- REMOVE EXISTING SECURITY CAMERAS THROUGHOUT
- REMOVE EXISTING CUBICLES & FURNITURE TO BE REMOVED.
- REMOVE CABINETS, COUNTERTOPS, AND APPLIANCES.
- REMOVE EXISTING SHELVING TO BE REMOVED
- EXISTING LOCKERS TO BE REMOVED
- MISC. ITEMS TO BE REMOVED
- REMOVE LOCKERS THROUGHOUT
- REMOVE WALL-HUNG CABINETS
- REMOVE EXISTING VERTICAL BLINDS, DISCARD.

DEMOLITION FLOOR PLAN LEGEND

ALSO SEE SYMBOL LEGEND ON COVERSHEET/A000

- EXISTING WALL/ COLUMN TO REMAIN
- EXISTING WALL/ COLUMN TO BE REMOVED
- EXISTING DOOR/ FRAME TO BE REMOVED
- EXISTING PLUMBING FIXTURES TO BE REMOVED
- DEMO TAG - SEE KEYNOTE LEGEND
- KEY NUMBER

GENERAL NOTES FOR FIRST FLOOR PLAN

- SEE 2/A103 SECOND FLOOR FRAMING PLANS FOR COLUMNS WHICH RECEIVE INTUMESCENT COATING FOR 1 HOUR RATING. THESE COLUMNS SHALL ALSO BE PAINTED.

FLOOR PLAN KEY NOTES

- PROVIDE GYP BOARD ON METAL FURRING ON EXISTING MAS WALL. EXISTING MAS WALL TOPS 6'-6" AFF. PROVIDE METAL STUDS WITH GYP BOARD ON TOP OF MAS WALL TIGHT TO DECK ABOVE.
- ALIGN FACE OF NEW WALL WITH FACE OF EXISTING WALL
- SEE BUILDING SECTION 1/A004 FOR DETAIL OF THIS WALL
- ALIGN FACE OF WALL WITH JAMB OF WINDOW
- FLOOR BOXES - SEE ELEC DWGS

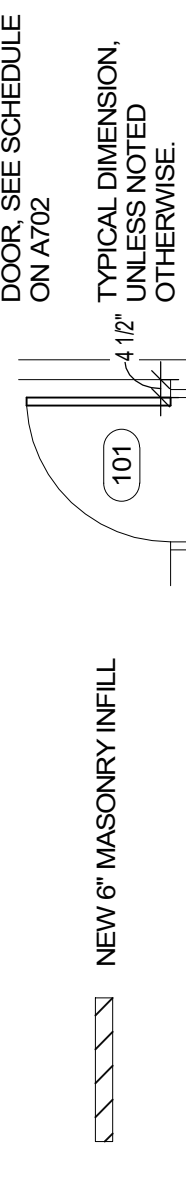
FLOOR PLAN LEGEND

GENERAL NOTES ALL FLOOR PLANS UNO.

- EXISTING WALLS ARE DIMENSIONED FROM FACE OF WALL UNO. NEW WALLS ARE DIMENSIONED TO CENTERLINE OF WALL UNO.
- DOORS ARE DIMENSIONED TO CENTERLINE OF DOOR OR CENTERED BETWEEN WALLS UNO. DOORS DIMENSIONED ON PLANS ARE DIMENSIONED FROM FACE OF WALL TO EDGE OF DOOR UNO
- WALLS TO BE TYP. 1 UOR

EXISTING WALL OR PARTITION TO REMAIN

NEW WALL OR PARTITION - SEE WALL TYPES ON A702



WALL TYPE TAG - SEE SHEETS A601 AND 602. NEW WALLS ARE WALL TYPE 1 UNLESS NOTED OTHERWISE

DOOR TAG - SEE DOOR SCHEDULE

FINISH FLOOR ELEVATION RELATIVE TO REFERENCE FLOOR ELEVATION 0'-0"

ROOM TAG - SEE FINISH SCHEDULE

KEYNOTE TAG

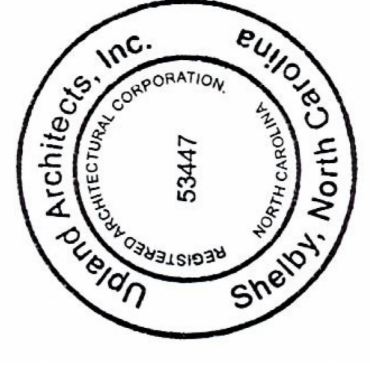
REVISION TAG

WINDOW TAG - SEE SHEET A702



250 E. MAIN STREET - SUITE 13
NORTON, MASSACHUSETTS 02766
331 SOUTH WASHINGTON STREET
SHELBY, NORTH CAROLINA 28150
774-430-3390 MA
704-466-3755 NC
WWW.UPLANDARCHITECTS.COM

DISCLAIMER
OWNERSHIP AND USE OF DOCUMENTS, DRAWINGS AND SPECIFICATIONS ARE INSTRUMENTS OF PROFESSIONAL SERVICE AND SHALL REMAIN THE PROPERTY OF UPLAND ARCHITECTS, INC. THESE INSTRUMENTS ARE TO BE USED ONLY FOR THE PROJECT AND PURPOSES STATED THEREON. ANY OTHER PROJECTS OR PURPOSES OR BY ANY OTHER PARTIES THAN THOSE SPECIFICALLY AUTHORIZED BY UPLAND ARCHITECTS, INC. EXPRESS WRITTEN AUTHORIZATION OF THE ARCHITECT.



NUMBER	REVISIONS	DATE
1	Revision 1	Date 1

ISSUED FOR:	DATE ISSUED:
Project Status	TBD
PROJECT TITLE	

RENOVATIONS TO SHELBY CITY HALL ANNEX

311 SOUTH LAFAYETTE ST.
SHELBY, NORTH CAROLINA 28150

DRAWING TITLE:
FIRST FLOOR PLAN AND FIRST FLOOR DEMOLITION PLAN

PERMIT DWG DATE: TBD
PROJECT NUMBER: NC22-11-002

DRAWN BY: SMD
CHECKED BY: BMP

DRAWING NUMBER

A101.1



1 EXISTING FIRST FLOOR PLAN
1/8" = 1'-0"

2 FIRST FLOOR PLAN
1/8" = 1'-0"

DEMOLITION LEGEND

EXISTING PARTITIONS TO REMAIN, PATCH AND REPAIR AS REQUIRED DUE TO CONSTRUCTION.

PARTITIONS, MILLWORK AND CEILING ITEMS TO DEMOLISHED

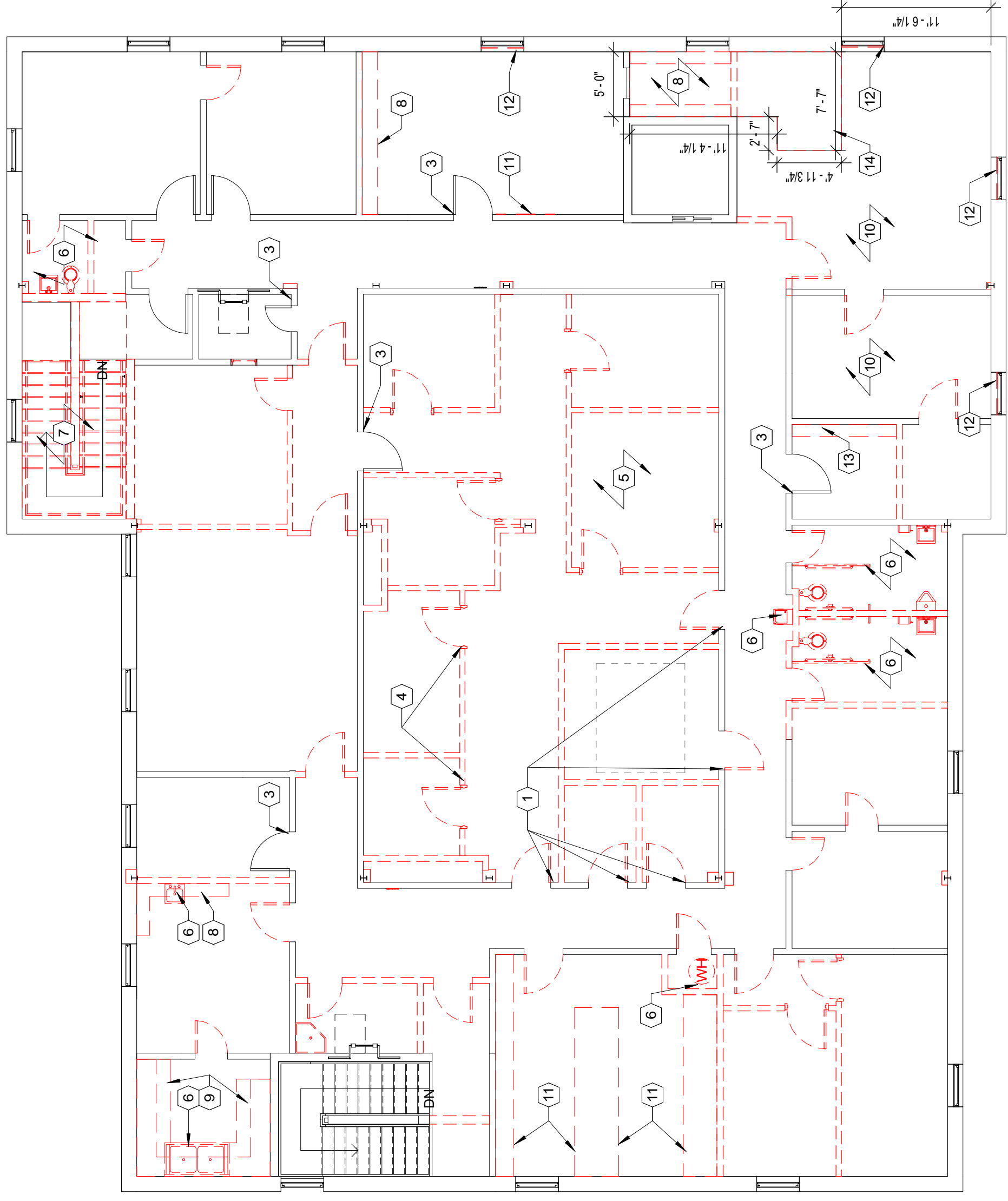
LEVEL 2 - DEMOLITION KEY NOTES

- REMOVE EXISTING DOOR SYSTEM IN ITS ENTIRETY. PREP FOR NEW WALL CONSTRUCTION INFILL TO MATCH EXISTING.
- REMOVE DOOR TO REMAIN.
- REMOVE DOOR IN ITS ENTIRETY. THROUGHOUT.
- REMOVE DOOR IN ITS ENTIRETY. THROUGHOUT INCLUDING BUT NOT LIMITED TO FRAMING, FINISHES, AND PASTERERS (TYPICAL UNLESS NOTES OTHERWISE).
- REMOVE PLUMBING FIXTURES, THROUGHOUT.
- REMOVE STAIRS IN ITS ENTIRETY.
- EXISTING SHELVING TO BE REMOVED. THROUGHOUT.
- REMOVE EXISTING CABINETS AS INDICATED.
- REMOVE EXISTING PANELING. PREP WALL FOR NEW FINISH.
- REMOVE EXISTING WHITE BOARDS. DISCARD; PREP WALL TO RECEIVE FINAL FINISH.
- REMOVE EXISTING VERTICAL BLINDS. DISCARD.
- REMOVE SHELVING AND MISC. ITEMS.
- EXISTING CONCRETE SLAB TO BE REMOVED.

DEMOLITION FLOOR PLAN LEGEND

ALSO SEE SYMBOL LEGEND ON COVERSHEET/A000

- EXISTING WALL/ COLUMN TO REMAIN
- EXISTING WALL/ COLUMN TO BE REMOVED
- EXISTING DOOR/ FRAME TO BE REMOVED
- EXISTING PLUMBING FIXTURES TO BE REMOVED
- DEMOL. TAG - SEE KEYNOTE LEGEND
- KEY NUMBER



1 DEMO SECOND FLOOR PLAN
1/8" = 1'-0"

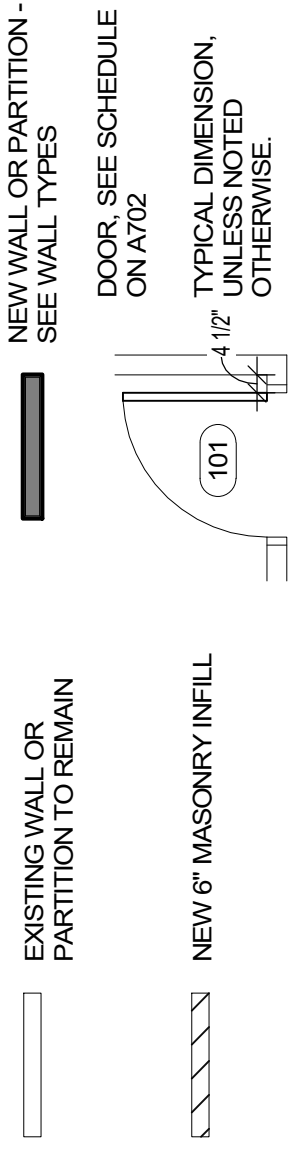
LEVEL 2 - FLOOR PLAN KEY NOTES

- ALIGN NEW WALL WITH EXISTING WALL FACE.
- WRAP COLUMN FROM FLOOR TO 4" ABOVE CEILING W/ GYP BD ON METAL FURRING @ 16" OC
- BLOCK INTO EXISTING BLOCK. CLOSE OPENING WITH MASONRY BLOCK. TOOTH NEW BLOCK INTO EXISTING BLOCK.
- NEW CONCRETE FLOOR ON METAL DECK WHERE EXISTING STAIR WAS. SEE STRUCTURAL.
- FIELD FLOOR TO EXISTING FLOOR FINISH. SEE DETAIL FOR FINISH. FOR BOARDMATE
- NEW MASONRY WALLS TO BE 8" THICK. PROVIDE 3/8" STEEL PLATE UNITE OVER NEW OPENING BEAR 8" EACH SIDE. PLATE SHALL BE 1/2" LESS THAN WALL WIDTH EACH SIDE. TOOTH NEW BLOCK INTO EXISTING BLOCK.
- CLOSE OPENINGS IN FLOOR IN THIS AREA WITH STEEL FRAMING AND CONCRETE ON METAL DECKING. SEE STRUCTURAL.
- AREA OF RESCUE ASSISTANCE. SEE ELEC DWG'S
- PORTABLE COMPUTER STATION BY OWNER
- MECH DWGS - VERTICAL FRAMING AND CUT HOLES IN FLOOR FOR HVAC DUCTS - SEE STRUCT AND MECH DWGS.
- FLOOR BOXES - SEE ELECTRICAL DWGS. COORDINATE EXACT LOCATION WITH STRUCTURE BELOW.

FLOOR PLAN LEGEND

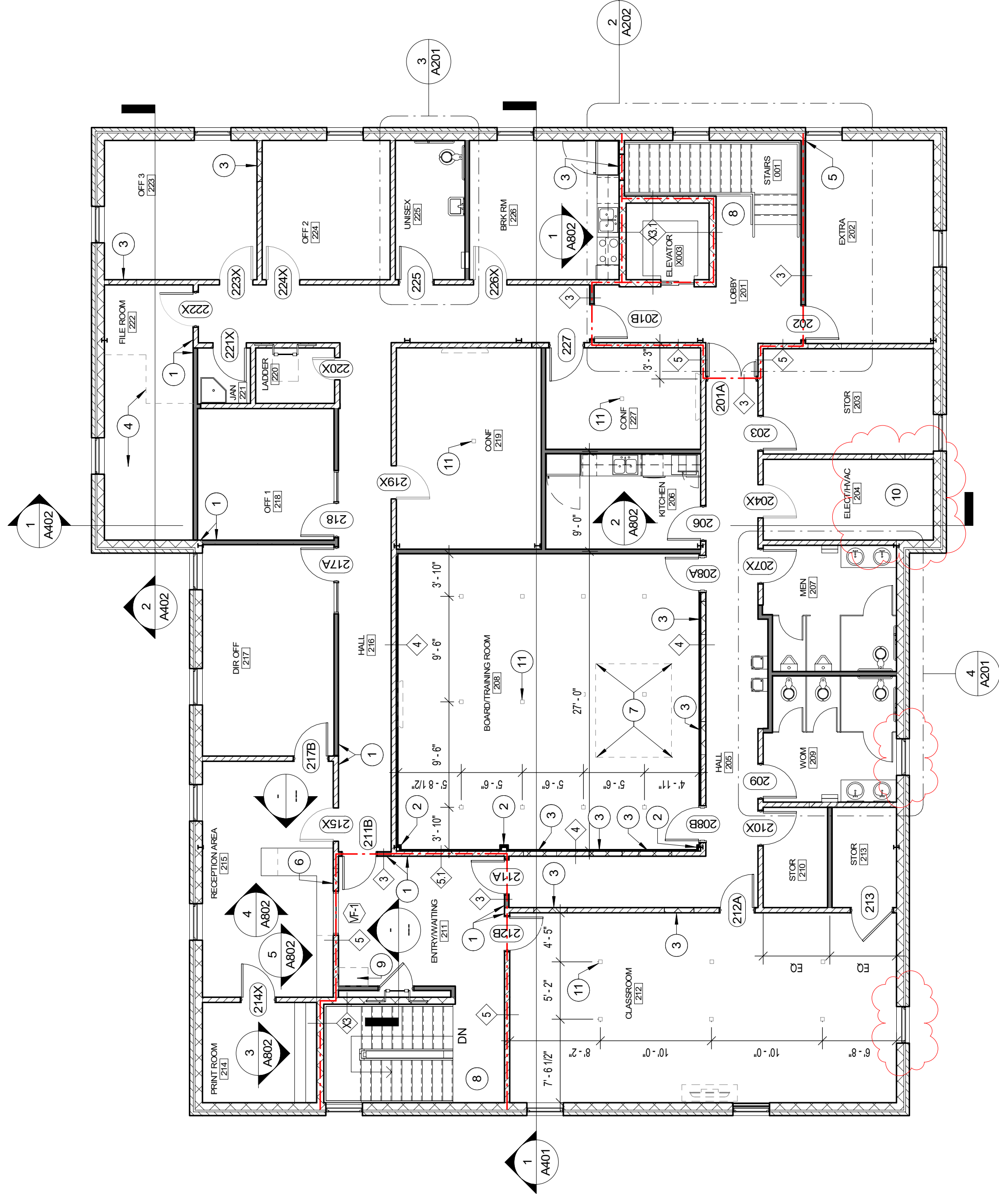
GENERAL NOTES ALL FLOOR PLANS UNO.

- EXISTING WALLS ARE DIMENSIONED FROM FACE OF WALL UNO. NEW WALLS ARE DIMENSIONED TO CENTER LINE OF WALL UNO.
- DOORS ARE DIMENSIONED FROM FACE OF WALL TO EDGE OF DOOR OR CENTERED BETWEEN WALLS UNO. DOORS DIMENSIONED ON PLANS ARE DIMENSIONED FROM FACE OF WALL TO EDGE OF DOOR UNO.
- WALLS TO BE TYP. 1 UOR



WALL TYPE TAG - SEE SHEETS A601 AND A602. NEW WALLS ARE WALL TYPE 1 UNLESS NOTED OTHERWISE.

- DOOR TAG - SEE DOOR SCHEDULE
- FINISH FLOOR ELEVATION RELATIVE TO REFERENCE FLOOR ELEVATION 0'-0"
- ROOM TAG - SEE FINISH SCHEDULE
- KEYNOTE TAG
- REVISION TAG
- WINDOW TAG - SEE SHEET A702



2 SECOND FLOOR PLAN
1/8" = 1'-0"

250 E. MAIN STREET - SUITE 13
NORTON, MASSACHUSETTS 02766

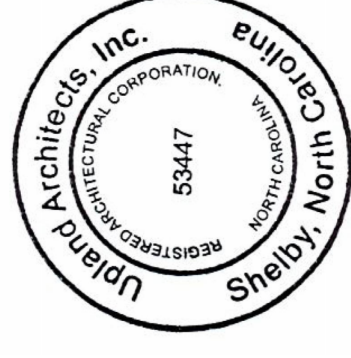
331 SOUTH WASHINGTON STREET
SHELBY, NORTH CAROLINA 28150

774-430-3390 MA
704-466-3755 NC

WWW.UPLANDARCHITECTS.COM

DISCLAIMER

OWNERSHIP AND USE OF DOCUMENTS, DRAWINGS AND SPECIFICATIONS ARE INSTRUMENTS OF PROFESSIONAL SERVICE AND SHALL REMAIN THE PROPERTY OF UPLAND ARCHITECTS, INC. ANY REPRODUCTION, COPIING, OR TRANSMISSION OF THIS DOCUMENT OR ANY PART OF IT FOR ANY OTHER PROJECTS OR PURPOSES OTHER THAN THOSE SPECIFICALLY AUTHORIZED BY UPLAND ARCHITECTS, INC. EXPRESS WRITTEN AUTHORIZATION OF THE ARCHITECT.



NUMBER	REVISIONS	DATE
1	Revision 1	Date 1

ISSUED FOR: PROJECT STATUS: TBD

PROJECT TITLE:

RENOVATIONS TO SHELBY CITY HALL ANNEX

311 SOUTH LAFAYETTE ST.
SHELBY, NORTH CAROLINA 28150

DRAWING TITLE:
SECOND FLOOR PLAN AND
DEMOLITION PLAN

PERMIT DWG. DATE: TBD
PROJECT NUMBER: NC22-11-002

DRAWN BY: SMD
CHECKED BY: MEP

DRAWING NUMBER:

A101.2

ORDINANCE NO. 44-2024
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S
 CITY HALL ANNEX RENOVATION PROJECT

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

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

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

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

Section 1. Ordinance No. 56-2022, the City's City Hall Annex Renovation Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

Appropriating Revenues:

Fund Balance Appropriated	11001000-39900	\$1,881,000
Transfer to General Capital Projects	110495-49111	\$1,881,000

General Fund Capital Projects:

Transferred from General Fund	11101000-39110-CHARP	\$1,881,000
Construction	111427-53000-CHARP	\$1,881,000

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

General Fund Capital Projects:

Revenues:	<u>Current Budget</u>	<u>Amendment No. 1</u>
Transferred from General Fund	\$ 114,000	\$ 1,995,000
Appropriation:		
Engineering	\$ 114,000	\$ 114,000
Construction	\$ 0	\$ 1,881,000

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

Ordinance No. 44-2024
June 3, 2024
Page 2

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

Adopted and Approved this the 3rd day of June, 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

RESOLUTION NO. 41-2024

**A RESOLUTION AWARDING THE CONSTRUCTION CONTRACT FOR
THE CITY OF SHELBY'S CITY HALL ANNEX RENOVATIONS PROJECT**

WHEREAS, the City of Shelby, in accordance with N.C. Gen. Stat. § 143-129, has solicited bids from qualified contractors to perform work related to the City Hall Annex Renovations; and

WHEREAS, City Council has appropriated funding in the amount of \$1,881,000 for this project; and

WHEREAS, City staff and the professional architecture firm of Upland Architects, Inc. have prepared complete construction bid documents, and Mark B. Patterson, Vice-President, of Upland Architects, Inc. held a public bid opening on May 9, 2024, to accept bids from contractors to perform the construction related to this project; and

WHEREAS, four (4) responsive bids were received from qualified contractors interested in renovating the facilities associated with this project and the apparent low bidder bid was Neill Grading and Construction, in the amount of \$1,880,714; and

WHEREAS, City staff and Upland Architects, Inc. have reviewed the bids and now recommends to City Council that the contract be awarded to the lowest responsive, responsible bidder, Neill Grading and Construction, in the amount of \$1,880,714.

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 Neill Grading and Construction, for the work related to construction of City Hall Annex Renovations 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 or 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 3rd day of June, 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

E. New Business

Agenda Item: E-1

- 1) Approval of a Resolution to adopt the proposed City of Shelby Electric Service Terms and Conditions and the proposed City of Shelby New Development Electric Service Agreement: Resolution No. 42-2024

New Business Agenda Item: (Presenting: Ben Yarboro, Assistant City Manager)

Summary of Available Information:

- Memorandum dated May 29, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager and Beth Beam, Finance Director
- Memorandum dated May 22, 2024, from Ronnie Davis, Energy Services Operations Manager to Ben Yarboro, Assistant City Manager
- City of Shelby Electric Service Terms and Conditions
- City of Shelby New Development Electric Service Agreement
- Resolution No. 42-2024

City Manager's Recommendation / Comments

Resolution No. 42-2024 is presented for City Council consideration at this time as new business. If approved this resolution would formally adopt the two documents listed above. These are the Electric Service Terms and Conditions and the New Development Electric Service Agreement. The Electric Service Terms and Conditions document sets forth to current and future customers the requirements for new electric service and primary line extensions. The New Development Service Agreement is a new document that a developer would be required to execute requesting electric service be installed by the City in a new subdivision.

Both documents provide clarification of how costs are determined and shared by a developer and by the City when new development occurs. Current policy places an undue burden on the City that requires a significant outlay of cash for electric improvements in a short period of time while waiting for an extensive period of time for payback. The proposed changes would better share the risk between the City and the developer and provide a shorter payback period for the City.

It is my recommendation that Resolution No. 42-2024 be adopted and approved at this time by City Council.

Memorandum

To: Rick Howell, City Manager

From: Ben Yarboro, Assistant City Manager

Cc: Beth Beam, Finance Director

RE: City of Shelby Electric Service Terms and Conditions, and City of Shelby New Development Electric Service Agreement recommendation

Date: May 29, 2024

Background

As detailed in the attached memorandum from Ronnie Davis, Energy Services Operations Manager, the City of Shelby owns and operates an electric system that serves approximately 8,100 customers. In recent years, there has been a substantial amount of growth and development that has led to increased demands on the electric system. Through working with many customers and developers, it has become evident to City staff that updating and revising our policies to better address issues related to electric 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 Electric Service Terms and Conditions
- City of Shelby New Development Natural Gas Service agreement

The City of Shelby Electric Service Terms and Conditions provides the customer with the requirements for new electric service line and primary line extensions. This policy also outlines the application process, the basis of costs for installation, payment terms, and rebate opportunities that may be available for the customer. This policy replaces the City of Shelby Electric Service Regulations that were adopted in September 2005. As this policy was prepared, the historical costs of materials such as wire and transformers were considered. A common transformer for underground installations in a subdivision is a 50kVa size which had an actual purchase price of \$1,619 in 2013 and \$8,682 in 2024. This equates to a 536% increase in an 11 year period.

The City of Shelby New Development Electric Service Agreement is an agreement that must be executed by a developer requesting electric installation in a

www.cityofshelby.com

subdivision. This agreement establishes the terms and conditions that the City and the builder must comply with in regards to the electric primary installation. Some of the key components of this agreement are as follows:

- Builder agrees to provide City with the necessary easements
- Builder agrees to provide survey points required for the installation of the electric infrastructure
- City agrees to install electric infrastructure as required to provide electric service to the site. This may include: conduit, wire, transformers, primary cabinets, etc.
- City will install street lights on city maintained streets
- City will own, operate, and maintain the electric system
- The Builder will pay for the electric 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 Terms and Conditions, and Developer Agreement will create clarity to the electric installation process and ensure consistency when dealing with multiple projects.

Currently, the City pays all associated costs with new electric infrastructure in a new development, which averages out to approximately \$6,600 per unit in a single family development. The proposed policy would result in the developer paying approximately one-third of the costs associated with the new electric infrastructure at \$2,200 per unit. For apartment complexes, the City currently has an average installation cost of \$3,900 and the proposed policy results in the developer of an apartment complex paying \$1,300, or one-third of this total installation cost.

Additionally, the City currently pays for all associated costs related to the installation of an electric service line and meter for each individual dwelling, which equals approximately \$1,050. The approval of this policy would result in the developer paying \$300 for the installation of a 100' service line, plus an additional \$10 per foot if the service line length exceeds 100'.

Under the existing City installation practice, the City has a payback period of 15.5 years for new installations based on net revenue and the proposed policy results in a more manageable 10.7 year payback on electric infrastructure investments.

Recommendation

City Staff recommends that City Council approve the resolution adopting the proposed City of Shelby Electric Service Terms and Conditions and the proposed City of Shelby New Development Electric 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

RE: Electric Terms and Conditions Revision

Date: May 22, 2024

Background

The City of Shelby owns and operates an electric distribution system with 4 substations and 15 circuits with approximately 8,200 customers. In 2005, the Utilities Department drafted new Electric Service Regulations for the Electric Department. In regard to the policies and fees associated with installing electric infrastructure, the City has made no changes to the cost of installation since this policy was adopted in 2005. 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 electric infrastructure have steadily increased. With current pricing and the increased costs we have experienced, the payback related to the installation of new electric infrastructure has become unreasonably long. When installing new electric infrastructure 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 are incentives such as free footage that allows many customers to receive an electric service line installed at no cost. Developers are currently required to pay for the light and pole for streetlights for their subdivision, while receiving a \$300 credit for installing decorative lights rather than installing a streetlight on a traditional wood pole.

In the case of new subdivisions, the City has historically installed electric infrastructure throughout the subdivision for free. This is obviously very costly for the City, with the payback currently being over 16 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 revise the existing Electric Service Regulations to address the rising costs of the installation of electric infrastructure.

Recently, City staff completed the process of reviewing the Electric Service Regulations by comparing the policies of several other municipalities in the State and revised our City of Shelby Electric Service Terms and Conditions to assist with the burden of the costs associated with new electric infrastructure for both individuals as well as new subdivisions. Additionally, staff have established a City of Shelby New Development Electric Service Agreement for new developments that desire to have the City of Shelby provide electric service for their subdivision. The City of Shelby New Development Electric Service Agreement will help with the costs of the electric infrastructure for the new subdivision, which will allow the City to invest more in current infrastructure rather than spending all resources on new subdivisions.

Review

The revised policy will institute a cost for electric infrastructure for individuals and developers. The proposed revision of the policy will require the developers of new subdivisions to pay \$2,200 per unit for the installation of electric infrastructure throughout their subdivision. If the development is an apartment complex, the individual or developer will pay \$1,300 per unit for the installation of electric infrastructure. The builder will then pay \$300 per 100' for the service line installation. Any service line that is over 100' will be charged \$10 per foot in addition to the \$300 cost.

Recommendation

City Staff recommends that City Council approve the resolution adopting the revised City of Shelby Electric Service Terms and Conditions that will include the City of Shelby New Development Electric Service Agreement.

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

Attachments:

- City of Shelby Electric Service Terms and Conditions
- City of Shelby New Development Electric Service Agreement



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Table of Contents

1. Terms and Definitions	4
2. National Electrical Safety Code.....	5
3. Special Consideration Customers	5
4. Standard Voltages	6
5. Electric Meters.....	7
6. Temporary Electric Service.....	8
Additional Charges	9
7. Overhead/Underground Line Extensions	9
Single Family Homes, Duplexes and Stand-Alone Businesses	9
Multi-family Complexes, Subdivisions, and Multi-Business Complexes	10
8. Underground Service for Single Phase Residential and Commercial Customers	11
Individual Service.....	12
9. Underground Service for Commercial and Industrial Three Phase Customers	13
General Underground Installation	13
Individual Commercial Underground Three Phase Services (Pad Mounted)	14
Individual Commercial Underground Services (Pole Mounted).....	15
Multiple Commercial Underground Services (Pad or Pole Mounted).....	16
Unit Development Underground Services (Pad or Pole Mounted)	17
Secondary Delivery Industrial Underground Services	17
Primary Delivery Industrial Underground Services	18
Primary Delivery Industrial Services	19
10. Underground Electric Service for Residential Subdivisions, Apartment Complexes, Single Phase Commercial, and Multi-Family Housing Developments	20
Developer/Builder’s Installation Requirements	20
Multi-Phase Service.....	25
Individual Services.....	26
Multi-Dwelling Structures.....	27



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

11. Relocation of City Facilities.....	27
12. Street Lighting	28
Street Classification	29
Request for Street Lighting Alterations	31
Decorative or Non-Standard Lighting	32
13. Outdoor Rental Area Lighting	32
Rental Area Lighting Units Available	33
Installing Area Lighting	33
Disconnecting Area Lighting	33
Replacing or Repairing Area Lighting	34
14. Structure or Equipment Moving – Customer Requirements.....	34
15. Service Interruptions.....	35
16. Assignment of Rate Schedules	36
17. Right to Appeal	36
Appendix.....	37
Appendix X – Electric System Load Data Sheet.....	37
Appendix X – Electric Service Installation Provisions.....	37
Appendix X – City of Shelby New Development Electric Service Agreement.....	37
Appendix X – Outdoor Lighting Contract.....	37



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Objective

The Electric Service Terms and Conditions are intended for use as a Customer Service tool by City of Shelby personnel to provide the rules and regulations of how the City Electric Department provides Electric Service to its Customers. When used in an appropriate manner and with common sense, all new and existing Customers of the City 's Electric System will be treated in a fair and equal manner.

The understanding and cooperation of all City employees is essential if the City is to provide excellent Customer Service to its Customers. This manual does not address every possible problem, question, or concern related to Electric Service. Rather, it is a guide for a systematic approach to providing Electric Service.

The Electric Service Terms and Conditions will assist in the daily activities of City personnel and will also assist in training of new employees in their Customer Service duties. Proper utilization of this guide will allow City personnel to provide the best service possible.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

1. Terms and Definitions

The following are terms and definitions contained within the City of Shelby Electric Service Terms and Conditions.

City – City of Shelby

Customer - Any person, business, or corporation being served or to be served from the City's electric system.

Developer/Builder – Any person, agent, firm, or corporation having a legal or equitable interest in the property being responsible to the owner.

Dip Pole – A City pole which serves secondary system voltage to underground facilities.

Nominal System Voltages – The City's standard system voltage is the base rating of 120 volts.

Owner/Property Owner – Any person, agent, firm, or corporation having a legal or equitable interest in the property.

Point of Delivery – Where the City's responsibility terminates, and the Customer's responsibility begins.

Primary System Voltage – The City's primary system voltage is 12,470 / 7,200 volts wye.

Revenue Credit – Estimated Customer billing for a period of two years.

Riser Pole – A City pole which serves primary voltage to underground facilities.

Secondary System Voltage – The City service to Customers with configurations of voltages less than or equal to 600 volts.

Service Connections – The point in which the Customer's equipment comes in electrical contact with City's facilities.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

2. National Electrical Safety Code

The applicable rules and regulations of the American National Standards Institute (ANSI) and Institute of Electrical and Electronic Engineers (IEEE) titles “National Electric Safety Code,” is hereby adopted by reference as the electric safety construction rules of the City.

3. Special Consideration Customers

- a) The City recognizes that some of its Customers for medical reasons may be sensitive to the availability of electric service and may require special consideration during such times interruptions of service occur. For this reason, the City has developed a Medical Alert List using information gathered from Customers, local physicians, and hospitals.
- b) It is the City’s intent to give medical alert Customers priority consideration in times of scheduled switching and outages or uncontrollable circumstances. Uninterrupted service cannot and is not guaranteed by the City when a Customer is assigned to the Medical Alert List.
- c) This consideration does not mean or imply these Customers will be the first Customers to have power restored, but that the City will make every effort to restore service as soon as possible taking into account these Customers’ special circumstances.
- d) In the event the power is not able to be restored quickly, the City will make a reasonable effort to notify these Customers so they can take action to provide their own protection and well-being.
- e) The City under no circumstances guarantees continuous electric service to any of its customers, including those assigned to the Medical Alert List and its Customers. By applying for electric service, the customer understands and agrees that the City cannot and does not guarantee interruption free electric service.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

4. Standard Voltages

- a) The City shall make available where possible (dependent upon the City's electrical distribution system configuration) the following service voltages:

Single-Phase Systems

120/240 volt three wire

Three-Phase Systems

120/208 volt, four wire, wye

277/480 volt, four wire, wye

240 volt, three wire, delta

480 volt, three wire delta

Primary System

7,200 / 12,470 volt, four wire, wye

- b) The voltage supplied to the Customer's point of delivery should not have voltage variations exceeding five percent (5%) above or below the City's standard nominal voltage for residential Customers and ten percent (10%) above or below the City's standard nominal voltage for all other Customers.
- c) The City will install facilities with sufficient capacity to serve the Customers normal load requirements. Information regarding loads and desired voltage will be communicated by the Customer to the City when the service is initially requested by completing an Electric System Load Data Sheet and submitting it to:

City of Shelby Electric Department

824 W Grover Street

Shelby, NC 28150

electric@cityofshelby.com



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

It is the Customer's responsibility to advise the City of any electrical load or method of operation change that might affect the City's ability to meet the Customer's load requirements.

Upon request of the Customer, the City will monitor the voltage at the Customer's point of delivery with the appropriate and available monitoring devices for a period of time deemed necessary by the City to determine the nature of the problem. The City will notify the Customer and notify the customer of the perceived problem and possible solutions if the voltage is not within the above stated guidelines.

- d) For non-standard voltage requests, if able and depending on supply chain, materials, services, etc., the City will supply appropriate sized transformer(s) at the Customer's site. The Customer must pay one-third of the cost prior to installation of the transformer(s). After six months from the date the Customer pays the one-third cost, a credit equal to the one-third payment made back to the Customer will be refunded to the Customer on their next available utility bill. The expected delivery time for a transformer is currently 72 weeks (in 2024) and the installation time for a new transformer upon delivery is typically 24 weeks; subject to supply chain availability.

5. Electric Meters

- a) The Customer will be required to furnish and install the appropriate meter base for the type of service unless otherwise specified in these Terms and Conditions.
- b) The City Electric Department shall approve and agree to the location of all metering equipment. The meter will be located where accessible and convenient to read, not be unreasonably exposed to damage, not be in any unduly dirty location and will not be inconvenient to City access for reading, maintenance, replacement, or repair.
- c) The City Electric Department shall approve the location of all metering equipment in accordance with the following provisions:
 - i. The meter shall be located between the height of four and one half (4 ½) feet and five and one half (5 ½) feet for convenience of reading, unless otherwise approved by the Electrical Superintendent or designee.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- ii. In cases of existing meters located on the structure not convenient or readily accessible for reading and servicing purposes, it shall be the responsibility of the property owner to relocate the meter, at the expense of the property owner, to a location approved by the City Electric Department.
 - iii. The property owner shall have thirty days in which to relocate the meter upon written notice from the City Electric Department. If not relocated after thirty days' notice, the City may terminate the electrical service to the structure until such time as the meter is relocated to a location approved by the City Electric Department.
 - iv. The owner of the meter supporting structure is responsible for its condition and for maintenance of the proper socket position and leveling. Excessive tilt or unstable location of a meter socket must be corrected before the meter is installed.
 - v. It shall be the owner's responsibility to ensure the meter base is accessible, lockable and in good condition. Failure to do so can result in termination of service until equipment is repaired or replaced.
- d) The Developer or Builder will incorporate multiple bay or multiple gang metering facilities, as determined by the City Electric Department. Multiple or gang metering facilities must be permanently labeled with UV resistant permanent labels and marked inside the meter base with a permanent marker, in the event the cover is lost or stolen, to identify the unit it feeds prior to being energized.

6. Temporary Electric Service

There are no charges for temporary service installation, other than normal application fee and deposits (as set forth in the City of Shelby Fees Schedule), providing the following guidelines are met:

- a) Service will be delivered at a standard voltage of 120/240 volts, single phase, 3 wire or 120/208, whichever is most readily available, in which a fifth lug will be required for correct metering.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- b) The Customer requesting temporary service will contact the City Electric Department and Planning Department and present a plat layout. Sufficient advance notice shall be provided prior to building the foundation to allow engineering and construction of permanent electrical facilities.
- c) At the time the Customer requests temporary service the City may require the Customer to submit a letter of intent requesting that the City provide permanent electric service.
- d) The temporary service delivery pole must be located within the following guidelines:
 - i. In an overhead service area: within 50 feet of the City's closest pole.
 - ii. In an underground service area: within (3) three feet of the nearest underground enclosure or pad mount transformer.

Additional Charges

In the event temporary facilities are to be installed, which will not become part of the permanent installation, the Customer will be responsible for the additional actual cost of materials.

7. Overhead/Underground Line Extensions

Single Family Homes, Duplexes and Stand-Alone Businesses

Customers interested in an electric 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 Electric Service representative. Customers must provide the parcel address, a list of electrical appliances, such as those listed below, to be installed, and the anticipated electrical load to the representative.

- Water Heater
- Heat Pump



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Once it has been determined if electric service is currently available or if an electric line extension is feasible, the costs to extend the electric line and install electric service will be determined and communicated to the customer in writing. If the customer agrees to the costs, the electric service representative will meet with the customer to sign the City of Shelby Electric Service Installation Provisions form. All fees must be paid in full prior to the City of Shelby installing the electric line extension and/or electric service.

Current electric line extension and service line fees can be found in the City of Shelby Fees Schedule. All fees are regularly reviewed (at least 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 line extension and the service line, sign all applicable forms, and pay the associated costs.

Multi-family Complexes, Subdivisions, and Multi-Business Complexes

Builders interested in electric service to subdivisions, multi-family and multi-business complexes must contact the City of Shelby to schedule a site visit with a City of Shelby Electric Service 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 electric 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
- Heat Pump

Once City of Shelby staff have reviewed and approved the site plans, a Will Service Letter with cost estimates and the City of Shelby New Development Electric Service Agreement will be made available to the Builder via e-mail (or hard copy if requested) from the City



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

of Shelby Electric Service representative. 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 Electric Service representative would notify the Builder via e-mail within (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 Electric 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. No work shall commence until all necessary consents, agreements, and access are provided for the entire site location. The City will not provide services to parts of a planned development in reliance of future easements.

a) Securing Right of Way Easements

- i. Easements granted to the City shall be non-exclusive and irrevocable and include the full right, power, and authority to install, use, maintain, repair, and replace the Electric Service Infrastructure and to use such Electric Service Infrastructure to provide Electric Service within and outside the Site.
- ii. Customers may use easement areas for purposes that do not unreasonably interfere, or block the maintenance thereof, with the City's use of the easement areas and comply with the terms of the standard City of Shelby Utility Easement document.
- iii. Customers shall be entitled to relocate easements and easement areas provided that substantially equivalent easement areas are provided prior to such relocation and the Customer pays the cost of relocation of City's Infrastructure to the new easement areas.

8. Underground Service for Single Phase Residential and Commercial Customers



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Individual Service

Prior to the installation of the underground distribution system by the City, the final grade levels of the building sites shall be established by the Owner. The building construction program shall be coordinated with the installation of underground electrical facilities to permit unimpeded access to the City's equipment to the installation sites; to allow installation of underground electrical conductors; and to eliminate dig-ins to the underground electrical facilities after installation. Upon submitting the initial building plans, the City will review the plans to determine if there will be additional fees to install the underground distribution system. Should streets, driveways, curbs, or other obstructions be present prior to installation of underground facilities resulting in additional expense to the City, payment for these additional expenses shall be paid before installation of the underground electrical facilities has begun, or if installation of electrical facilities are required by the owner before final grades are established, and either of these conditions result in additional expenses to the City, payment for these additional expenses shall be made to the City by the Owner.

The City of Shelby will install a secondary service for Customers as set forth in the City of Shelby's Fees Schedule. All fees in the Fees Schedule are reviewed, at a minimum annually, and are subject to change.

Should existing sidewalks, septic tank systems, fuel tanks, other utility lines, or other manmade obstructions result in additional expenses to the City, payment for same will be made by the Owner.

Actual costs brought about in connecting with the compliance of special requirements, if any, of municipalities, state and federal highway agencies or departments regarding the breaking of pavement, ditching, backfilling, and other related conditions, will be paid by the owner.

The City will make, or adjust, charges to the Owner to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing structures or concrete structures; or dynamite is required; or if abrupt



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

changes in final grade levels exceed a slope ratio of one to one (1 to 1) when measured within three (3) feet of the trench.

The City's agreement to provide underground service is dependent upon the securing of all necessary rights, easements, rights-of-way, privileges, franchises, or permits for the installation of such service from those requesting the underground facilities. The Owner agrees to ensure that all such necessary rights, easements, blanket rights-of-way, privilege, franchises, or permits are properly recorded on each deed. The City shall exercise care in the utilization of its underground equipment during the construction, but ultimate responsibility for the protection of shrubs, trees, and grass sod will be the owner. Reseeding of trench cover will be done by the City. Shrubs, trees, or any other obstacles shall not be placed within ten (10) feet of a transformer or cabinet openings which would hinder access by the City at any time.

9. Underground Service for Commercial and Industrial Three Phase Customers

General Underground Installation

- a) The Customer will furnish any necessary right-of-way for the installation of the City's equipment. This equipment includes, but is not limited to transformers, poles, conductor, and switchgear.
- b) The Customer will be required to receive service from a pad mounted transformer if the City determines the Customer's current load or future load to be in excess of 200 kW. For the purpose of this section, the load will be determined solely and exclusively by the City and the City may use several factors to make this determination. These factors could include, but are not limited to: (1) diversified load calculation; (2) actual load data; (3) installed service size and configuration; (4) future load growth; (5) existing City circuit configuration; and (6) City



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

engineering standards. Any exception to this requirement will be at the sole discretion of the City.

- c) When the Customer is required to install secondary voltage conduit (with pull tape) such installations shall be trenched to a depth of no less than 24” and no greater than 36” for final grade. The trench shall have marking tape installed 12” above the conduit. A minimum separation of 12” is required between the City’s facilities and any other utility’s facilities. The installation shall be coordinated with the City Electric Department. On all roadway crossings the conduit will be installed no less than 36” below final grade. All conduits will be “blown out” to remove debris and capped after installation.
- d) When the Customer is required to install 4” primary voltage conduit (with pull tape) such installations shall be trenched to a depth of no less than 36” and no greater than 48” from final grade. A trench shall have marking tape installed 12” above conduit. A minimum separation of 12” is required between the City’s facilities and any other utility’s facilities. The installation shall be coordinated with the City Electric Department. On all roadway crossings the conduit will be installed no less than 36” below final roadway grade. All conduits will be “blown out” to remove any debris and capped after installation.
- e) All Customer installations listed in these policies will be inspected by the City Electric Department before the trench is backfilled or the installation is completed. The Customer will be required to reconstruct any portion of the installation which deviates from City engineering standards or the approved underground system design.
- f) The City will make, or adjust, charges to the owner to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing structures; or concrete structures; or dynamite is required; or if abrupt changes in final grade levels exceed a slope ratio of one to one (1 to 1) when measured within three (3) feet of the trench.

Individual Commercial Underground Three Phase Services (Pad Mounted)



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

If the Customer is to be served from a pad mounted transformer, with no other Customer served from this transformer, the following conditions apply:

- a) The Customer will furnish and install a transformer pad as per City's specifications, 4" conduit from the City's riser pole location to the primary side of the transformer pad, mount electric meter base on to the Owner's facilities with the meter base location determined and approved by the Electric Superintendent, all secondary conduit and secondary conductor and 1" conduit (with pull tape) form the secondary side of the transformer pad to the meter base. The Customer will be required to furnish and install 4" PVC electrical conduit (with pull tape) in conformity with the City's existing underground system. The City will inspect the installation and verify that meets all NEC regulations.
- b) The City will furnish and install all primary conductors, pad mounted transformers, electric meter, and metering connections. The City will furnish a CT rated electric meter base.
- c) The City will make all electrical connections on the source and load terminals of the transformer.
- d) The City will determine the location of the pad mounted transformer and the electric meter.
- e) The point of delivery for Individual Underground Pad Mounted Services will be at the terminals of the City's pad mounted transformer, and Customer will furnish and install all conductors and conduit past the point of delivery.

Individual Commercial Underground Services (Pole Mounted)

If the Customer is to be served from a pole mounted transformer, with no other Customer served from this transformer, the following conditions apply:

- a) The Customer will furnish and install as per City specifications an appropriate size conduit (with pull tape) from the City's service pole location to the Customer supplied meter base or current transformer cabinet (as determined by the City).
- b) The City will furnish and install a pole mounted transformer, electric meter, and metering conductors.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- c) The City will make all electrical connections on the source terminals of the metering facilities.
- d) The City will determine the location of the electric meter.
- e) The point of delivery for Individual Underground Pole Mounted Services will be at the terminals of the Customer's metering facilities and Customer will furnish and install all conductors past the point of delivery.

Multiple Commercial Underground Services (Pad or Pole Mounted)

If the Customer is to be served from a pad mounted or a pole mounted transformer, with one or more Customers served (or to be served) from this transformer, the following conditions apply:

- a) The Customer will furnish and install as per City specifications appropriate size conduit (with pull tape) as determined by the City for the size of the service from the City's lift pole or transformer pad to the Customer's CT cabinet or meter base.
- b) A meter base shall be installed by either:
 - i. the customer furnishing a self-contained meter base and installed on the Customer's facility at the delivery point; or
 - ii. the City furnishing and installing a CT rated meter base on the transformer or cabinet. The Customer will furnish a self-contained meter base and install on Customer's facility at delivery point; or the City will furnish and install a CT rated meter base on the transformer or cabinet.
- c) All meter bases shall be permanently labeled with UV resistant labels and marked inside with permanent marker with the address it serves prior to being energized.
- d) The City will furnish and install all secondary conductors to the metering facilities, electric meter, and necessary metering connections.
- e) The City will determine the location of the electric meter.
- f) The point of delivery for Multiple Underground Services will be at the source terminals of the meter base or current transformer cabinet connections, and Customer will furnish and install all conductors past the point of delivery.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Unit Development Underground Services (Pad or Pole Mounted)

Requirements for multiple Customers to be served from a pad mounted or a pole mounted transformer, and a single developer is building a shopping center or similar installation of multiple Customers in one dwelling or structure are as follows:

- a) The Developer/Builder will furnish and install a transformer pad, if required, all conduits required, and all metering facilities.
- b) The Developer/Builder will incorporate multiple bay or multiple gang metering facilities, as determined by the City Electric Department. All meter bases shall be permanently labeled with UV resistant labels and marked inside with permanent marker with the address it serves prior to being energized.
- c) For single-phase service, the City will furnish and install all conductors to the Customer's point of delivery, transformers, metering connectors, and electric meters. If a multi-unit building is to be fed by a three-phase transformer, the customer is responsible for all secondary conductors.
- d) The point of delivery for Unit Development Underground Services will be at the source terminals of the meter base or current transformer cabinet connections, and Customer will furnish and install all conductors past the point of delivery.

Secondary Delivery Industrial Underground Services

If the Customer is to be served from a pad mounted transformer or outdoor substation type transformer(s), with no other Customer served from this transformer, the following conditions apply:

- a) The Customer will furnish and install a transformer pad (if required) as per the City's specifications, 4" conduit (with pull tape) from the City's riser pole location to the primary side of the transformer pad, mount City furnished current transformer rated meter base on the Customer's facilities, all secondary conduit and secondary conduit, and 1" conduit (with pull tape) from the secondary side of the transformer



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

pad to the meter base. The Customer will be required to furnish and install 4" PVC electrical conduit (with pull tape) in designated areas in conformity with the City's existing underground utility system. The depth of the underground conduit (with pull tape) will be no less than 36" to no more than 48" below final grade. On all roadway crossings the conduit (with pull tape) will be installed no less than 36" below final roadway grade. The trench shall have marking tape installed 12" above conduit. All clearances from water, sewer, telephone, cable television, and other underground facilities will be no less than 24". All conduits will be "blown out" to remove any debris and capped after installation.

- b) The City will furnish and install all primary conductors, pad mounted or substation type transformers, electric meter, current transformer rated electric meter base and metering conductors.
- c) The City will make all electrical connections on the source and load terminals of the transformer.
- d) The City will determine the location of the pad mounted transformer and the electric meter.
- e) The point of delivery for Industrial Underground Secondary Services will be at the terminals of the City's pad mount transformer or bus. The Customer will furnish and install all conductors past the point of delivery.
- f) If the Customer requests more than one point of delivery to a structure, it will be the discretion of the City to supply primary or secondary voltage. A facilities charge will be added to all facilities installed or furnished by the City above and beyond the City's normal services specified in this section.

Primary Delivery Industrial Underground Services

If the Customer is to be served from a primary distribution feeder, the following conditions apply:

- a) The point of delivery for Industrial Underground Primary Services will be at the terminals of the City's disconnect switches or metering facilities as mutually and contractually agreed by the City and the Customer. Any additional facilities past the point of delivery installed and maintained by the City for the City's use will be considered the City's equipment.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- b) The Customer will furnish and install all facilities past the City's point of delivery.
- c) The City will furnish and install all facilities to monitor the Customer's energy usage. A facilities charge will be added to the Customer's monthly bill for any additional facility that the Customer requires from the City's metering.
- d) The City will make all electrical connections on the City's primary feeders at the point of delivery.
- e) A facilities charge will be added for all facilities installed or furnished by the City for the Customer past the City's point of delivery.
- f) When Customer requests the City install facilities past the primary metering, the City will maintain all installed City facilities to the service connections of the equipment. A facilities charge will be added for any facilities installed or furnished by the City for the customer past the City's point of delivery.

Primary Delivery Industrial Services

If the Customer is to be served from a primary distribution feeder the following will apply:

- a) The point of delivery for Industrial Primary Delivery Services will be at the terminals of the City's disconnect switches or metering facilities as mutually and contractually agreed by the City and the Customer.
- b) The Customer will furnish and install all facilities past the City's point of delivery.
- c) The City will install metering facilities to monitor the Customer's energy usage. The installed cost of all metering facilities the City installs will be charged to the Customer.
- d) The City will make all electrical connections on the City's primary feeders at the point of delivery.
- e) A facilities charge will be added to the Customer's monthly bill for any facilities installed or furnished by the City for the Customer past the City's point of delivery.
- f) The City will, upon request and mutual agreement, furnish, install, and maintain facilities not normally required upon reimbursement by the Customer or agreement for the Customer to pay a facilities charge.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

10. Underground Electric Service for Residential Subdivisions, Apartment Complexes, Single Phase Commercial, and Multi-Family Housing Developments

Developer/Builder's Installation Requirements

The City of Shelby will install all the underground electric service, transformers, switchgear, cabinets, and associated appurtenances to the Builder's site once the Developer/Builder signs the City of Shelby New Development Electric Service Agreement and a timeframe for construction is agreed upon. The Developer/Builder agrees to pay all fees associated with the installation of infrastructure for each phase of the development that has been approved for construction in full within one hundred twenty (120) days of the construction approval date provided to Developer/Builder.

Any changes to the site development plan, construction plan and electric service 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 Developer/Builder is responsible for. Relocation of any electric underground lines, electric service lines and/or electric meter upgrade fees will result in additional costs to the Developer/Builder. The City of Shelby Electric Service representative will send an e-mail notification within (30) days of any such notification.

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

- a) Commitments to Builder
 - i. Developer/Builder agrees to provide the requirements detailed in the City of Shelby Will Serve Letter that was provided to the Developer/Builder by



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

City and is attached to the City of Shelby New Development Electric Service Agreement as Attachment A.

- ii. The Developer/Builder agrees to provide the City the necessary consents, agreements, easements, and access to effectuate the provision of Electric 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 expenses incurred to obtain the items mentioned, be borne to the Developer/Builder.
- iii. Developer/Builder agrees to provide all electric service requirements for the Development in writing prior to the initial design by City Planning Department for City review. Any subsequent changes to the electric service requirements after the infrastructure has been installed may result in additional costs to the Developer/Builder, Tenant, or the Owner at the time of the request. Any additional charges will be made in accordance with the City's current Electric Service Line Installation Policy.
- iv. The Developer/Builder agrees to provide Site plans in AutoCAD.dwg or ESRI shape file that includes designs for streets, wet utilities, mechanical, electrical, natural gas, plumbing, and landscaping plans, etc. Developer/Builder will also provide notice via e-mail to electric@cityofshelby.com of construction start days and construction schedules that are reasonable and industry typical for the type of work to be performed.
- v. Developer/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.
- vi. Upon installation of infrastructure in accordance with the City of Shelby New Development Electric Service Agreement, Section 3(c), Developer/Builder agrees to pay the cost of infrastructure relocations required due to Developer/Builder request or incorrect survey information.
- vii. In the event that the Developer/Builder has been provided with a mutually agreed to construction design plan as mentioned in the City of Shelby New Development Electric Service Agreement, Section 7(b)(ii) and the City is then requested by Developer/Builder to provide additional or major



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

revisions to the construction design plan, at the City's sole discretion, the Developer/Builder may be charged a re-design fee per occurrence that must be paid prior to additional designs being provided. In addition, if Developer/Builder fails to pay an invoice prior to the expiration date causing this agreement to become null and void (City of Shelby New Development Electric Service Agreement, Section 5), at the City's sole discretion, the City may charge the Developer/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 Developer/Builder's Agreement has been executed by the Developer/Builder, any re-design will necessitate a new City of Shelby New Development Electric Service Agreement and this Agreement will be null and void.

- viii. City agrees to install Electric Service Infrastructure at locations within the Site designated by City and mutually agreed upon by the Developer/Builder; and as needed to comply with City, County and/or State ordinances regulations.
- b) Commitments to Developer/Builder
 - i. City agrees to provide Developer/Builder marketing and other promotional materials information for promotion within the Site.
 - ii. The Infrastructure:
 - 1. City will install Electric Service Infrastructure (to be owned, operated, and maintained by City) as required to provide Electric Service to each section and/or Customer meter location within the Site. The Electric Service distribution facilities will be designed and constructed to allow for the best availability of service on each lot within the development, and in such manner as to provide a high level of reliability and service quality for the end user.
 - 2. The Electric Service Infrastructure may include, but is not limited to underground conductors, cabinets, transformers, switches, switchgear, streetlights, and metering equipment as necessary to provide Electric Service. Installation of the infrastructure will be according to construction plans prepared by City and approved by the



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Developer/Builder prior to installation. Electric Service construction plans will be subject to National Electrical Safety Code, American National Standards Institute (ANSI) and Institute of Electrical and Electronic Engineers (IEEE) and regulations of entities with regulatory authority.

3. City will install the Electric Service Infrastructure according to a schedule mutually acceptable to both parties (“Final Schedule”). A proposed schedule shall be submitted by Developer/Builder for review by the City staff sixty (60) days prior to Developer/Builder’s proposed start date. Following the submission from Developer/Builder of 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 the deadlines and construction schedules set forth by the Developer/Builder.
4. In the event that City is not allowed by the Developer/Builder to begin construction of the infrastructure within one hundred eighty (180) calendar days of the execution of the City of Shelby New Development Electric Service Agreement, or once construction begins, if City is prevented, at the fault of the Developer/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, the City of Shelby New Development Electric Service Agreement may become null, and void and any unused portion of the actual amount paid will be reimbursed to the Developer/Builder; and a new Agreement, cost estimate and Infrastructure design will be required.
5. City will use its reasonable best efforts, subject to good engineering practice, standard Electric Service utility construction practices, and regulations of entities with regulatory authority, to meet Developer/Builder requirements regarding the placement of Infrastructure, underground conduit, transformers, cabinets, switches, switchgear, etc. to enhance the aesthetics of the project.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

When a development within the service area of the City is to be subdivided into residential lots or (single phase service) commercial lots and has been approved by the City Plan Review Process and the City Planning Department, a distribution system will be installed underground at the written request of the Developer/Builder, provided that the following conditions are met:

- a) The Developer/Builder is required to furnish to the City an approved plat plan, or subdivision map with street right-of-ways, property lines, sidewalks, storm drains, approved water lines, approved sewer lines and any other utilities or physical features.
- b) The City will design an underground distribution system for the most efficient installation and service. The City will design the underground distribution system for the entire development. The City will install only the portion of the underground distribution system, which serves the current section of the development and is mutually agreed to by the City and the Developer/Builder.
- c) Upon agreement by the City and the Developer on an installation plan the Developer/Builder is required to furnish the City with all necessary right-of-way to install the approved underground electrical distribution system. (surveyed by developer and submitted to the City).
- d) The Developer/Builder will pay a contribution in aid cost for the electric distribution system as per the City of Shelby Fees Schedule. The Developer/Builder will complete and sign the City of Shelby New Development Electric Service Agreement with a City of Shelby representative.
- e) The City will furnish and install all transformers, transformer pads for single phase padmount transformers, and all electrical pull-boxes, handholes and pedestals.
- f) The depth of the underground conductors will be no less than 24” below final grade. A separation of 12” minimum is required between the City’s facilities and any other utilities facilities. On all roadway crossings the conduit will be installed no less than 36” below final roadway grade. The Developer/Builder will install all conduits for road crossings during the grading process and the City will furnish all required conduits.
- g) The Developer/Builder will be required to mark all proposed property corners and grade all proposed installation areas to within six (6) inches of final grade before installation of conduit or conductors is to begin and maintain the property markers during construction. In the event the underground electrical distribution system



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

installation is completed and the Developer has regraded to a level in which the City's equipment does not meet City engineering standards, the Developer/Builder will be required to reconstruct the facilities.

- h) The City will make, or adjust, charges to the Developer/Builder to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing, structures, or concrete structures; or dynamite is required; or if abrupt changes in final grade levels exceed a slope ratio of one to one (1 to 1) when measured within three (3) feet of the trench.
- i) If development is to be served by three (3) phase construction, with three (3) phase transformers, the Developer/Builder will install conduit from the transformer to the meter base with the appropriate size and number of conduit suitable for the conductors for the meter base.

The electric service infrastructure design and installation shall follow the City of Shelby's Standard Details, Unified Development Ordinance, and the National Electric Safety Code.

Multi-Phase Service

When a Developer/Builder or Customer requests multi-phase service in a development which the City has designed or installed a single-phased system, the Developer/Builder or Customer will be required to install a concrete pad for the three-phase transformer and pay for the entire cost to install the additional facilities to provide the service.

A distribution system will be installed underground at the written request of the Developer/Builder when a development within the service area of the City is to be subdivided into residential lots or (single phase service) commercial lots and has been approved by the City Plan Review Process and the City Planning Department, provided that the following conditions are met:

- a) The Developer/Builder is required to furnish to the City an approved plat plan or subdivision map with street rights-of-ways, property lines, sidewalks, storm drains, approved water lines, approved sewer lines, and any other utilities or physical features.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- b) The City will design an underground distribution system for the most efficient installation and service. The City will design the underground distribution system for the entire development. The City will install only the portion of the underground distribution system, which serves the current section of the development and is mutually agreed to by the City and the Developer.
- c) Once an agreement is reached on an installation plan between the City and the Developer/Builder, the Developer/Builder is required to furnish the City with all necessary right-of-way to install the approved underground electrical distribution system. (surveyed by developer and submitted to the City).
- d) The City will furnish and install all transformers, transformer pads for single phase padmount transformers, and all electrical pull-boxes, handholes and pedestals.
- e) The depth of the underground conductors will be no less than 24” below final grade. A separation of 12” is required between the City’s facilities and any other utility facilities. On all roadway crossings the conduit will be installed no less than 36” below final roadway grade.
- f) The Developer/Builder will be required to mark all proposed property corners and grade all proposed installation areas to within six (6) inches of final grade before installation of conduit or conductors is to begin. In the event the underground electrical distribution system installation is completed, and the Developer has regraded to a level in which the City’s equipment does not meet City engineering standards, the Developer will be required to reconstruct the facilities.
- g) The City will make, or adjust, charges to the owner to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing, structures or concrete structures; or dynamite is required; or if abrupt changes in final grade levels exceed a slope ratio of one (1) when measured within three (3) feet of the trench.

Individual Services



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- a) Services to individual residential dwellings or lots will be in accordance with the City of Shelby Underground Electric Service for Single Phase Residential and Commercial Customers.
- b) Single Phase Residential and Commercial Customers requesting electric service for structures in such subdivisions must be served underground in accordance with the City of Shelby Underground Electric Service for Single Phase Residential and Commercial Customers regulation.

Multi-Dwelling Structures

For service to multi-dwelling structures, the Developer/Builder will be required to furnish and install a multi-gang meter facility on one common side of the structure as approved by the City. Each meter base shall be permanently marked and maintained as to the Customer address it feeds prior to being energized.

11. Relocation of City Facilities

Customers requesting the City to relocate installed facilities will pay for the cost of this relocation prior to any construction.

When an individual Customer requests the City to convert an existing residential overhead service to underground service, the Customer will pay the cost for the conversion prior to any construction.

When an individual Customer requests the City to convert an existing commercial or industrial overhead service to underground service, the Customer will furnish the provisions for new underground services plus the cost of all new equipment, cost for removal of overhead electric service as determined by the City Electric Department.

When a Developer/Builder or Customer requests multi-phase service in a development which the City has designed or installed a single-phase service, the Developer/Builder or



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Customer will be required to install a concrete pad for the three-phase transformer and pay for the entire cost to install the additional facilities necessary to provide the service.

Costs to relocate a service or convert an overhead service to underground service can be found in the City of Shelby Fees Schedule. All fees are regularly reviewed (at least annually) and are subject to change.

12. Street Lighting

The purpose of street lighting is to illuminate roadways within the City of Shelby. Street lighting is not for lighting structures or commercial properties or for or crime prevention purposes.

The purpose of this document is to establish guidelines for effectively lighting the public streets under the control of the City of Shelby. Proper street lighting not only serves the needs of the motoring public but also contributes to the livability of the public along the streets. Street lighting also contributes to personal safety and security, as well as comfort and welcome of pedestrians along the streets. Street lighting influences the public's choice of transportation, i.e., driving, walking, riding a bike, or bus. Care should be taken to balance the needs for cars, trucks, buses, pedestrians, and bicyclists.

Street lighting considerations involve a variety of engineering design issues. These may include issues such as wattage, color of light, shielding of light, energy efficiencies, or mounting heights. Because of ongoing research in the field of lighting, street lighting and outdoor lighting plans should be reviewed and updated on a regular basis.

The street lighting requirements contained herein shall apply to new installations. Existing street lighting shall be evaluated and improvements made according to these guidelines as time permits and funds are made available.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Street Classification

The appropriate classification for each street under the control of the City of Shelby should be determined by the role each street plays as part of the entire traffic system. The criteria for determining street classification should include the following:

- i. Average daily traffic volume.
- ii. Non-automobile use (trucks, buses, pedestrians).
- iii. Posted speed limit.
- iv. Spacing of connecting streets.
- v. Length of streets.
- vi. Number of traffic lanes.
- vii. Points of access (driveways) per mile.
- viii. Proximity to public or community buildings (example: fire station, city hall, community center).
- ix. Visibility (example: curves, hills, visual obstructions).

For the purpose of these guidelines the streets are divided into five (5) categories.

Major Thoroughfare

Major thoroughfares consist of interstate, other freeway, expressway, or parkway links, and major streets that provide for the expeditious movement of high volumes of traffic within and through urban areas.

Minor Thoroughfare

Minor thoroughfares collect traffic from collector, subcollector, and local streets and carry it to the major thoroughfare system. Minor thoroughfares may be used to supplement the major thoroughfare system by facilitating movement of moderate volumes of traffic within and through urban areas and may also serve abutting property.

Collector



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

A street whose principal function is to carry traffic between cul-de-sac, local, and subcollector street, and streets of higher classification, but which may also provide direct access to abutting properties.

Sub Collector

A street whose principal function is to provide access to abutting properties, but which is also designed to be used or is used to connect local streets with collector or higher classification streets.

Local Residential/Cul-de-Sac/Marginal Access

A street whose primary function is to provide access to abutting properties.

Fixture

The standard street lighting fixture shall be a 73-watt LED Road Focus fixture with an appropriate length of arm and a photoelectric cell operated switch. Nonstandard fixtures may be selected by the City for special applications or lighting designs that are required to meet the criteria as set forth by IES RP-8-00.

Spacing

The spacing of fixtures shall generally be as follows:

Major Thoroughfare	To be determined by ANSI/IESNA RP-8-00
Minor Thoroughfare	100 – 200 ft.
Collector	100 – 200 ft.
Sub Collector	100 – 250 ft.
Local Residential/Cul-de-Sac	
Marginal Access	100 – 250 ft.

Final layouts shall be determined on a case-by-case basis based on site specific factors. Spacing may be accomplished by staggered or single side layout and will be determined by the City.

Mounting Height

The fixture mounting height shall be a minimum of 23 feet and a maximum of 35 feet from grade, unless determined otherwise by the Electric Superintendent.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Voltage Drop

All street lighting electrical circuits of 120/240 volts shall be limited to 5% voltage drop.

General

Street lighting should be placed at all intersections and at other high volume pedestrian areas when practical. Where sidewalks exist on only one side of the street, street lighting should be placed on that side to provide illumination for pedestrians. A street light should be placed on each side of a cul-de-sac at the point where the tangent meets the circular outside of the cul-de-sac. On streets with sidewalks and a high volume of pedestrian traffic, such as in the vicinity of shopping centers, theaters, uptown district, or stadiums, the addition of lower pedestrian-oriented type streetlights should be considered.

Where the City has an existing pole line, these poles will be used for street lighting purposes whenever possible. Additional poles will be added as required. Fixtures added to a street with City standard lighting shall be similar in style and illumination to the existing fixtures.

Street light support shall not be placed within 4 feet of a fire hydrant or 5 feet of a residential driveway.

Request for Street Lighting Alterations

When a request is received for street lighting rearrangement, installation, or removal the City Shall:

- a) Review any existing street lighting to determine if illumination levels are presently in compliance with these guidelines.
- b) Review the street for conditions which may require special safety considerations.

Requests for street lighting alterations may require written approval by all property owners fronting the street in question.

In cases where the existing street lighting complies with these guidelines, and the requesting party or parties still desire alternations to any street lighting, all costs shall be paid in full by the requesting party or parties prior to any modifications being completed.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

All modifications shall be at the discretion and require the approval of the Director of Energy Services.

Decorative or Non-Standard Lighting

The City has compiled a list of decorative or non-standard poles and fixtures that meet the City's requirements. Prior to installation, existing neighborhoods may request an approved decorative or non-standard fixture and pole to replace the standard wood pole and fixture.

If approved by the City the following shall apply.

- a) All poles and fixtures installed in the neighborhood shall be compatible.
- b) Lighting levels and layout must be approved by the City prior to installation.
- c) All upfront engineering fees shall be paid by the Developer/Builder or neighborhood prior to design work.
- d) Costs for all decorative or non-standard poles, fixtures and additional materials chosen shall be paid by the Developer/Builder or neighborhood prior to lighting installation. Additional underground cost for labor and materials shall also be paid by the Developer/Builder or neighborhood prior to lighting installation. All costs to the Developer/Builder or neighborhood shall be estimated by the City and provided to the Developer/Builder by a City of Shelby Electric Representative via email. Fees for lighting can be found in the City of Shelby's Fees Schedule. All fees in the Fees Schedule are reviewed, at a minimum annually, and are subject to change.

13. Outdoor Rental Area Lighting

- a) Outdoor Area Lighting will be supplied in accordance with the City of Shelby Outdoor Lighting Contract and the Electric Service Installation Provisions Form. The service supplied by the City will include furnishing and installing the lighting units requested by the Customer and connecting the same to the City's system, all in accordance with the City's service requirements. These facilities, with automatic control, will be owned, maintained, and operated by the City. The City will furnish the electricity required for the illumination of the lamps from dusk to dawn. The



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

City will perform, as soon as practicable during regular working hours, necessary maintenance to restore illumination after the Customer has notified the City that the lamp is not burning. Any area lighting not in accordance with this regulation must be approved by the Director of Energy Services.

- b) This service shall be for use in lighting of outdoor areas by means of LED fixtures installed on brackets extending (4) four feet or less from a City owned pole. These lighting units can be installed on City owned poles on which overhead secondary voltage exists, or to which such voltage can be extended without additional transformer installation.

Rental Area Lighting Units Available

Outdoor area lighting options currently offered are listed in the [Outdoor Lighting Brochure](#). The monthly rate for the selected combination of fixture and pole can be found in the City of Shelby Fees Schedule. All fees are regularly reviewed (at least annually) and are subject to change.

Installing Area Lighting

- a) Customer requests for Rental Area Lighting installations will be submitted to the Customer Services Office by the Customer. The Utilities Services Specialist will meet with the Customer and determine the proper placement of the lights.
- b) Rental Area Lighting will be placed on Customer property only where a utility line truck has access. No Area Light Poles will be set in locations inaccessible to a line truck.

Disconnecting Area Lighting

Customer/Property Owner requests for Rental Area Lighting disconnects shall be submitted to the City of Shelby Customer Services Office by the Customer/Property Owner. The procedure below shall be followed for Area Light disconnects:



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- a) Disconnect orders require the Service Crew to disconnect electric service from the lighting fixture. In the event the Property Owner desires the entire unit to be removed, the pole, light fixture, and secondary cable will be removed.
- b) The Customer/Property Owner will be informed prior to any disconnect that any damage to driveways or grounds will not be the responsibility of the City of Shelby.
- c) Disconnects shall be completed within ten (10) working days of the receipt of the service order in the Electric Division, weather permitting.

Replacing or Repairing Area Lighting

In the event an area lighting unit is not operating, the Service Crew will make an attempt to repair the existing unit with available “in stock” repair parts. When these parts are not available or have been exhausted, the lighting unit will be replaced with available lighting units.

14. Structure or Equipment Moving – Customer Requirements

The Customer requesting the City assist in providing safe clearance of its electrical facilities will be required to meet the following conditions.

- a) The Customer will be required to give the City advance written notice of the structure or equipment to be moved, the loaded height and the loaded width of the structure or equipment, and a route map three weeks prior to the movement.
- b) The City will not approve any proposed route that is not previously approved by the other local utility companies and the N.C. Department of Transportation, if required. The City will approve the route with corrections as necessary and the Customer be required to show this approved route to the Service Crew performing the clearances before beginning the move.
- c) The Customer will be required to pay all costs involved prior to construction to provide safe clearances of the City’s electrical facilities. At the Customer's request, the City will give the Customer an estimate of the cost of these clearances which is



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

only an estimate, and the costs may vary due to other complications. The customer will be responsible for the additional costs.

- d) The Customer will be required to pay all costs for any damage to the City's equipment and facilities if the Customer fails to notify the City according to the above regulation.
- e) The City will not be held liable for any damage or injuries from City facilities due to failure with this regulation.

15. Service Interruptions

- a) 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.
- b) The City reserves the right to suspend service without liability on its part at such times and for such periods and in a manner as it may deem advisable for (a) the purpose of making necessary adjustments to, changes in, or repairs to lines, substations, and facilities; (b) in cases where the continuance of service to the Customer's premises would endanger persons or property; (c) if the City in good faith believes, because of civil disorder, riot, insurrection, war, weather, fire, or other condition beyond a reasonable control of the City for protection of the public or employees of the City; (d) if ordered by a duly constituted public authority.
- c) Whenever the City contemplates a scheduled suspension of service, it will make reasonable effort to coordinate the same with Customers and to give advance notification of the intent to suspend service and the reason, therefore.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

- d) In the event of a power shortage or an adverse condition or disturbance on the system of the City or any other directly or indirectly interconnected system, the City may, without incurring liability, take such emergency action as, in the judgment of the City, may be necessary. Such emergency action may include, but not be limited to reduction or interruption of the supply of electricity to some Customers or areas in order to compensate for a power supply shortage on the City's system or to limit the extent or duration of the adverse condition or disturbance on the City's system, or to prevent damage to the Customer's equipment or the City's transmission facilities, or to expedite the restoration of service. The City may also reduce the supply of electricity to compensate for an emergency condition on an interconnected system,
- e) In the event the City should fail to supply any utility service contracted for, whether from causes beyond its control or accidents, the City shall not be liable for damages by reason of such failure.

16. Assignment of Rate Schedules

The City Customer Services Department determines which rate schedule is applicable for each meter in the City's electric system. Rate schedules are detailed in the City of Shelby Fees Schedule.

17. Right to Appeal

Any Customer served or to be served in accordance with these Electric Service Terms and Conditions has the option to dispute an and interpretation of the regulations made by a City of Shelby Employee or Representative. Appeals should be made in writing to the Director of Energy Services and resolved by the City Manager utilizing the administrative appeals process.



Effective June 4, 2024

Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

Appendix

Appendix X – Electric System Load Data Sheet

Appendix X – Electric Service Installation Provisions

Appendix X – City of Shelby New Development Electric Service Agreement

Appendix X – Outdoor Lighting Contract



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

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

1. Parties

- a. _____ (hereinafter referred to as “**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 electric service infrastructure that will be constructed on parcel(s) _____ in Cleveland County, NC.
- b. “**Electric Service**” shall include:
 - i. the provision of the electric service to the Customers within the Site; and
 - ii. the installation, operation, and maintenance of the electric service distribution system (the “**Infrastructure**”) required to provide electric service 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 Electric Service.
- e. The City of Shelby is a municipal energy provider located in North Carolina, which has been granted the required certificates, franchises, and approvals to lawfully provide Electric Service to an area which includes the Site.



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

3. Purpose

- a. By virtue of this Agreement, the BUILDER requests the CITY to install and provide Electric 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 Electric Service by CITY to Customer(s) 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 Electric Service by CITY.
- d. The City of Shelby Electric Service General Terms and Conditions as approved by the Shelby City Council (the “TERMS”) 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 TERMS 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 120 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 Electric Service Agreement will become null and void if payment(s) have not been received by the City of Shelby within this timeframe.

6. Cost of Infrastructure



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

1. By virtue of this agreement, Infrastructure and Electric Service infrastructure will be furnished and installed by CITY upon payment of the BUILDER of a non-refundable contribution in aid of construction in the amount of _____ (the “**Contribution**”). This amount is based on the adopted City of Shelby Fee Schedule.
2. In the event the CITY is requested to provide additional or major revisions to a previously and mutually agreed to 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. Failure to pay the additional invoices may result in the CITY seeking a court judgment for unpaid expenses.
3. 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 by the BUILDER.

7. 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



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

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 and 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 the CITY, until all obligations under this Agreement are satisfied.
 1. Comprehensive General Liability insurance with the 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), 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



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

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 of 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, 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 subcontractors, CITY shall be reimbursed by the BUILDER for said damages in a timely manner. CITY is responsible for investigating claims, providing proof of damage, and obtaining estimates for repair.



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

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.

8. 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.

9. 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.

10. 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 other parties, addressed to the parties as shown in Section 1 of this Agreement.

11. Representation on Authority of Parties

The person signing this Agreement on behalf of Builder and the person signing on behalf of 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 this Agreement and the performance of such party's obligations hereunder have



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

been duly authorized, and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

12. 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 a 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 the delay wherever possible.

13. 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.

14. Counterparts

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

15. Complete Agreement



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

This Agreement constitutes the complete and final agreement between 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.

16. Assignment

This Agreement may not be assigned without the express written consent and permission of the CITY.

17. 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 its decision to terminate this Agreement.

18. 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.

19. 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 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 in this Agreement shall be held to constitute a waiver of any other or subsequent breach.

20. 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.



Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

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: _____

RESOLUTION NO. 42 – 2024

**A RESOLUTION TO ADOPT THE PROPOSED CITY OF SHELBY
ELECTRIC SERVICE TERMS AND CONDITIONS AND THE PROPOSED
CITY OF SHELBY NEW DEVELOPMENT ELECTRIC SERVICE AGREEMENT**

WHEREAS, the City of Shelby owns and operates an electric distribution system that provides electric service to approximately 8,100 customers; and,

WHEREAS, the City of Shelby currently has an existing Electric Service Regulations policy that was adopted in 2005; and,

WHEREAS, City staff recognizes the need to revise the City of Shelby’s current Electric Service Regulations and rename it the Electric Service Terms and Conditions, which includes guidance for the installation of new electric infrastructure to individual customers and developers based on rising material and labor costs; and,

WHEREAS, the proposed City of Shelby Electric Service Terms and Conditions and City of Shelby New Development Electric Service Agreement have been thoroughly reviewed to ensure that it meets the needs of the electric distribution utility while continuing to provide a high level of service to our electric 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 the City of Shelby Electric Service Terms and Conditions and the proposed City of Shelby New Development Electric Service Agreement.

Section 2. City of Shelby staff are hereby authorized and directed to implement and administer the policies set forth in the City of Shelby Electric Service Terms and Conditions and City of Shelby New Development Electric Service Agreement effective June 3, 2024.

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

Adopted and Approved this the 3rd day of June, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

Agenda Item: F

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: G

Council Announcements and Remarks

Agenda Item: H

Closed Session

- 1) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to North Carolina General Statute § 143-318.11(a)(3).
- 2) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations pursuant to North Carolina General Statute § 143-318.11(a)(4).
- 3) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease pursuant to North Carolina General Statute § 143-318.11(a)(5).

City of Shelby
Agenda Item Summary
June 3, 2024
City Hall Council Chamber

I. Adjournment:

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

- 1) Motion to adjourn