

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

Invocation

Pledge of Allegiance

A. Approval of Agenda

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

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

B. Special Presentation:

1 - 8

- 1) Recognition of Beth B. Beam, Finance Director, and the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the Fiscal Year ended June 30, 2023

C. Public Comment:

9

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

D. Consent Agenda:

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

**Shelby City Council Agenda
July 15, 2024
Page 2**

- 1) **Approval of the Minutes of the Regular Meeting of June 17, 2024** **10 - 18**
- 2) **Adoption of a budget ordinance amendment for the City of Shelby's Randolph Road Industrial Park Sewer Extension Project: Ordinance No. 47-2024** **19 - 27**
- 3) **Adoption of FY 2023-2024 budget ordinance amendment No. 12: Ordinance No. 48-2024** **28 - 31**
- 4) **Approval of a reimbursement resolution with regard to Installment Financings for FY 2024-2025: Resolution No. 47-2024** **32 - 35**
- 5) **Approval of a resolution accepting and entering into an agreement with the North Carolina Department of Transportation to accept grant funding for the Shelby-Cleveland County Regional Airport Grant No. 36237.16.18.2: Resolution No. 48-2024** **36 - 103**
- 6) **Approval of a resolution authorizing selection of W.K. Dickson & Co., Inc. based on qualifications for engineering and planning services at the Shelby-Cleveland County Regional Airport: Resolution No. 49-2024** **104 - 118**
- 7) **Approval of Special Event Applications:** **119 - 143**
 - a) **Food and Brews Festival, requested date: September 7, 2024**
 - b) **Dragon Stock 2, requested date: September 28, 2024**
 - c) **SHS Homecoming Parade, requested date: October 4, 2024**
- 8) **Management Reports:**
 - a) **Planning Report – June, 2024** **144 - 146**
 - b) **Monthly Financial Summary – May, 2024** **147 - 188**

END OF CONSENT AGENDA

E. Unfinished Business:

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| 1) Adoption of an ordinance amending Ordinance 33-2024 relating to the Uptown Shelby Social District and amending the map of the Social District: Ordinance No. 49-2024 | 189 - 192 |
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F. New Business:

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| 1) Approval of a resolution establishing a Capital Reserve Fund for the Electric System of the City of Shelby, North Carolina: Resolution No. 50-2024 | 193 - 195 |
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- 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).**

J. Adjournment:

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

- 1) Motion to adjourn

B. Special Presentations:

Agenda Item B-1

- 1) Recognition of Beth B. Beam, Finance Director, and the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the Fiscal Year ended June 30, 2023

Presenting: (Stan Anthony, Mayor)

- Memorandum dated July 1, 2024, from Beth Beam, Director of Finance to Rick Howell, City Manager

City Manager's Recommendation / Comments

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

We should all take pride in providing the public with an accurate and transparent end of year financial report. Please join me in congratulating the Finance Department staff for their good work on behalf of the citizens of Shelby.



To: Rick Howell, City Manager

From: Beth B. Beam, Director of Finance

Date: July 1, 2024

Subject: FY23 GFOA Certificate of Achievement for Excellence in Financial Reporting

Background:

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

Review:

In December 2023, the Director of Finance submitted application to the GFOA for the annual comprehensive financial report for Fiscal Year ending June 30, 2023. On June 4th, 2024, the City was notified of the successful award for the annual financial report for FY23. The Certificate for Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. This is the twenty-seventh year that the award has been received by the City of Shelby.

Recommendation:

It is requested that the Mayor congratulate the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association for the Fiscal Year ended June 30, 2023.



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

6/4/2024

O. Stanhope Anthony
Mayor
City of Shelby, North Carolina

Dear O. Stanhope:

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2023 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and give appropriate publicity to this notable achievement. A sample news release is included to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine
Director, Technical Services



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

6/4/2024

Beth Beam
Director of Finance
City of Shelby, North Carolina

Dear Beth:

Congratulations!

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2023 has met the requirements to be awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting. The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Certificate Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. Congratulations, again, for having satisfied the high standards of the program.

Your electronic award packet contains the following:

- **A "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements.** We strongly encourage you to implement the recommended improvements in your next report. Certificate of Achievement Program policy requires that written responses to these comments and suggestions for improvement be included with your 2024 fiscal year end submission. If a comment is unclear or there appears to be a discrepancy, please contact the Technical Services Center at (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.
- **Certificate of Achievement.** A Certificate of Achievement is valid for a period of one year. A current holder of a Certificate of Achievement may reproduce the Certificate in its immediately subsequent annual comprehensive financial report. Please refer to the instructions for reproducing your Certificate in your next report.
- **Award of Financial Reporting Achievement.** When GFOA awards a government the Certificate of Achievement for Excellence in Financial Reporting, we also present an Award of Financial Reporting Achievement (AFRA) to the department identified in the application as primarily responsible for achievement of the Certificate.
- **Sample press release.** Attaining this award is a significant accomplishment. Attached is a sample news release that you may use to give appropriate publicity to this notable achievement.

In addition, award recipients will receive via mail either a plaque (if first-time recipients or if the government has received the Certificate ten times since it received its last plaque) or a brass medallion to affix to the plaque (if the government currently has a plaque with space to affix the medallion). Plaques and medallions will be mailed separately.

As an award-winning government, we would like to invite one or more appropriate members of the team that put together your annual comprehensive financial report to apply to join the Special Review Committee. As members of the Special Review Committee, peer reviewers get exposure to a variety of reports from around the country; gain insight into how to improve their own reports; achieve professional recognition; and provide valuable input that helps other local governments improve their reports. Please see our website for [eligibility requirements](#) and [information on completing an application](#).

Thank you for participating in and supporting the Certificate of Achievement Program. If we may be of any further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive style with a large initial "M".

Michele Mark Levine
Director, Technical Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Shelby
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



The Government Finance Officers Association of
the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department
City of Shelby, North Carolina



The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morill

Date: 6/4/2024



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

6/4/2024

For more information contact:
Michele Mark Levine, Director/TSC
Phone: (312) 977-9700
Fax: (312) 977-4806
Email: mlevine@gfoa.org

(Chicago, Illinois)—Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to **City of Shelby** for its annual comprehensive financial report for the fiscal year ended June 30, 2023. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources, and practical research for more than 21,000 members and the communities they serve.

C. Public Comment:

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

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

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

D. Consent Agenda:

Agenda Item: D-1

- 1) Approval of the Minutes of the Regular Meeting of June 17, 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 June 17, 2024

City Manager's Recommendation / Comments

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

MINUTES

Regular Meeting of Shelby City Council
Don Gibson Theatre

June 17, 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, Deputy City Clerk Breanna Jones, Director of Finance Elizabeth (Beth) Beam, CPA, Fire Chief William Hunt, EFO, Director of Planning and Development Services Brian Burgess, Public Information and Communications Officer Chip Nuhrah, Economic Developer Brandon Ruppe, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

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

Mr. Causby led the Pledge of Allegiance.

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda presented.

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

B. Special Presentation:

- 1) Presentation of the City of Shelby's Insurance Service Office (ISO) public protection classification by the North Carolina Office of the State Fire Marshal (OSFM) – Chief Hunt and representatives from the North Carolina Office of the State Fire Marshal Office

Presenter: Chief Davie Summey, North Carolina Office of the State Fire Marshal Office

- Proudly announced that the Shelby Fire and Rescue Department received an ISO classification rating of 1 after an extensive inspection process
- Only 30 other fire departments in North Carolina received this highest rating (out of 1217 fire departments)

- To receive a 1 rating a score of 90 is necessary, and the Shelby Fire and Rescue scored a 94, well above the necessary mark

Chief Hunt mentioned the inspection also evaluated the Water Department and the Communications Center and thanked them for their excellent work along with the Fire and Rescue Department.

C. Public Comment:

- 1) William Crump who resides at 815 E. Marion Street, Shelby, North Carolina stated he is upset with the way Ripple Fiber has left his yard.
- 2) Haydon Soloway who resides at 102 Northshore Court, Shelby, North Carolina stated the \$50 late fee charge on utilities is too high for most people to pay. Also, she is embarrassed with the dirty doors and windows with peeling paint on them at City Hall; this is the first building new residents see and it needs to be more presentable.

D. Public Hearings:

- 1) Consideration of a resolution in support of the Project Crystal Economic Incentives: Resolution No. 43-2024

Presenter: Rick Howell, City Manager

- \$22,500,000 investment within the city limits creating 13 new jobs with above average wages
- The City agrees to make 3 annual incentive grant payments in an amount equaling 20% of the City's tax levy on the new assessed value investment made by Project Crystal
- Grant payment estimates are Year 1 - \$7,425, Year 2 - \$18,113, Year 3 - \$23,288 with a total of \$48,646
- State of NC does not allow for tax abatement as an economic development incentive. For the City to issue an ad valorem tax grant, Project Crystal would need to make the investment, pay yearly taxes, and then apply for reimbursements

Mayor Anthony opened the public hearing at 6:17 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 6:18 p.m.

ACTION TAKEN: Upon a motion made by Mr. Webber, City Council voted unanimously to approve Resolution No. 43-2024 entitled, “A RESOLUTION IN SUPPORT OF THE PROJECT CRYSTAL ECONOMIC INCENTIVES.”

2) Consideration of a resolution in support of the Project Crystal Building Reuse Grant: Resolution No. 44-2024

Presenter: Rick Howell, City Manager

- Project Crystal can apply for the Building Reuse Grant and will likely receive \$100,000 to support the company’s expansion
- This grant comes from the North Carolina Department of Commerce, Rural Economic Development Division
- The grant requires a local match of 5% (\$5,000)
- Cleveland County has agreed to be the local government applicant for Project Crystal and would be responsible for the 5% match. However, if they vote against this Building Reuse Grant at their meeting on June 18th, then it is recommended that the City of Shelby become the local government applicant and responsible for the 5% match
- There is a resolution ready and dated June 19th in case the City of Shelby becomes the applicant

Mayor Anthony opened the public hearing at 6:22 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 6:23 p.m.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve Resolution No. 44-2024 entitled, “A RESOLUTION IN SUPPORT OF THE PROJECT CRYSTAL BUILDING REUSE GRANT.”

3) Consideration of a proposed ordinance amending the zoning map of the City Of Shelby, North Carolina for parcel 28088: Ordinance No. 45-2024

Presenter: Justin Longino, Assistant City Manager

- 1 acre parcel is located north of the City in the ETJ
- Currently zoned R20, applicant requesting a rezoning to GB2 (General Business 2) district

- GB2 district is in the area, and the Future Land Use Map has this area designated as commercial
- The GB2 zoning request is consistent with the Future Land Use Map and the Comprehensive Land Use Plan
- Planning Board and Staff recommend this zoning amendment

Mayor Anthony opened the public hearing at 6:25 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 6:26 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve Ordinance No. 45-2024 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCEL 28088. It is consistent with Shelby’s adopted comprehensive plan and based on an approval from the planning board. This zoning request is reasonable because the request is consistent with Shelby’s comprehensive land use plan, it is consistent with planned future use, and there is GB2 nearby.”

E. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of June 3, 2024
- 2) Approval of a resolution honoring Scott Edwin Ledford on the occasion of his retirement from employment with the City Of Shelby: Resolution No. 45-2024
- 3) Approval of a resolution authorizing the City Manager to contract with an architect for the Historic Webbley Project: Resolution No. 46-2024
- 4) Adoption of a Budget Ordinance Amendment for the City of Shelby’s Depot Project: Ordinance No. 46-2024
- 5) Approval of Special Event applications:
 - a) First Friday at Greenbrook Design, requested date: August 2, 2024

6) Management Reports:

a) Planning Report – May, 2024

END OF CONSENT AGENDA

F. Unfinished Business:

None

G. New Business

None

H. City Manager's Report:

- The City closed the purchase on the Webbley property on April 18, 2024. A recommendation appears on tonight's agenda to authorize entering into negotiations and ultimately a contract with Clearscapes Architecture for architectural services related to this project. This follows a request for qualifications process conducted by city staff using objective criteria established on the front end of the process. It is my hope that we can have Clearscapes under contract in the next 30-45 days.
- The City's USDOT RAISE grant application for construction of the remainder of the Carolina Harmony Trail to the SC state line was submitted prior to February 28th. Anticipated grant award announcements are expected no later than **June 27, 2024**. The City's request is for \$24,998,438.
- The City has reached an agreement with Stewart on the development of a new comprehensive land use plan. Staff is working with them now to develop a firm timeline for the proposed scope of work. The scope of work will broadly include initial review of existing plans and documents, data gathering, a kickoff and community tour, stakeholder interviews, a steering committee meeting and meeting with City Council to discuss the planning process and to receive input on City Council priorities. The current plan was completed in April 2009.
- Destination by Design is working on the engineering and architectural design for the renovation of the old depot and construction of Depot Park. Design was expected to be complete by the end of the first quarter 2024. This project is now back on track and is expected to be put out to bid by the end of June.

- **TAMP Phase II is in the planning process as staff continues to plan for viable utility improvements prior to the start of resurfacing in late Winter / early Spring 2024. Approximately 15 miles of additional resurfacing will be completed by the end of 2024. This brings total street resurfacing to 32 miles. Approximately \$6.0 million of the \$10 million street improvement bonds passed by voters in November 2021 have been used to date for street resurfacing. Asphalt Paving has begun and will complete the contracted work by the end of the calendar year.**
- **Cross Town Water Main 24" Transmission Line Phase II (\$8,976,174.) SRP-D-ARP-0030**
 - **Waterline work on Chestnut Street is completed.**
 - **Installation of a 6" diameter waterline on E. Graham Street is upcoming.**
 - **Sewer line work on S. Morgan Street and S. Washington Street is upcoming in the next 45-65 days.**
- **Hickory Creek Sewer Outfall - Windsor Drive to Holly Oak Park (\$4,627,000) SRP-W-ARP-0029**
 - **The contractor is behind having completed only 48% of this work at the 89% point of their contract time of 270 days. All work south of Gidney Street is complete with the work north toward Kings Road left to be completed.**
 - **The bump on Gidney Street will be repaired soon.**
- **WTP Filter Rehabilitation & Sedimentation Valve Replacement Project (\$4,133,200.) ARP**
 - **Filters 1-4, 7 & 8 remain to be completed along with installation of 88 valves in the sedimentation basin.**
 - **Filters 5 & 6 are complete. Work is proceeding on filters 7 & 8.**
 - **The contractor has completed 25% of the work with 55% of the remaining contract time of 270 days.**
- **First Broad River Sewer Outfall Project (\$12,087,000) State directed grant.**

This project provides for the replacement of approximately 9,000 linear feet of 36-inch diameter pipe on a major sewer outfall located on the First Broad River. A number of Sanitary Sewer Overflows (SSO's) have occurred on this line for the past several years during and after heavy rainfall. McGill Associates has been selected as the project engineer and

design work is ongoing. City Council has previously approved the project budget ordinance.

- **City Hall Annex – This project involves the relocation of personnel from the Planning and Development Services Department (Planning/Zoning, Code Enforcement and Building Inspections) and the Human Resources Department to the former SPD building. The bid was awarded by Council to Neill Grading on June 3rd. Staff are working on contract documents at this time. A schedule of work will be developed for your information in the next few weeks.**

I. Council Announcements and Remarks:

Mayor Anthony reminded everyone of the Fireworks at the Shelby City Park on July 3rd.

By consensus, Council welcomed Brian Burgess as our new Planning Director and congratulated Chief Hunt on the high ISO rating the Shelby Fire and Rescue Department received.

J. Closed Session:

- 1) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including 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).**

ACTION TAKEN: Mr. White made a motion to enter a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony invited all Council members present, along with Mr. Howell, Mr. Lunsford, Mr. Longino, Mr. Yarboro, Mr. Ruppe, Mrs. Williams and Mrs. Jones to attend. The motion passed unanimously, and Council moved into closed session at 6:39 p.m.

At the conclusion of the Closed Session item, Mr. White made a motion for City Council to return to the regular session at 7:02 p.m. and seal the minutes.

K. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 7:03 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony, III
Mayor**

Minutes of June 17, 2024

DRAFT

Agenda Item: D-2

- 2) Adoption of a budget ordinance amendment for the City of Shelby's Randolph Road Industrial Park Sewer Extension Project: Ordinance No. 47-2024

Consent Agenda Item: (Beth Beam, Finance Director and Brian Wilson, Director of Water Resources)

Summary of Available Information:

- Memorandum dated July 3, 2024, from Brian Wilson, Director of Water Resources to Rick Howell, City Manager, Carol Williams, City Clerk, and Bre Jones, Deputy Clerk
- Supporting Documents
- Ordinance No. 47-2024

City Manager's Recommendation / Comments

Ordinance No. 47-2024 is presented for City Council consideration as a routine business matter under the Consent Agenda. If approved this resolution would shift money from the approved construction line item to the engineering item. This project is within budget, however there is a need to increase the allowed engineering costs upward by \$65,000 to account for changes in the design work required by the City. City staff have verified that the additional work was necessary, authorized and completed.

As a reminder. This project involved the construction of a new sewer lift station on the Randolph Road Industrial Park property and included a force main along Randolph Road to Artee Road to a portion of new gravity sewer near the old Artee Industries Building on Metrolina Drive. This project was paid for with a NC Department of Commerce Industrial Development Grant (75%) and a required local match (25%) shared by the City and the County. The impetus for this project was to provide direct sewer service to Shell Building #4. A partnership between the City and the County. The original budget for the project was \$1,695,530. Actual cost for construction and engineering came in at \$1,533,770 bringing the project under budget by \$161,760.

This project expands sewer service in that area for both industrial, commercial and possibly residential service in the future.

It is recommended that Ordinance No. 47-2024 be adopted and approved via the Consent Agenda.



Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: Beth Beam, Director of Finance

From: Brian Wilson, Director of Water Resources

CC: Rick Howell, City Manager
Carol Williams, City Clerk
Bre Jones, Deputy Clerk

RE: Randolph Road Industrial Park Sewer Project – PBO Amendment

Date: July 3, 2024

Background:

Over the course of construction of the Randolph Road Industrial Park Sewer Project there were several circumstances that required the need to add time to the engineering agreement with McGill. As detailed in the memo by McGill for additional construction phase services there was the initial supply chain issues that ran through 2023 and the anticipated project completion date was pushed back by five months. Additionally, a sewer conflict under and adjacent to Washburn Switch Road and the addition of sewer all required additional engineering services.

Review:

The original construction budget was \$1,503,030 while the original engineering budget was \$192,500. Due to savings in construction materials, construction came in \$206,556 under budget (\$1,296,474). The engineering amendment from McGill was approved for an additional \$37,500 leaving a net positive balance of \$169,056 for the project.

Fund:	GL Account:	Initial Amount:	Decrease Request
Construction	621726-53000-62878	\$1,503,030	\$65,000
Fund:	GL Account:	Initial Amount:	Increase Request
Engineering	621726-42004-62878	\$192,500	\$65,000

Recommendation:

In consideration of the need to increase funds in the engineering account for the Randolph Road Industrial Park Sewer Project it is recommended to transfer \$65,000 from the construction account to the engineering account to cover the cost of the additional engineering services amendment and other incidental fees that may be required before project closeout.

Please let me know if further information is needed.

Attachments:

- McGill Memo – Additional Construction Phase Services Request
- McGill Agreement for Engineering Services Amendment No. 1
- Randolph Road Industrial Park Sewer Project Budget Breakdown

January 27, 2023

Mr. Ben Yarboro, EI
Assistant City Manager
City of Shelby
824 W. Grover Street
Shelby, North Carolina 28150

RE: Additional Construction Phase Services Request
Randolph Road Industrial Park Sewer Project

Dear Mr. Yarboro:

Please accept this letter and its enclosure, in reference to the need for an amendment to the existing Agreement for Engineering Services between the City of Shelby (City) and McGill Associates, P.A. (McGill). This request for amendment is based on the relevant sections of the existing agreement that stipulates the scope and associated fees for McGill to provide construction observation and construction administration services to the City during the subject project's construction phase.

As you are aware, supply chain issues have had a substantial impact on all construction projects throughout 2022 and persist in 2023. This project's construction contract (Piedmont Utility Group) was issued a notice to proceed on March 28, 2022 and included a total project duration of 10.5 months with anticipation of active construction only occurring for 6-7 months. Due to extended delays in equipment lead times for the electrical equipment, pump equipment and some precast concrete products, this project now is planned to reach substantial completion in June or July of 2023. That anticipated completion date would extend the construction contract duration, and McGill's construction phase services by 5 months.

Additionally, during installation of the proposed gravity sewers under and adjacent to Washburn Switch Road, the City's active water mains and gas mains in this same location were discovered to be in conflict with the original sewer designs. This conflict arose from additional water mains that are in service and from those existing water mains being installed at a depth that would prevent installation as planned. NCDEQ's minimum design criteria requires specific conditions be achieved when water and sewer mains are in close proximity to one another and the discovery of these differing conditions required multiple additional site visits to review the Contractor's field locations and develop a revised alignment, grade, and testing methods to comply with NCDEQ requirements.

Also, during the installation of a portion of the proposed gravity sewers along a parcel owned by Zappitelli Industries the property Owner requested to be connected to the new gravity sewer main while construction activities were still ongoing. This request required multiple service tap locations be constructed which were not included in the original plans as well as revisions to the gravity main alignment and grade. To accommodate these revisions, multiple additional site visits were required to stake out the revised gravity sewer layout and develop revised plan sheets for the Contractor's use in construction.

Mr. Ben Yarboro, EI
January 27, 2023
Page 2

Due to the factors noted above McGill Associates respectfully requests that the City review and execute the amendment to the engineering services agreement enclosed with this letter to increase the maximum total value of our hourly construction phase budget by \$37,600. The amount of the proposed increase is based upon the anticipated additional time that is likely to be added to the construction contract between the City and Contractor and also assumes McGill's services will remain relatively consistent with the previous months' involvement. Billing would continue on an hourly basis for the time and expense actually incurred and would not exceed that \$37,600 amount without prior authorization from the City.

We look forward to working with the City as this project's construction activities continue to final completion.

If you have any questions whatsoever, please contact me at 828.328.2024.

Sincerely,
McGILL ASSOCIATES, P.A.



R.J. MOZELEY, PE
Senior Project Manager

cc: Mr. David Hux, City of Shelby
Mr. Brian Wilson, City of Shelby

:rjm

Enclosure

AMENDMENT NO. 1

to the

AGREEMENT FOR ENGINEERING SERVICES – DATED AUGUST 11, 2021

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree to amend the Agreement for Engineering Services as follows:

Section 2 – Basic Services shall be amended as follows:

2.6 CONSTRUCTION PHASE

2.6.4 Additional construction phase services and CFR time related to extended construction time for the project’s construction phase. Extending the project’s construction phase activities from ten months to fifteen months and active construction progress from six months to eleven months.

Section 6 – Payment to the Engineer, Article 6.1.1 shall be amended to include the following additional hourly maximum not-to-exceed fee:

6.1 PAYMENT FOR BASIC SERVICES

Extended Construction Phase Services \$37,600 (Hourly)

In accordance with the Agreement for Engineering Services, the Owner agrees to pay the ENGINEER the amounts noted above for the Additional Services rendered as outlined in this Amendment No. 1.

CITY OF SHELBY

Rick Howell

Rick Howell
City Manager

Date: 6/17/24

MCGILL ASSOCIATES, P.A.

Douglas Chapman

Douglas Chapman, PE
Vice President – Regional Manager

Date: 1-27-23

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

ATTEST:

Carol Williams

Bernadette A. Parduski City Clerk
CAROL WILLIAMS

By:

Beth B. Beam

Beth B. Beam, Finance Director
621726-42004-62878

Randolph Road Industrial Park Sewer Project

Original Funding

Project Construction	\$	1,503,030
Project Engineering	\$	192,500
	\$	1,695,530

Actual Cost

Project Construction	\$	1,296,474
Project Engineering	\$	237,297
	\$	1,533,770

Balance \$ 161,760

Original Project Construction	\$	1,503,030
Actual Project Construction	\$	1,296,474
	\$	206,556

Original Project Engineering	\$	192,500
Actual Project Engineering	\$	199,797
McGill Engineering Amendment	\$	37,500
	\$	(44,797)

Balance \$ 161,760

ORDINANCE NO. 47-2024
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S
 RANDOLPH ROAD INDUSTRIAL PARK SEWER EXTENSION 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 Randolph Road Industrial Park Sewer Extension 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. 31-2021, the City's Randolph Road Industrial Park Sewer Extension Project, is hereby amended as follows to provide for Budget Amendment No. 2 for said project:

Randolph Road Industrial Park Sewer Extension Project:

The following Sewer Fund Cap. Project Expenditures are amended by the City:

Engineering	621725-42004-62878	\$65,000
Construction	621725-53000-62878	(\$65,000)

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

Randolph Road Industrial Park Sewer Extension Project:

	<u>Current Budget</u>	<u>Amendment No. 2</u>
Revenues		
Transfer from Sewer Fund	\$ 212,006	\$ 212,006
Transfer from County	\$ 212,006	\$ 212,006
State Grants	\$1,272,030	\$1,272,030
Expenditures		
Engineering	\$ 192,500	\$ 257,500
Construction	\$1,503,542	\$1,438,542

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. 47-2024
July 15, 2024
Page 2

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

Adopted and Approved this the 15th day of July, 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Agenda Item: D-3

- 3) Adoption of FY 2023-2024 budget ordinance amendment No. 12: Ordinance No. 48-2024

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

Summary of Available Information:

- Memorandum dated July 10, 2024, from Beth Beam, Director of Finance to Rick Howell, City Manager
- Ordinance No. 48-2024

City Manager's Recommendation / Comments

Ordinance No. 48-2024 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 closed June 30. These are final budget adjustments of previously authorized Council expenditures to ensure that the audited financial statements reflect a balanced budget as required by statute.

This final budget amendment recognizes revenues which came in over budget and moves funding within and in between line items within the General Fund and Electric Fund. All transfers balance spending accounts within the noted operating funds.

It is my recommendation that Ordinance No. 48-2024 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. 12
Date: July 10, 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 final budget amendment.

ORDINANCE NO. 48-2024

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. 12 for the year:

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

(a) Increase 11001000-31001 Property Tax	\$ 66,113
(b) Increase 110453-41210 Fuel for Resale	\$ 26,000
Increase 110453-41700 Airport Fuel Tax	\$ 5,500
Increase 110453-40100 Salaries	\$ 2,600
Increase 110453-40101 Overtime	\$ 125
Increase 110453-40110 HRA Incentive	\$ 250
Increase 110453-40502 Retirement	\$ 250
Increase 110421-51000 Capital Equipment	\$ 31,388

(2) The following Electric Fund Line Items are amended:

(a) Increase 63006000-36730 Electric Charges	\$ 300,000
(b) Increase 630732-45201 Electric-Purchase for Resale	\$ 300,000

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

	<u>Current Budget</u>	<u>Amendment No. 12</u>
General Fund	\$ 33,014,053	\$ 33,080,166
Emergency Telephone System Fund	87,817	87,817

Powell Bill Fund	701,225	701,225
Economic Dev. Fund	1,844,334	1,844,334
Housing Fund	2,736,183	2,736,183
Cemetery Fund	36,000	36,000
Utilities-Water Fund	7,674,162	7,674,162
Utilities-Sewer Fund	8,215,577	8,215,577
Utilities-Electric Fund	25,427,789	25,727,789
Utilities-Gas Fund	26,142,621	26,142,621
Utilities – Stormwater Fund	<u>1,439,627</u>	<u>1,439,627</u>
FY 2022-2023 Budget Total	<u>\$107,319,388</u>	<u>\$107,685,501</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 15th day of July 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Agenda Item: D-4

- 4) Approval of a reimbursement resolution with regard to Installment Financings for FY 2024-2025: Resolution No. 47-2024

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

Summary of Available Information:

- Memorandum dated July 1, 2024, from Beth Beam, Director of Finance to Rick Howell, City Manager
- Resolution No. 47-2024

City Manager’s Recommendation / Comments

Resolution No. 47-2024 is presented for City Council consideration at this time via the Consent Agenda. If approved this resolution allows the City to essentially reimburse itself with borrowed funds after the fact. The City typically will cash flow these capital purchases and then toward the end of the fiscal year close the financing with the bank and then reimburse actual costs. As Council is aware the City annually finances the purchase of all rolling stock equipment and vehicles through the issuance of a 59-month private placement financing agreement. Each year the total approved amount for rolling stock purchase is bid out to qualified financial institutions. This includes rolling stock for all City departments. Later this year the City will solicit and accept financing proposals to fund these purchases. Approval of a financing agreement will then be brought before Council for consideration. The proposed capital cost for fiscal year is \$2,550,450.

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

2021-2022	\$2,284,000	1.58%	United Financial - Home Trust Bank
2022-2023	\$1,504,823	3.49%	United Financial - Home Trust Bank
2023-2024	\$2,280,836	3.80%	Bank of America

It is my recommendation that Resolution No. 47-2024 be adopted and approved by City Council at this time via the Consent Agenda.



To: Rick Howell, City Manager
From: Beth B. Beam, Director of Finance
Date: July 1, 2025
Subject: FY25 Reimbursement Resolution

Background:

Each year, the City of Shelby finances its annual rolling stock (departmental service trucks, utility trucks, backhoes, etc...) and equipment by borrowing money for a 59-month term at tax exempt interest rates. This allows the City to maintain its fleet and maintain cash liquidity most efficiently. Requests for Proposals for the financing of capital purchases for FY25 will again be sent out to multiple financial institutions in order to obtain the most competitive rate.

Review:

A reimbursement resolution is needed in order for the City to reimburse itself from the financing proceeds obtained to purchase capital equipment during the FY25 year.

Recommendation:

It is recommended that the City Council adopt the Reimbursement Resolution for FY25.

RESOLUTION NO. 47-2024

A REIMBURSEMENT RESOLUTION WITH REGARD TO
INSTALLMENT FINANCINGS FOR FY 2024-2025

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

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

WHEREAS, the City anticipates incurring certain expenditures for fiscal year 2024-2025 in an approximate amount not exceeding \$2,221,019 (the “Expenditures”) with respect to purchase of motorized and other equipment prior to the issuance by the City of tax-exempt obligations in the form of an installment purchase contract for such purpose in an amount not to exceed \$2,221,019 expenditures for fiscal year 2024-2025.

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

Section 1. The City Council hereby declares a reasonable “official intent” pursuant to Regulation 1.103-18 to the Internal Revenue Code of 1986, as amended, to reimburse the City from the proceeds of tax-exempt obligations in the form of an installment purchase contract of the City executed under the authority of North Carolina General Statute 160A-20, as amended for such Expenditures. Such Expenditures must be incurred not later than two years from the date hereof in order to be eligible for reimbursement from the proceeds of the installment purchase contract or such other date as may be applicable in the regulations. The City anticipates incurring Expenditures in an approximate amount of not exceeding \$2,221,019 for fiscal year 2024-2025.

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

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

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

Adopted and Approved this the 15th day of July 2024.

Resolution No. 47-2024
July 15, 2024
Page 2

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

Agenda Item: D-5

- 5) Approval of a resolution accepting and entering into an agreement with the North Carolina Department of Transportation to accept grant funding for the Shelby-Cleveland County Regional Airport Grant No. 36237.16.18.2: Resolution No. 48-2024

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

Summary of Available Information:

- Memorandum dated July 10, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager, Jack Poole, Airport Supervisor, and Beth Beam, Director of Finance
- Grant No. 36237.16.18.2 Agreement
- Resolution No. 48-2024

City Manager's Recommendation / Comments

Resolution No. 48-2024 is presented for City Council approval as a routine business item via the Consent Agenda. If approved this resolution would accept what is, in effect, a grant in the amount of \$304,000 from the NC Department of Transportation Division of Aviation. This grant would be used to offset and reimburse the City for funding appropriated for the construction of T Hangar #4 at the airport. Council will recall that the City has been working with the NC Division of Aviation to secure grant funding to reimburse ourselves for the project cost which ultimately will allowing our annual grant to be used for other purposes. The City has been allowed to reimburse itself for project costs from our annual grant which limits our ability to spend current and future annual grants on other needed projects. These additional grant funds accelerate the reimbursement.

It is my recommendation that Resolution No. 48-2024 be adopted and approved by City Council at this time via the Consent Agenda.

Memorandum

To: Rick Howell, City Manager

From: Ben Yarboro, Assistant City Manager

Copied: Jack Poole, Airport Supervisor
Beth Beam, Director of Finance

RE: Shelby-Cleveland County Regional Airport NCDOT Grant
36237.16.18.2 Agreement Acceptance

Date: July 10, 2024

Background

City staff has received a grant award notification from the North Carolina Division of Aviation for the Airport Infrastructure Grant funds under the State Block Grant Program for federal fiscal year (FFY) 2022 and 2023. Grant 36237.16.18.2 (2022 & 2023 AIG funds) has a total grant amount of \$337,778 with a 10% local match. This results in a 90% federal contribution of \$304,000.00 and a 10% local match of \$33,778.00. As a reminder, the local match on airport grants is shared equally with the County, so the City pays 5% and the County pays 5%.

Following the \$304,000 reimbursement associated with the aforementioned grant, the balance on the T-Hangar #4 project for future reimbursements is \$336,662.89. We will continue to apply our annual grants towards this balance over the next 2 years until the total project cost has been reimbursed at 90%.

Review

In July 2021, the Shelby City Council approved Resolution 45-2021 for the construction of T-Hangar #4 at the Shelby-Cleveland County Regional Airport. This project was designed to provide an additional 10-unit hangar building and had a low bid amount of \$1,363,072.18 by Quinn Sales, Inc. Construction on this project began in October 2021 and was completed on May 12, 2022. The intent has been to reimburse the expenses related to this construction project with annual grant appropriations, such as the pending grant that we have recently received an agreement for. Construction of projects such as this allow the airport to continue to grow and better meet the increasing aviation demands of this region.

Recommendation

Staff recommends acceptance of this grant agreement for reimbursement of costs associated with the T-Hangar #4 construction project located at the Shelby-

Cleveland County Regional Airport. The agreement and associated grant assurance are attached for reference and execution following approval of the resolution.

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

Attachments:

- Grant 36237.16.18.2 Agreement

GRANT AGREEMENT

STATE AID TO AIRPORTS BLOCK GRANT
BETWEEN
THE N. C. DEPARTMENT OF TRANSPORTATION,
AN AGENCY OF THE STATE OF NORTH CAROLINA
AND
CITY OF SHELBY

**AIRPORT: SHELBY-CLEVELAND
COUNTY REGIONAL**

UEI: L2J6LFPHD752
PROJECT NO: 36237.16.18.2

This Agreement is hereby made and entered into by and between the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (hereinafter referred to as “Department”) and **CITY OF SHELBY**, the public agency owning the **SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT** (hereinafter referred to as “Sponsor”).

This agreement shall be effective on _____ and shall terminate on **JUNE 1, 2027** with the option to extend, if mutually agreed upon, through a written modification. Pre-award costs included on the Code and Category of Expenditure Section of the AV-501/AV-504 of the project’s Request for Aid (RFA) Application are authorized.

WITNESSETH

WHEREAS, the Department has received the approval of the Federal Aviation Administration to administer certain Airport Improvement Program Funds in North Carolina under the provisions of the *FAA Modernization and Reform Act of 2012*;

WHEREAS, the Department has approved a grant of funds to the Sponsor under the State Block Grant Program Airport Infrastructure Grant funds.

WHEREAS, the Sponsor has made a formal application dated **FEBRUARY 9, 2024** to the Department for Airport Infrastructure Grant funds for the **SHELBY- CLEVELAND COUNTY REGIONAL AIRPORT**; and

WHEREAS, a grant in the amount of **\$304,000** not to exceed **90 percent** of the federal share of the final, eligible project costs of **\$337,778** has been approved subject to the conditions and limitations herein; and

WHEREAS, the Airport Infrastructure Grant funds will be used for the following approved project:

CONSTRUCT/MODIFY/IMPROVE/REHABILITATE HANGAR

NOW THEREFORE, the Sponsor and the Division of Aviation (“Division”) do mutually hereby agree as follows:

1) Work performed under this Agreement shall conform to the approved project description. Any amendments to or modification of the scope and terms of this Agreement shall be in the form of a modified grant mutually executed by the Sponsor and the Division, except that an extension of time and/or a reallocation of funds within the approved budget may be granted by the Division by written notice to the Sponsor. Any changes to the scope, amount, or fees with this grant agreement without first consulting your Airport Project Manager could be found ineligible.

2) The Sponsor certifies that it has adhered to all applicable laws, regulations, and procedures in the application for and Sponsor's approval of the Agreement.

3) The Sponsor agrees to comply with the "Sponsor's Assurances" contained as a part of this Agreement. The Sponsor shall be liable to the Department for the return of all grant monies received in the event of a material breach of the Sponsor's Assurances or this Agreement.

4) The Sponsor agrees to adhere to the standards and procedures contained in the *North Carolina Airports Program Guidance Handbook* and the *Federal Assurances and Certifications*.

APPENDIX A6.4.1

TITLE VI CLAUSES FOR COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX A6.4.2
TITLE VI CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of the Airport Improvement Program grant assurances.

NOW, THEREFORE, the Federal Aviation Administration as authorized by law and upon the condition that the *North Carolina Department of Transportation (NCDOT)* will accept title to the lands and maintain the project constructed thereon in accordance with the *North Carolina General Assembly*, for the (Airport Improvement Program or other program for which land is transferred), and the policies and procedures prescribed by the Federal Aviation Administration of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the U.S Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the *NCDOT* all the right, title and interest of the U.S. Department of Transportation/Federal Aviation Administration in and to said lands described in (**Exhibit A attached hereto or other exhibit describing the transferred property**) and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto the *North Carolina Department of Transportation (NCDOT)* and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the *NCDOT*, its successors and assigns.

The *NCDOT*, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the *NCDOT* will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended [, and (3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX A6.4.3

**TITLE VI CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE
ACTIVITY, FACILITY, OR PROGRAM**

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the *North Carolina Department of Transportation (NCDOT)* pursuant to the provisions of the Airport Improvement Program grant assurances:

- A. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, the *NCDOT* will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*
- C. With respect to a deed, in the event of breach of any of the above Nondiscrimination covenants, the *NCDOT* will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the *NCDOT* and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX A6.4.4

TITLE VI CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by the *North Carolina Department of Transportation (NCDOT)* pursuant to the provisions of the Airport Improvement Program grant assurances.

- A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the List of Discrimination Acts and Authorities.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above nondiscrimination covenants, the *NCDOT* will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*
- C. With respect to deeds, in the event of breach of any of the above nondiscrimination covenants, the *NCDOT* will there upon revert to and vest in and become the absolute property of the *NCDOT* and its assigns. *

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX A6.4.5

TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

Pertinent Nondiscrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures Nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

THE PARTIES BY LEGALLY BINDING SIGNATURE BELOW HEREBY EXECUTE THIS GRANT AGREEMENT
THE DAY AND YEAR FIRST WRITTEN BELOW:

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION:

BY: _____
Deputy Secretary for Multi-Modal Transportation or Designee

DATE: _____

AUTHORIZED SIGNATURE FOR SPONSOR

(Approving Authority Board Member or Local Governing Official):

SIGNED: _____

TITLE: _____

DATE: _____

AUTHORIZED SIGNATURE FOR CO-SPONSOR (if required)

(Approving Authority Board Member or Local Governing Official):

SIGNED: _____

TITLE: _____

DATE: _____

SECTION A: SPONSOR'S ASSURANCES: GENERAL CONDITIONS

A-1. The Sponsor certifies that it holds fee simple title to the property on which this project is to be constructed. In the event any work is proposed on property which has an easement or lease in the Sponsor's name, the Sponsor agrees that it will comply with the Department's conditions and receive written approval from the Department prior to any construction on such lease or easements. This condition does not apply to planning projects.

A-2. The Sponsor agrees to operate the Airport for the use and benefit of the general public and shall not deny reasonable access to public facilities by the general public.

A-3. The Sponsor agrees to operate, maintain, and control the Airport in a safe and serviceable condition for a minimum of twenty (20) years following the date of this Agreement and shall immediately undertake, or cause to be undertaken, such action to correct safety deficiencies as may be brought to its attention by the Department.

A-4. The Sponsor agrees that any land purchased, facilities constructed, or equipment acquired under this Agreement shall not be sold, swapped, leased, or otherwise transferred from the control of the Sponsor without written approval of the Department.

A-5. The Sponsor agrees that the state share of any land purchased, facilities constructed, or equipment acquired under this Agreement shall be credited to the Department in a manner acceptable to the Department in the event such land, facilities, or equipment are subsequently disposed of through sale or lease.

A-6. Insofar as it is within its power and reasonable, the Sponsor shall, either by the acquisition and retention of property interest, in fee or easement, or by appropriate local zoning action, prevent the construction of any object which may constitute an obstruction to air navigation under the appropriate category of Federal Air Regulation Part 77, 14 CFR 77.

A-7. Insofar as it is within its power and reasonable, the Sponsor shall restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and taking off of aircraft, and the noise produced by such operations by adoption of zoning laws, by acquisition and the retention of property interest, in fee or easement.

A-8. Terminal building spaces constructed under this Agreement shall be for the use of the general public. The Sponsor agrees that it will not use any space so constructed for private use, or charge fees for the use of such space, without the written approval of the Department.

A-9. The Sponsor is responsible for maintaining an active System for Award Management (SAM) Registration and Data Universal Numbering System (DUNS) Number and ensuring that all SAM/DUNS information is current throughout the lifecycle of this Agreement, in accordance with 2 CFR 25.200(a)(2). If SAM/DUNS information becomes inactive, expired, or incorrect, the Sponsor shall not be able to do any grant related business with the FAA, including the obligation and/or

payment of Federal grant funds, and FAA may take appropriate action to terminate this Agreement, in accordance with the terms of this Agreement.

A-10. The Sponsor is encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies that bar text messaging while driving company-owned or company-rented vehicles, or government owned, leased, or rented vehicles, or privately-owned vehicles when on official government business or when performing any work for or on behalf of the Government. See Executive Order 13513 “Federal Leadership on Reducing Text Messaging While Driving,” October 1, 2009, as implemented by Financial Assistance Policy Letter (No. FAP-2010-01, February 2, 2010). This includes, but is not limited to, the Sponsor: (1) considering new rules and programs or re-evaluating existing programs to prohibit text messaging while driving; (2) conducting education, awareness, and other outreach for employees about the safety risks associated with texting while driving; and (3) encouraging voluntary compliance with the agency’s text messaging policy while off duty. The Sponsor is encouraged to insert the substance of this clause in all contracts.

A-11. Trafficking in Persons.

a. Posting of contact information.

1. The Sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.

b. Provision applicable to a recipient other than a private entity. We as the awarding agency may unilaterally terminate this Agreement, without penalty, if a subrecipient that is a private entity –

1. Is determined to have violated an applicable prohibition in paragraph (a) of this assurance; or

2. Has an employee who is determined by the agency official authorized to terminate the Agreement to have violated an applicable prohibition in paragraph (a) of this assurance through conduct that is either –

i. Associated with performance under this Agreement; or

ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR Part 1200.

c. Provisions applicable to any recipient.

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this assurance.

2. Our right to terminate unilaterally that is described in paragraph (a) or (b) of this assurance:

i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended [22 U.S.C. § 7104(g)], and

ii. Is in addition to all other remedies for noncompliance that are available to us under this Agreement.

3. You must include the requirements of paragraph (a) of this assurance in any subgrant you make to a private entity.

d. Definitions. For purposes of this assurance:

1. “Employee” means either:

- i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this Agreement; or
 - ii. Another person engaged in the performance of the project or program under this Agreement and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
2. “Force labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
3. “Private entity”:
- i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR § 175.25.
 - ii. Includes:
 - 1. A nonprofit organization, including any nonprofit institute of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR § 175.25(b).
 - 2. A for-profit organization.
4. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).

A-12. Employee Protection from Reprisals.

a. Prohibition of Reprisals.

- 1. In accordance with 41 U.S.C. § 4712, an employee of a State, Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2), information that the employee reasonably believes is evidence of:
 - i. Gross mismanagement of a Federal grant;
 - ii. Gross waste of Federal funds;
 - iii. An abuse of authority relating to implementation or use of Federal funds;
 - iv. A substantial and specific danger to public health or safety; or
 - v. A violation of law, rule, or regulation related to a Federal grant.
- 2. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;
 - v. A court or grand jury;
 - vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
 - vii. An authorized official of the Department of Justice or other law enforcement agency.

b. Investigation of Complaints.

1. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
 2. Time Limitation for Submittal of a Complaint. A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
 3. Required Actions of the Inspector General. Actions, limitations, and exceptions of the Inspector General's office are established under 41 U.S.C. § 4712(b).
- c. Remedy and Enforcement Authority.
1. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).

SECTION B: SPONSOR'S ASSURANCES: PROJECT ADMINISTRATION

B-1. The Sponsor shall submit draft plans and specifications, or approved alternate, for the project for review by the Division prior to advertising for bids on the Project. Should bids not be required on the project, the Sponsor shall submit a detailed scope of work and estimated costs prior to requesting "Grant Execution and Notice to Proceed" for undertaking the project. All plans (and alternate) shall be supported by the engineer's report. A list of deliverables from the Sponsor to the Division will be communicated with the Airport Project Manager.

B-2. Bids will be taken in accordance with G.S. § 143-129 and all applicable NCDOT policies. The Department will approve or reject the Sponsor's request to employ a specific contractor. Sponsor will be directly notified of approval. All contractor(s) who bid or submit proposals for contracts in connection with this project must submit a statement of non-collusion to the Sponsor.

B-3. Unless otherwise approved by the Division, the Sponsor shall not commence construction or award construction contracts on the project until a "Grant Execution and Notice to Proceed" is provided by the Division.

B-4. The Sponsor shall submit to the Division quarterly status reports (AV-502) according to the following schedule for periods ending: March 31, June 30, September 30, and December 31.

B-5. The Sponsor shall notify the Division of any significant issues, meetings, audits, or inspections concerning this project involving the Sponsor, contractor(s), consultant(s), and/or any interested parties.

B-6. **Completing the Project without Delay and in Conformance with Requirements.** The Sponsor must assure that projects are carried out and completed without undue delays and in accordance with this grant agreement, 49 U.S.C. Chapters 471 and 475, the regulations, and the Secretary's policies and procedures. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior approval from the State or FAA any disengagement from funding eligible expenses under the grant that exceed three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the stoppage. The Sponsor agrees to comply with the attached grant assurances, which are part of this Agreement. These assurances, conditions, and any addendums apply to subgrants issued under this Agreement.

B-7. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement or subgrants, including, but not limited to, any action taken by a State and Sponsor related to or arising from, directly or indirectly, this Agreement.

B-8. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the State and Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this Agreement.

B-9. **Suspension and Debarment.** Sponsors entering into "covered transactions," as defined by 2 CFR § 180.200, must:

1. Verify the non-Federal entity is eligible to participate in this Federal program by:
 - i. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or
 - ii. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or
 - iii. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
2. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g., subcontracts).

SECTION C: SPONSOR'S ASSURANCES: PROJECT ACCOUNTING AND PAYMENT

C-1. The Sponsor shall record all funds received under this Agreement and shall keep the same in an identifiable project account. The Sponsor, and his contractor(s) and/or consultant(s), shall maintain adequate records and documentation to support all project costs incurred under this Agreement. All records and documentation in support of the project costs must be identifiable as relating to the project and must be allowable costs only. Allowable costs are defined as those costs which are allowable under "Federal Acquisition Regulations 1-31.6, 48 CFR, 2 CFR 200.333, and OMB Circular A-87 and also referenced in the *North Carolina Airports - Program Guidance Handbook* and the *Airport Improvement Program Handbook*.

C-2. In accordance with the Compliance Supplement based on the requirements of the 1996 Amendments and 2 CFR Part 200, Subpart F, which provide for the issuance of a compliance supplement to assist auditors in performing the required audits, the Sponsor shall arrange for an independent financial and compliance audit of its fiscal operations. The Sponsor shall furnish the Department with a copy of the independent audit report within thirty (30) days of completion, but not later than nine (9) months after the Sponsor's fiscal year ends.

C-3. Payment of the funds obligated under this Agreement shall be made in accordance with the following schedule, unless otherwise authorized by the Department:

A. Payments from the Department to the Sponsor are made on an advance or a reimbursement basis.

B. If an advance payment is received, the Sponsor must pay all contractors/vendors prior to or within 3 business days of receipt of the Department's advance payment and provide proof of payment (payment verification).

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Public Law 117-58, Division J, Title VIII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

- a. 49 U.S.C. subtitle VII, as amended.
- b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. § 201, et seq.
- d. Hatch Act – 5 U.S.C. § 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.^{1, 2}
- f. National Historic Preservation Act of 1966 – Section 106 - 54 U.S.C. § 306108.¹
- g. Archeological and Historic Preservation Act of 1974 - 54 U.S.C. § 312501, et seq.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended - 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended - 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.¹
- l. 49 U.S.C. § 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended - 42 U.S.C. § 4151, et seq.¹
- s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 - 42 U.S.C. § 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. § 3701, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. § 874.¹
- v. National Environmental Policy Act of 1969 - 42 U.S.C. § 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 - 31 U.S.C. § 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub.L. 109-282, as amended by section 6202 of P.L. 110-252).

- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

- a. Executive Order 11246 – Equal Employment Opportunity¹
- b. Executive Order 11990 – Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs
- e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 – Environmental Justice
- g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency
- h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
- i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation
- j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America’s Workers
- k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. ^{4, 5}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 – Airport Noise Compatibility Planning.
- g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.¹
- j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.¹

- k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).¹
- l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).¹
- m. 49 CFR Part 20 – New Restrictions on Lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.^{1, 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- ⁴ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁵ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or

document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of 49 U.S.C. § 47107(s) and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United

States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, State and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
 - 1. Operating the airport's aeronautical facilities whenever required;
 - 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3. Promptly notifying aviators of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the

revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:
 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The

sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
 1. eliminate such adverse effect in a manner approved by the Secretary; or
 2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

- a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
 1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
 3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.
- c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is

to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
 2. So long as the sponsor retains ownership or possession of the property.
- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:
- “The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.”
- e. Required Contract Provisions.
1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
 2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
 3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
 4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other

participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 1. Reinvestment in an approved noise compatibility project;
 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. § 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 1. Reinvestment in an approved noise compatibility project;
 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., or Public Law 117-58, Division J, Title VIII it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under Bipartisan Infrastructure Law grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (<https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf>) for BIL projects as of [Application Date].

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
 1. Describes the requests;
 2. Provides an explanation as to why the requests could not be accommodated; and
 3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-129, Construction Project Final Acceptance – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Construction Project Final Acceptance Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d), authorizes the Secretary to require me certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program. General standards for final acceptance and close out of federally funded construction projects are in 2 CFR § 200.343 – Closeout and supplemented by FAA Order 5100.38. The sponsor must determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgment and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The personnel engaged in project administration, engineering supervision, project inspection, and acceptance testing were or will be determined to be qualified and competent to perform the work (Grant Assurance).

Yes No N/A

2. Construction records, including daily logs, were or will be kept by the resident engineer/construction inspector that fully document contractor’s performance in complying with:

- a. Technical standards (Advisory Circular (AC) 150/5370-12);
- b. Contract requirements (2 CFR part 200 and FAA Order 5100.38); and
- c. Construction safety and phasing plan measures (AC 150/5370-2).

Yes No N/A

3. All acceptance tests specified in the project specifications were or will be performed and documented. (AC 150/5370-12).

Yes No N/A

4. Sponsor has taken or will take appropriate corrective action for any test result outside of allowable tolerances (AC 150/5370-12).
- Yes No N/A
5. Pay reduction factors required by the specifications were applied or will be applied in computing final payments with a summary made available to the FAA (AC 150/5370-10).
- Yes No N/A
6. Sponsor has notified, or will promptly notify the Federal Aviation Administration (FAA) of the following occurrences:
- a. Violations of any federal requirements set forth or included by reference in the contract documents (2 CFR part 200);
- b. Disputes or complaints concerning federal labor standards (29 CFR part 5); and
- c. Violations of or complaints addressing conformance with Equal Employment Opportunity or Disadvantaged Business Enterprise requirements (41 CFR Chapter 60 and 49 CFR part 26).
- Yes No N/A
7. Weekly payroll records and statements of compliance were or will be submitted by the prime contractor and reviewed by the sponsor for conformance with federal labor and civil rights requirements as required by FAA and U.S. Department of Labor (29 CFR Part 5).
- Yes No N/A
8. Payments to the contractor were or will be made in conformance with federal requirements and contract provisions using sponsor internal controls that include:
- a. Retaining source documentation of payments and verifying contractor billing statements against actual performance (2 CFR § 200.302 and FAA Order 5100.38);
- b. Prompt payment of subcontractors for satisfactory performance of work (49 CFR § 26.29);
- c. Release of applicable retainage upon satisfactory performance of work (49 CFR § 26.29); and
- d. Verification that payments to DBEs represent work the DBE performed by carrying out a commercially useful function (49 CFR §26.55).
- Yes No N/A
9. A final project inspection was or will be conducted with representatives of the sponsor and the contractor present that ensure:
- a. Physical completion of project work in conformance with approved plans and specifications (Order 5100.38);
- b. Necessary actions to correct punch list items identified during final inspection are complete (Order 5100.38); and
- c. Preparation of a record of final inspection and distribution to parties to the contract (Order 5100.38);
- Yes No N/A
10. The project was or will be accomplished without material deviations, changes, or modifications from approved plans and specifications, except as approved by the FAA (Order 5100.38).
- Yes No N/A

11. The construction of all buildings have complied or will comply with the seismic construction requirements of 49 CFR § 41.120.

Yes No N/A

12. For development projects, sponsor has taken or will take the following close-out actions:

- a. Submit to the FAA a final test and quality assurance report summarizing acceptance test results, as applicable (Grant Condition);
- b. Complete all environmental requirements as established within the project environmental determination (Order 5100.38); and
- c. Prepare and retain as-built plans (Order 5100.38).

Yes No N/A

13. Sponsor has revised or will revise their airport layout plan (ALP) that reflects improvements made and has submitted or will submit an updated ALP to the FAA no later than 90 days from the period of performance end date. (49 USC § 47107 and Order 5100.38).

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-130, Drug-Free Workplace – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Drug-Free Workplace Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A statement has been or will be published prior to commencement of project notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition (2 CFR § 182.205).

Yes No N/A

2. An ongoing drug-free awareness program (2 CFR § 182.215) has been or will be established prior to commencement of project to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The sponsor's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

Yes No N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above prior to commencement of project (2 CFR § 182.210).

Yes No N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant (2 CFR § 182.205(c)), the employee will:

- a. Abide by the terms of the statement; and
- b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

Yes No N/A

5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction (2 CFR § 182.225). Employers of convicted employees must provide notice, including position title of the employee, to the FAA (2 CFR § 182.300).

Yes No N/A

6. One of the following actions (2 CFR § 182.225(b)) will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:

- a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; and
- b. Require such employee to participate satisfactorily in drug abuse assistance or rehabilitation programs approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

Yes No N/A

7. A good faith effort will be made, on a continuous basis, to maintain a drug-free workplace through implementation of items 1 through 6 above (2 CFR § 182.200).

Yes No N/A

Site(s) of performance of work (2 CFR § 182.230):

Location 1

Name of Location:

Address:

Location 2 (if applicable)

Name of Location:

Address:

Location 3 (if applicable)

Name of Location:

Address:

Attach documentation clarifying any above item marked with a "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-131, Equipment and Construction Contracts – Airport Improvement Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Equipment and Construction Contracts Airport Improvement Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General procurement standards for equipment and construction contracts within Federal grant programs are described in 2 CFR §§ 200.317-200.326. Labor and Civil Rights Standards applicable to the AIP are established by the Department of Labor (www.dol.gov) AIP Grant Assurance C.1—General Federal Requirements identifies all applicable Federal Laws, regulations, executive orders, policies, guidelines and requirements for assistance under the AIP. Sponsors may use state and local procedures provided the procurement conforms to these federal standards.

This certification applies to all equipment and construction projects. Equipment projects may or may not employ laborers and mechanics that qualify the project as a “covered contract” under requirements established by the Department of Labor requirements. Sponsor shall provide appropriate responses to the certification statements that reflect the character of the project regardless of whether the contract is for a construction project or an equipment project.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A written code or standard of conduct is or will be in effect prior to commencement of the project that governs the performance of the sponsor’s officers, employees, or agents in soliciting, awarding and administering procurement contracts (2 CFR § 200.318).

Yes No N/A

2. For all contracts, qualified and competent personnel are or will be engaged to perform contract administration, engineering supervision, construction inspection, and testing (Grant Assurance C.17).

Yes No N/A

3. Sponsors that are required to have a Disadvantage Business Enterprise (DBE) program on file with the FAA have included or will include clauses required by Title VI of the Civil Rights Act and 49 CFR Part 26 for Disadvantaged Business Enterprises in all contracts and subcontracts.

Yes No N/A

4. Sponsors required to have a DBE program on file with the FAA have implemented or will implement monitoring and enforcement measures that:

- a. Ensure work committed to Disadvantaged Business Enterprises at contract award is actually performed by the named DBEs (49 CFR § 26.37(b));
- b. Include written certification that the sponsor has reviewed contract records and has monitored work sites for performance by DBE firms (49 CFR § 26.37(b)); and
- c. Provides for a running tally of payments made to DBE firms and a means for comparing actual attainments (i.e. payments) to original commitments (49 CFR § 26.37(c)).

Yes No N/A

5. Sponsor procurement actions using the competitive sealed bid method (2 CFR § 200.320(c)). was or will be:

- a. Publicly advertised, allowing a sufficient response time to solicit an adequate number of interested contractors or vendors;
- b. Prepared to include a complete, adequate and realistic specification that defines the items or services in sufficient detail to allow prospective bidders to respond;
- c. Publicly opened at a time and place prescribed in the invitation for bids; and
- d. Prepared in a manner that result in a firm fixed price contract award to the lowest responsive and responsible bidder.

Yes No N/A

6. For projects the Sponsor proposes to use the competitive proposal procurement method (2 CFR § 200.320(d)), Sponsor has requested or will request FAA approval prior to proceeding with a competitive proposal procurement by submitting to the FAA the following:

- a. Written justification that supports use of competitive proposal method in lieu of the preferred sealed bid procurement method;
- b. Plan for publicizing and soliciting an adequate number of qualified sources; and
- c. Listing of evaluation factors along with relative importance of the factors.

Yes No N/A

7. For construction and equipment installation projects, the bid solicitation includes or will include the current federal wage rate schedule(s) for the appropriate type of work classifications (2 CFR Part 200, Appendix II).

Yes No N/A

8. Concurrence was or will be obtained from the Federal Aviation Administration (FAA) prior to contract award under any of the following circumstances (Order 5100.38D):

- a. Only one qualified person/firm submits a responsive bid;
- b. Award is to be made to other than the lowest responsible bidder; and
- c. Life cycle costing is a factor in selecting the lowest responsive bidder.

Yes No N/A

9. All construction and equipment installation contracts contain or will contain provisions for:

- a. Access to Records (§ 200.336)
- b. Buy American Preferences (Title 49 U.S.C. § 50101)
- c. Civil Rights - General Provisions and Title VI Assurances(41 CFR part 60)
- d. Federal Fair Labor Standards (29 U.S.C. § 201, et seq)
- e. Occupational Safety and Health Act requirements (20 CFR part 1920)
- f. Seismic Safety – building construction (49 CFR part 41)
- g. State Energy Conservation Requirements - as applicable(2 CFR part 200, Appendix II)
- h. U.S. Trade Restriction (49 CFR part 30)
- i. Veterans Preference (49 USC § 47112(c))

Yes No N/A

10. All construction and equipment installation contracts exceeding \$2,000 contain or will contain the provisions established by:

- a. Davis-Bacon and Related Acts (29 CFR part 5)
- b. Copeland “Anti-Kickback” Act (29 CFR parts 3 and 5)

Yes No N/A

11. All construction and equipment installation contracts exceeding \$3,000 contain or will contain a contract provision that discourages distracted driving (E.O. 13513).

Yes No N/A

12. All contracts exceeding \$10,000 contain or will contain the following provisions as applicable:

- a. Construction and equipment installation projects - Applicable clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity;
- b. Construction and equipment installation - Contract Clause prohibiting segregated facilities in accordance with 41 CFR part 60-1.8;
- c. Requirement to maximize use of products containing recovered materials in accordance with 2 CFR § 200.322 and 40 CFR part 247; and
- d. Provisions that address termination for cause and termination for convenience (2 CFR Part 200, Appendix II).

Yes No N/A

13. All contracts and subcontracts exceeding \$25,000: Measures are in place or will be in place (e.g. checking the System for Award Management) that ensure contracts and subcontracts are not awarded to individuals or firms suspended, debarred, or excluded from participating in federally assisted projects (2 CFR parts 180 and 1200).

Yes No N/A

14. Contracts exceeding the simplified acquisition threshold (currently \$250,000) include or will include provisions, as applicable, that address the following:

- a. Construction and equipment installation contracts - a bid guarantee of 5%, a performance bond of 100%, and a payment bond of 100% (2 CFR § 200.325);
- b. Construction and equipment installation contracts - requirements of the Contract Work Hours and Safety Standards Act (40 USC 3701-3708, Sections 103 and 107);
- c. Restrictions on Lobbying and Influencing (2 CFR part 200, Appendix II);
- d. Conditions specifying administrative, contractual and legal remedies for instances where contractor or vendor violate or breach the terms and conditions of the contract (2 CFR §200, Appendix II); and
- e. All Contracts - Applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 7401-7671q), Section 508 of the Clean Water Act (33 USC 1251-1387, and Executive Order 11738.

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-132, Project Plans and Specifications – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Project Plans and Specifications

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). Labor and civil rights standards applicable to AIP are established by the Department of Labor (www.dol.gov/). AIP Grant Assurance C.1—General Federal Requirements identifies applicable federal laws, regulations, executive orders, policies, guidelines and requirements for assistance under AIP. A list of current advisory circulars with specific standards for procurement, design or construction of airports, and installation of equipment and facilities is referenced in standard airport sponsor Grant Assurance 34 contained in the grant agreement.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The plans and specifications were or will be prepared in accordance with applicable federal standards and requirements, so that no deviation or modification to standards set forth in the advisory circulars, or FAA-accepted state standard, is necessary other than those explicitly approved by the Federal Aviation Administration (FAA) (14 USC § 47105).

Yes No N/A

2. Specifications incorporate or will incorporate a clear and accurate description of the technical requirement for the material or product that does not contain limiting or proprietary features that unduly restrict competition (2 CFR §200.319).

Yes No N/A

3. The development that is included or will be included in the plans is depicted on the current airport layout plan as approved by the FAA (14 USC § 47107).

Yes No N/A

4. Development and features that are ineligible or unallowable for AIP funding have been or will be omitted from the plans and specifications (FAA Order 5100.38, par. 3-43).

Yes No N/A

5. The specification does not use or will not use "brand name" or equal to convey requirements unless sponsor requests and receives approval from the FAA to use brand name (FAA Order 5100.38, Table U-5).

Yes No N/A

6. The specification does not impose or will not impose geographical preference in their procurement requirements (2 CFR §200.319(b) and FAA Order 5100.38, Table U-5).

Yes No N/A

7. The use of prequalified lists of individuals, firms or products include or will include sufficient qualified sources that ensure open and free competition and that does not preclude potential entities from qualifying during the solicitation period (2 CFR §319(d)).

Yes No N/A

8. Solicitations with bid alternates include or will include explicit information that establish a basis for award of contract that is free of arbitrary decisions by the sponsor (2 CFR § 200.319(a)(7)).

Yes No N/A

9. Concurrence was or will be obtained from the FAA if Sponsor incorporates a value engineering clause into the contract (FAA Order 5100.38, par. 3-57).

Yes No N/A

10. The plans and specifications incorporate or will incorporate applicable requirements and recommendations set forth in the federally approved environmental finding (49 USC §47106(c)).

Yes No N/A

11. The design of all buildings comply or will comply with the seismic design requirements of 49 CFR § 41.120. (FAA Order 5100.38d, par. 3-92)

Yes No N/A

12. The project specification include or will include process control and acceptance tests required for the project by as per the applicable standard:

a. Construction and installation as contained in Advisory Circular (AC) 150/5370-10.

Yes No N/A

b. Snow Removal Equipment as contained in AC 150/5220-20.

Yes No N/A

c. Aircraft Rescue and Fire Fighting (ARFF) vehicles as contained in AC 150/5220-10.

Yes No N/A

13. For construction activities within or near aircraft operational areas(AOA):

a. The Sponsor has or will prepare a construction safety and phasing plan (CSPP) conforming to Advisory Circular 150/5370-2.

b. Compliance with CSPP safety provisions has been or will be incorporated into the plans and specifications as a contractor requirement.

c. Sponsor will not initiate work until receiving FAA's concurrence with the CSPP (FAA Order 5100.38, Par. 5-29).

Yes No N/A

14. The project was or will be physically completed without federal participation in costs due to errors and omissions in the plans and specifications that were foreseeable at the time of project design (49 USC §47110(b)(1) and FAA Order 5100.38d, par. 3-100).

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-133, Real Property Acquisition – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Real Property Acquisition Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on real property acquisition and relocation assistance are in 49 CFR Part 24. The AIP project grant agreement contains specific requirements and assurances on the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), as amended.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the real property acquisition project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. The sponsor's attorney or other official has or will have good and sufficient title as well as title evidence on property in the project.

Yes No N/A

2. If defects and/or encumbrances exist in the title that adversely impact the sponsor's intended use of property in the project, they have been or will be extinguished, modified, or subordinated.

Yes No N/A

3. If property for airport development is or will be leased, the following conditions have been met:

- a. The term is for 20 years or the useful life of the project;
- b. The lessor is a public agency; and
- c. The lease contains no provisions that prevent full compliance with the grant agreement.

Yes No N/A

4. Property in the project is or will be in conformance with the current Exhibit A property map, which is based on deeds, title opinions, land surveys, the approved airport layout plan, and project documentation.

Yes No N/A

5. For any acquisition of property interest in noise sensitive approach zones and related areas, property interest was or will be obtained to ensure land is used for purposes compatible with noise levels associated with operation of the airport.

Yes No N/A

6. For any acquisition of property interest in runway protection zones and areas related to 14 CFR 77 surfaces or to clear other airport surfaces, property interest was or will be obtained for the following:

- a. The right of flight;
- b. The right of ingress and egress to remove obstructions; and
- c. The right to restrict the establishment of future obstructions.

Yes No N/A

7. Appraisals prepared by qualified real estate appraisers hired by the sponsor include or will include the following:

- a. Valuation data to estimate the current market value for the property interest acquired on each parcel; and
- b. Verification that an opportunity has been provided to the property owner or representative to accompany appraisers during inspections.

Yes No N/A

8. Each appraisal has been or will be reviewed by a qualified review appraiser to recommend an amount for the offer of just compensation, and the written appraisals as well as review appraisal are available to Federal Aviation Administration (FAA) for review.

Yes No N/A

9. A written offer to acquire each parcel was or will be presented to the property owner for not less than the approved amount of just compensation.

Yes No N/A

10. Effort was or will be made to acquire each property through the following negotiation procedures:

- a. No coercive action to induce agreement; and
- b. Supporting documents for settlements included in the project files.

Yes No N/A

11. If a negotiated settlement is not reached, the following procedures were or will be used:
- a. Condemnation initiated and a court deposit not less than the just compensation made prior to possession of the property; and
 - b. Supporting documents for awards included in the project files.

Yes No N/A

12. If displacement of persons, businesses, farm operations, or non-profit organizations is involved, a relocation assistance program was or will be established, with displaced parties receiving general information on the program in writing, including relocation eligibility, and a 90-day notice to vacate.

Yes No N/A

13. Relocation assistance services, comparable replacement housing, and payment of necessary relocation expenses were or will be provided within a reasonable time period for each displaced occupant in accordance with the Uniform Act.

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Designated Official Representative: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-134, Selection of Consultants – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Selection of Consultants

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements for selection of consultant services within federal grant programs are described in 2 CFR §§ 200.317-200.326. Sponsors may use other qualifications-based procedures provided they are equivalent to standards of Title 40 chapter 11 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. Sponsor acknowledges their responsibility for the settlement of all contractual and administrative issues arising out of their procurement actions (2 CFR § 200.318(k)).

Yes No N/A

2. Sponsor procurement actions ensure or will ensure full and open competition that does not unduly limit competition (2 CFR § 200.319).

Yes No N/A

3. Sponsor has excluded or will exclude any entity that develops or drafts specifications, requirements, or statements of work associated with the development of a request-for-qualifications (RFQ) from competing for the advertised services (2 CFR § 200.319).

Yes No N/A

4. The advertisement describes or will describe specific project statements-of-work that provide clear detail of required services without unduly restricting competition (2 CFR § 200.319).

Yes	No	N/A
-----	----	-----

5. Sponsor has publicized or will publicize a RFQ that:
 - a. Solicits an adequate number of qualified sources (2 CFR § 200.320(d)); and
 - b. Identifies all evaluation criteria and relative importance (2 CFR § 200.320(d)).

Yes	No	N/A
-----	----	-----

6. Sponsor has based or will base selection on qualifications, experience, and disadvantaged business enterprise participation with price not being a selection factor (2 CFR § 200.320(d)).

Yes	No	N/A
-----	----	-----

7. Sponsor has verified or will verify that agreements exceeding \$25,000 are not awarded to individuals or firms suspended, debarred or otherwise excluded from participating in federally assisted projects (2 CFR §180.300).

Yes	No	N/A
-----	----	-----

8. A/E services covering multiple projects: Sponsor has agreed to or will agree to:
 - a. Refrain from initiating work covered by this procurement beyond five years from the date of selection (AC 150/5100-14); and
 - b. Retain the right to conduct new procurement actions for projects identified or not identified in the RFQ (AC 150/5100-14).

Yes	No	N/A
-----	----	-----

9. Sponsor has negotiated or will negotiate a fair and reasonable fee with the firm they select as most qualified for the services identified in the RFQ (2 CFR § 200.323).

Yes	No	N/A
-----	----	-----

10. The Sponsor's contract identifies or will identify costs associated with ineligible work separately from costs associated with eligible work (2 CFR § 200.302).

Yes	No	N/A
-----	----	-----

11. Sponsor has prepared or will prepare a record of negotiations detailing the history of the procurement action, rationale for contract type and basis for contract fees (2 CFR §200.318(i)).

Yes	No	N/A
-----	----	-----

12. Sponsor has incorporated or will incorporate mandatory contact provisions in the consultant contract for AIP-assisted work (49 U.S.C. Chapter 471 and 2 CFR part 200 Appendix II)

Yes	No	N/A
-----	----	-----

13. For contracts that apply a time-and-material payment provision (also known as hourly rates, specific rates of compensation, and labor rates), the Sponsor has established or will establish:

- a. Justification that there is no other suitable contract method for the services (2 CFR §200.318(j));
- b. A ceiling price that the consultant exceeds at their risk (2 CFR §200.318(j)); and
- c. A high degree of oversight that assures consultant is performing work in an efficient manner with effective cost controls in place 2 CFR §200.318(j)).

Yes No N/A

14. Sponsor is not using or will not use the prohibited cost-plus-percentage-of-cost (CPPC) contract method. (2 CFR § 200.323(d)).

Yes No N/A

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-135, Certification and Disclosure Regarding Potential Conflicts of Interest – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.



Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

Title 2 CFR § 200.112 and § 1201.112 address Federal Aviation Administration (FAA) requirements for conflict of interest. As a condition of eligibility under the Airport Improvement Program (AIP), sponsors must comply with FAA policy on conflict of interest. Such a conflict would arise when any of the following have a financial or other interest in the firm selected for award:

- a) The employee, officer or agent,
- b) Any member of his immediate family,
- c) His or her partner, or
- d) An organization which employs, or is about to employ, any of the above.

Selecting “Yes” represents sponsor or sub-recipient acknowledgement and confirmation of the certification statement. Selecting “No” represents sponsor or sub-recipient disclosure that it cannot fully comply with the certification statement. If “No” is selected, provide support information explaining the negative response as an attachment to this form. This includes whether the sponsor has established standards for financial interest that are not substantial or unsolicited gifts are of nominal value (2 CFR § 200.318(c)). The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance.

Certification Statements

1. The sponsor or sub-recipient maintains a written standards of conduct governing conflict of interest and the performance of their employees engaged in the award and administration of contracts (2 CFR § 200.318(c)). To the extent permitted by state or local law or regulations, such standards of conduct provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sponsor’s and sub-recipient’s officers, employees, or agents, or by contractors or their agents.

Yes No

2. The sponsor's or sub-recipient's officers, employees or agents have not and will not solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements (2 CFR § 200.318(c)).

Yes No

3. The sponsor or sub-recipient certifies that is has disclosed and will disclose to the FAA any known potential conflict of interest (2 CFR § 1200.112).

Yes No

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

FAA SPECIAL CONDITIONS

This is in response to Application #1000020378 dated **FEBRUARY 9, 2024**, for Federal Block Airport Infrastructure Grant Project #**36237.16.18.2** for **SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT**.

Added Special Conditions: The Sponsor agrees to adhere to the following **BLOCK GRANT 71 (2023 AIG)** special conditions that are required by FAA based on the scope of the project. Please complete the highlighted information, if applicable.

Fund Year	Special Conditions
FY2023	<p>1. Automated Weather Observing Systems (AWOS). The State and Sponsor understand that the FAA Air Traffic Organization (ATO), pursuant to 49 U.S.C. § 44502(e), will not take over the ownership, operation, or maintenance of any Sponsor-acquired AWOS equipment unless the FAA has determined it meets its performance specifications and acceptance criteria and has agreed to take over the equipment under a transfer plan. Furthermore, the Sponsor shall:</p> <ul style="list-style-type: none"> a. Within 60 calendar days of grant acceptance, enter into a Memorandum of Agreement (MOA) with the FAA to establish a transfer plan; b. Develop an Operations Maintenance Manual to more specifically describe the operational, maintenance, and documentation requirements for the AWOS if the Sponsor does not have an agreement with the FAA to take over the system within 30 days of commissioning in accordance with 49 U.S.C. § 44502(e); c. Within 60 calendar days of installation, take the necessary actions to initiate the AWOS commissioning by the FAA; and d. Provide for the continuous operation, and maintenance of any Non-Federal AWOS funded under this grant for the useful life of the equipment unless the equipment is transferred to the ATO under 49 U.S.C. § 44502(e). The Sponsor shall notify the Airports District Office once the transfer has been completed. <p>If the ATO does not agree to take over the equipment in the transfer plan within 60 days after the Sponsor accepted the Grant offer, the Sponsor will have a 30 day option to either terminate the Grant Agreement or the Sponsor will be required to operate and maintain the equipment in accordance with paragraphs b. – d. above.</p>
FY2023	<p>2. Lighting. The State and Sponsor must operate and maintain the lighting system during the useful life of the system in accordance with applicable FAA standards.</p>
FY2023	<p>3. Disadvantaged Business Enterprise (DBE)/Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program. The State and Sponsor understand and agree that the FAA will not make nor be obligated to make any payments on this Grant until the Sponsor has received from the FAA Office of Civil Rights approval of its DBE Program (reflecting compliance with 49 CFR Part 26), and, if applicable, its ACDBE program (reflecting compliance with 49 CFR Part 23).</p>
FY2023	<p>4. Buy American Executive Orders. The State and Sponsor agree to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.</p>

A signed copy PDF should be uploaded to the EBS application for NCDOT-Division of Aviation to proceed.

I do hereby certify that **CITY OF SHELBY**, on behalf of **SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT**, received federal block grant funding from NCDOT-Division of Aviation and has complied with the requirement(s) stated above.

Authorized Signature for Sponsor

Date

RESOLUTION NO. 48 – 2024

A RESOLUTION ACCEPTING AND ENTERING INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION TO ACCEPT GRANT FUNDING FOR THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT GRANT NO. 36237.16.18.2

WHEREAS, Chapter 63 of the North Carolina General Statutes authorizes the Department to administer a program of State Aid to Airports, subject to the limitations stated in that Chapter; and,

WHEREAS, the Department has received the approval of the Federal Aviation Administration to administer certain Airport Improvement Program Funds in North Carolina under provisions of the FAA Modernization and Reform Act of 2012; and,

WHEREAS, the Department has approved a grant of funds to the Sponsor under the State Block Grant Program Airport Infrastructure Grant funds; and,

WHEREAS, the Sponsor has made a formal application dated February 9, 2024, to the Department for Airport Infrastructure Grant funds for the Shelby-Cleveland County Regional Airport; and,

WHEREAS, a grant in the amount of \$304,000 not to exceed 90 percent of the federal share of the final, eligible project costs of \$337,778 has been approved subject to the conditions and limitations herein; and,

WHEREAS, the Airport Infrastructure Grant funds will be used for the construction of the T-Hangar #4 Project at the Shelby-Cleveland County Regional Airport.

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

Section 1. The Shelby City Council accepts and desires to enter into the agreement with the N.C. Department of Transportation to receive grant funds for in the amount of \$304,000 for T-Hangar #4 at the Shelby-Cleveland County Regional Airport.

Section 2. Work performed under this Agreement shall conform to the approved project description. Any amendments to or modification of the scope and terms of this Agreement shall be in the form of a modified grant mutually executed by the Sponsor and the Division, except that an extension of time and/or a reallocation of funds within the approved budget may be granted by the Division by written notice to the Sponsor. Any changes to the scope, amount, or fees with this grant agreement without first consulting your Airport Project Manager could be found ineligible.

Section 3. The Sponsor certifies that it has adhered to all applicable laws, regulations, and procedures in the application for and Sponsor's approval of the Agreement.

Section 4. The Sponsor agrees to comply with the “Sponsor’s Assurances” contained as part of this Agreement. The Sponsor shall be liable to the Department for the return of all grant monies received in the event of a material breach of the Sponsor’s Assurances or this Agreement.

Section 5. The Sponsor agrees to adhere to the standards and procedures contained in the North Carolina Airports Program Guidance Handbook and the Federal Assurances and Certifications.

Section 6. The City Manager and City Clerk of the City of Shelby are hereby authorized and directed to execute this agreement as specified and attached to and hereby made a part of this resolution.

Section 7. The City Manager or his designee is hereby authorized to execute modifications, extensions, grant reimbursements, and other documents associated with this grant.

Section 8. This resolution shall become effective upon its adoption and approval.

Adopted and approved this the 15th day of July, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

Agenda Item: D-6

- 6) Approval of a resolution authorizing selection of W.K. Dickson & Co., Inc. based on qualifications for engineering and planning services at the Shelby-Cleveland County Regional Airport: Resolution No. 49-2024

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

Summary of Available Information:

- Memorandum dated July 9, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager
- Supporting Documents
- Resolution No. 49-2024

City Manager's Recommendation / Comments

Resolution No. 49-2024 is presented for your consideration via the Consent Agenda at this time. If approved this resolution would authorize the selection of W.K. Dickson and Co. as the consulting engineer for engineering and planning services at the airport for the next 5 years. The RFQ process is in keeping with FAA guidelines and requirements of the NC Division of Aviation. It should be noted that W.K. Dickson and Co. has performed very well for the City for a number of years and assisted with the completion of a variety of construction projects. These include more recently the construction of 4 T-Hangars as well as other planning projects. Based upon our positive experience and the staff recommendation from Mr. Yarboro I believe it is in the City's best interest to retain W.K. Dickson, Co. at this time.

It is my recommendation that Resolution No. 49-2024 be adopted and approved by City Council at this time via the Consent Agenda.

Memorandum

To: Rick Howell, City Manager

From: Ben Yarboro, Assistant City Manager

RE: Selection of Consultant for Engineering and Planning Services at the Shelby-Cleveland County Regional Airport

Date: July 9, 2024

Background

As recipients of state and federal grant funding at the Shelby-Cleveland County Regional Airport, the City of Shelby is required to complete a Qualification Based Selection to obtain a consultant for professional engineering services at the airport. Furthermore, the Requests for Qualifications shall be completed in accordance with Federal Aviation Administration Circular 150/5100-14D for Professional Engineering firms having the expertise and an interest in providing necessary services. This selection process is also required as specified in the “Terms and Conditions of Accepting Airport Improvement Program Grants” that is included with our grant agreements that are executed for annual block grant funding.

Review

The City of Shelby last approved an agreement for a consultant to provide professional services at the airport in June 2019. As such, the City was directed by the North Carolina Division of Aviation to advertise and complete a Qualification Based Selection for an airport consultant to fulfill a 5-year term from 2024 through 2029. On May 22, 2024, City staff issued a Request for Qualifications. A total of three (3) responses were received prior to the deadline of June 21, 2024. Responses were received from the following engineering firms:

- Delta Airport Consultants
- Passero Associates
- W.K. Dickson & Co., Inc.

A panel of four City staff independently reviewed and scored each of the four engineering firms based on the evaluation criteria provided in the RFQ (attached for reference). The evaluation criteria were as follows:

www.cityofshelby.com

- Having the necessary airport experience, organization, technical and managerial staff, and the facilities to carry out this work. (30%)
- Having an adequate past record of performance on similar airport projects, verifiable through references. (30%)
- Having familiarity with the City of Shelby and surrounding area. (10%)
- Having the financial and personnel resources for the performance of the Contract, or the ability to obtain such resources. (15%)
- Being an Equal Opportunity Employer and being otherwise qualified by law to enter into a contract such as this. (5%)
- The Consultant's proximity to the Shelby-Cleveland County Regional Airport. (5%)
- The results of the interviews, IF interviews are to be held. (5%)

Following the review of the independent evaluations, W.K. Dickson & Co. was unanimously determined to be the most qualified firm. Based on this selection process, City staff desire to enter into an agreement with W.K. Dickson & Co. for professional airport engineering and planning services for the Shelby-Cleveland County Regional Airport.

As a reminder, W.K. Dickson is our current airport consultant and has completed projects and associated tasks in a satisfactory manner over the last 5-year term. Some of the projects that have been funded and completed during this previous agreement term are:

- Land Acquisition
- T-Hangar – Taxilane Phase I
- T-Hangar – Taxilane Phase II
- Airport Layout Plan (ALP)

The professional engineering and planning services agreement that is being recommended will have a five (5) year term. Supplement agreements, including costs, will be negotiated and completed for individual projects during the term of the general agreement. The scope of work and associated fees for supplemental agreements are reviewed by City staff and the North Carolina Division of Aviation prior to being executed by the City Manager.

Recommendation

City staff recommends that the Shelby City Council approve the resolution authorizing the City Manager to enter into an agreement with W.K. Dickson & Co., Inc. to fulfill the engineering and planning needs of the Shelby-Cleveland County Regional Airport for a term of five (5) years.

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

Attachments:

- RFQ Advertisement
- RFQ Submittals
- RFQ Scoring Sheets

REQUEST FOR QUALIFICATIONS STATEMENT FOR
PROFESSIONAL AIRPORT ENGINEERING AND PLANNING SERVICES
FOR THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT
IN SHELBY, NORTH CAROLINA

May 22, 2024

The City of Shelby is requesting Statements of Qualification from interested and qualified Aviation Consultants for engineering and planning services for the next five (5) years for the Shelby-Cleveland County Regional Airport.

PURPOSE

The purpose of this Request for Qualifications is to obtain expert professional, technical, and advisory services for developing the Shelby-Cleveland County Regional Airport during this period.

REQUIREMENTS/AGREEMENTS

The successful proposer will be required to enter into an agreement with the City of Shelby which will be reviewed by the North Carolina Division of Aviation and Federal Aviation Administration. The types of services and expertise required for this solicitation are described in Attachment "A". Consultants offering expertise in the services described in Attachment "A" are encouraged to submit statements of qualifications.

PROPOSAL CONTENT AND EVALUATION

Four (4) copies of your proposal must be received no later than **2:00 p.m. EST on June 21, 2024**. The proposals must be addressed to:

City of Shelby
C/O Bryant Nodine, Business Manager
PO Box 207
Shelby, NC 28151-0207

Include in your proposal the following specific items which will assist in the evaluation of all proposals:

1. Corporate Qualifications
 - a. Brief history of firm
 - b. Previous experience of similar projects
 - c. Resumes of key personnel available for this project
 - d. Location of office to perform work

2. Performance on Previous Projects
 - a. On-time/in-budget performance on projects
 - b. At least three (3) references with telephone numbers

3. Sub-consultants (if used)
 - a. Provide a listing of all sub-consultants which are proposed to be a part of the team. Include responsibilities and qualifications of each sub-consultant. DBE sub-consultants are encouraged.
4. Present work load
 - a. Key staff assignments through project period
 - b. Present project commitments compared to present staffing assignments
5. EEO policy of the firm
6. Supplemental information which you feel is important for us to consider your firm.

Proposals shall be limited to a maximum of twenty (20) pages, not including a cover page or cover letter.

DO NOT INCLUDE A PRICED PROPOSAL

INQUIRIES

Questions that arise shall be submitted in writing to Mr. Ben Yarboro at the address previously listed. Questions and answers may be provided to others receiving this request.

INCURRING COSTS

The City of Shelby is not liable for any cost incurred by the Consultant in the preparation or presentation of a response to this request.

RIGHT OF AWARD OR REJECT

It is understood that all submittals will become part of the public's file on this matter, without obligation to the City. The City of Shelby reserves the right to accept and/or reject any and all submittals.

SELECTION AND EVALUATION

The City of Shelby (selection committee) will evaluate the submittals received. The Selection Committee will review all requests, evaluate required criteria, select a Consultant and enter into negotiations with the number one ranked firm, or select a short list for interviews, then complete the process.

Each of the Criteria listed in this outline will be evaluated on how fully each submittal meets the requirements, and each will be ranked. Particular emphasis will be placed on the Consultant's

past successful completion of similar projects shown by work summaries of the firm and individuals to do the work, and by references.

Among the projects that might be considered during the next five (5) years are:

1. Taxiway Overlay, Widening, and Direct Access Taxiways
2. Corporate Hangar Development
3. Land Acquisition
4. Perimeter Fence
5. T-Hangar Development
6. Airport Entrance Road
7. Runway Extension and NAVAIDs

STATEMENT OF INTEREST AND QUALIFICATIONS

Each submittal from a qualified Consultant received in response to this request will be judged as a demonstration of the Consultant's capabilities and qualifications. Only those Consultants who supply complete information as required by this request will be considered for evaluation. The factors used to determine this will be:

1. An understanding of the requirements of this request demonstrated by the organization, clarity, and completeness of the submittal
2. The past performance record and qualifications of the firm and the individuals who will do the work, verifiable through references and resumes.
3. The ability of the Consultant to provide a timely response.

EVALUATION CRITERIA

The Contract will be awarded to a qualified consultant. Minimum standards for qualifications are:

1. Having the necessary airport experience, organization, technical and managerial staff, and the facilities to carry out this work. (30%)
2. Having an adequate past record of performance on similar airport projects, verifiable through references. (30%)
3. Having familiarity with the City of Shelby and the surrounding area. (10%)
4. Having the financial and personnel resources for the performance of the Contract, or the ability to obtain such resources. (15%)
5. Being an Equal Opportunity Employer and being otherwise qualified by law to enter into a contract such as this. (5%)
6. The Consultant's proximity to the Shelby-Cleveland County Regional Airport. (5%)
7. The results of interviews, IF interviews are to be held. (5%)

SELECTION

The final selection will be made following the review and ranking of the submittals and interviews, should interviews be held. After selection of a Consultant, a contract will be prepared based on a negotiated Scope of Services and final cost. Should the negotiations be unsuccessful with the number one ranked firm, negotiations will cease with that firm, and negotiations will begin with the number two ranked firm. This process will continue until a satisfactory contract is completed.

CONTRACT REQUIREMENTS

The final Consultant will be required to complete a Service Contract, which will incorporate the submittal and work schedule work as a part of the contract. In addition, it will be necessary for the successful Consultant to be covered by Workman's Compensation insurance which will extend to the work done within the State of North Carolina.

Disadvantage Business Enterprise (DBE) will be established for selected subcontracted tasks. The City of Shelby will require a list of DBE's, their responsibilities and qualifications, and dollar value of their participation at the time specific projects are identified and the Contract is negotiated.

The DBE firms must be able to be certified by the City, or other recognized agency, to the satisfaction of the Federal Aviation Administration and the North Carolina Division of Aviation.

ATTACHMENT "A"

SCOPE OF ENGINEER'S SERVICES

1. Preliminary Phase: Conduct all necessary planning, environmental, and engineering surveys and studies, prepare designs, sketches, estimates and documents, and provide preliminary consultation services to the City of Shelby in support of pre-applications and applications for federal and state funds. Projects may include (but are not limited to): an airport master plan update and report, environmental assessment (as may be needed), runway construction/rehabilitation, apron, taxiway, land acquisition, marking, lighting, navigational aids, terminal area, access, and other associated projects
2. Design Phase: Prepare total project design and engineer's report for submittal to the FAA or the North Carolina Division of Aviation; prepare drawings, specifications, and Contract documents for the furnishing of all labor, materials, and equipment necessary for each of the projects described herein, including the preparation of such documents as may be required, obtain the approval of such agencies and legally constituted authorities Having jurisdiction over the review of drawings, specifications, contract and other required documents; and prepare specification and contract documents for taking laboratory testing proposals.
3. Construction and Bidding Phase: Administer the letting of all contracts relative to the projects; conduct bid opening, review and tabulate bids received; advise and assist the City of Shelby in making the Contract awards; make necessary visits to the job site to observe the progress and quality of the work and determine if the work is substantially in accordance with the contract documents, plans and specifications; be available to the contractors for interpretations of contract documents, plans, and specifications; review shop drawings, diagrams, illustrations, catalog data, samples, test results, inspections, and other data which contractor and/ or laboratory submits for compliance with their contract or change orders which do not involve substantial changes in the general scope of the project; review contractor's application for payment and determine amounts owing to contracts based upon the contract documents; prepare periodic reports required by the

FAA; conduct final inspection of work for substantial compliance with contract documents, plans and specifications; and approve, in writing, final payment to the contractors; provide final closeout documentation required by the FAA or the North Carolina Division of Aviation.

4. Record Drawings: Upon completion of all construction and work involved, furnish the City one set of reproducible record drawings and an updated ALP depicting the work as completed.
5. Resident Observation: Furnish and maintain at the job site a competent Resident Observer during periods of significant construction and work being done, who shall inspect all materials and finished workmanship, keep the necessary or required daily or weekly diaries or records, review estimates for payment to contractors, and provide liaison between the Engineer and the City.
6. Funding Applications: Assist in preparation of funding grant applications for the North Carolina Division of Aviation and/or the Federal Aviation Administration; develop justification to document the need for federal and state funds; assist in preparation of grant forms for periodic and final reimbursements.



June 21, 2024

Bryant Nodine
City of Shelby
824 W. Grover Street
Shelby, NC 28150

RE: Statement of Qualifications for
Professional Airport Engineering and Planning Services
Shelby-Cleveland County Regional Airport

Dear Mr. Nodine and Members of the Selection Committee:

Serving as the aviation consultant for the airport and the city for more than 25 years has been a pleasure. We value our relationship and consider the past collaborative planning and development for the airport very rewarding. The opportunity to provide you with expert planning and engineering services for an additional five years is exciting! We trust that a review of our Statement of Qualifications assures you that WK Dickson is the right choice for your service needs.

Our team is not just a group of individuals, but a comprehensive unit that is deeply committed to your airport's success. Comprised of familiar members with a long history and extensive knowledge of your airport, as well as fresh faces and talents, our team's strong aviation planning and engineering resume ensures an effective and efficient approach to charting the airport's future expansion. We are dedicated to keeping your vision and goals at the forefront of our work, and our experts commit to providing comprehensive services from conception to completion for your projects.

At WK Dickson, we understand that communication is the cornerstone of successful partnerships. We are committed to keeping you informed and involved at every step of the way. Whether it's project design status, issues during construction, developing project priorities in your TIP, or understanding FAA and Division of Aviation policy, you can trust us to provide effective, honest, and prompt communication. We are always here to listen and respond to your needs.

Strong relationships with NCDOA. WK Dickson has established and maintained a strong relationship with the Division of Aviation leadership and staff. That relationship, along with our proximity to the DOA office, allows us to readily engage DOA staff on our client's behalf to inquire about funding and project needs and to receive timely feedback. When desired or necessary, face-to-face communication is a short trip away.

WK Dickson remains committed to assisting you with the planned development needs at your airport and making your visions a reality. We desire to continue being a part of your team and are appreciative of your consideration of allowing us to do so.

Sincerely,

Greg Kershaw, PE
Project Manager

Paul Smith, PE
Vice President and Director of Aviation

Jimmy Luther
Program Manager

June 21, 2024

City of Shelby
C/O Bryant Nodine, Business Manager
PO Box 207
Shelby, NC 28151

Dear Mr. Nodine,

We are very pleased to present our Statement of Qualifications to the City of Shelby for Professional Airport Engineering and Planning Services at the Shelby-Cleveland County Regional Airport (EHO). Your airport is a critical asset to the region, and we believe that Delta Airport Consultants, Inc. is the right firm to partner with you to successfully complete your upcoming projects. Our team is familiar with EHO and has extensive experience leading engineering projects at general aviation airports across the country. Delta has worked exclusively in the field of airport consulting for 46 years providing professional engineering, planning, construction administration and observation, and consultant services. Our priority will be to consistently provide top-notch service through our:

- **Solid engineering solutions.** We have 46 graduate engineers and 23 licensed professional engineers who are available to help meet your development needs.
- **FAA Southern Region Experience.** Delta has experience working throughout the FAA Southern Region and is currently working at Charlotte Douglas International, Raleigh-Durham International, Johnston Regional, and Myrtle Beach International Airports.
- **North Carolina Department of Transportation Division of Aviation Experience.** Delta has experience working with the Division of Aviation staff as part of our On-Call Professional Consulting Services.
- **Responsiveness.** Our Charlotte team members have relevant airport experience and will be quick to respond to all of your immediate needs.
- **Bench Strength.** Not only do we have an office in Charlotte, we have a deep team of personnel to meet an aggressive deadline. We also have a wide breadth of personnel. Our team includes airport management professionals with operations and finance experience and previous FAA professionals who bring a unique perspective on airport development. Our clients benefit from this diverse pool of talent; it improves our products and our relationships.

Delta is excited to submit our qualifications to the City of Shelby for your consideration. If you should have any questions, please do not hesitate to contact us.

Sincerely,



Courtney Beamon, P.E., C.M.
President

June 21, 2024

Attn: C/O Bryant Nodine, Business Manager
City of Shelby
PO Box 207
Shelby, NC 28151-0207

**Re: Request for Qualifications – Airport Engineering and Planning Services
Shelby-Cleveland County Regional Airport (EHO)**

Dear Bryant Nodine,

The City of Shelby deserves the best team to help formulate and implement its current Capital Improvement Program (CIP) for the Shelby-Cleveland County Regional Airport; with that team offering comprehensive planning, engineering, architectural, and construction administration/observation services for airport improvement projects. With the priorities detailed in the RFQ, and the challenges that the City faces in the continued development of the airport, there is a clear need for a trusted partner, one who shares the vision and commitment of the City of Shelby. **Passero is ready to be that partner by making the Shelby-Cleveland County Regional Airport a top priority client and by providing the best team to serve the City's needs.**

Passero's project experience and extensive knowledge of general aviation airports in North Carolina, including EHO, will be a tremendous asset to the City throughout the project planning, design, and construction phases. Passero staff, primarily Mr. TJ Collins, understands your concerns related to the formulation of a strategic and deliberate plan for the maintenance and development of the airport facilities; and stand by to assist, most notably with:

1. Communication and Prioritization of the Shelby-Cleveland County Regional Airport

Passero sets itself apart through exceptional communication and a deep commitment to the care of the airport. Our team will work closely with the City, airport management, and tenants to ensure their needs and concerns are addressed promptly and effectively. Specifically, our local Project Manager, TJ Collins, has previous work history at the airport and is personally committed to serving the City. We prioritize regular updates and open lines of communication, ensuring all stakeholders' needs are met. Our dedicated team is accessible and responsive, fostering a collaborative environment that minimizes disruption and maximizes satisfaction. To further ensure transparency and accountability, Mr. Collins or another **Passero representative will attend every Airport Advisory Board meeting** and provide regular project status reports. By focusing on strategic planning, transparent communication, and stakeholder care, Passero ensures a smooth project execution, setting us apart as a trusted and reliable partner for the Shelby-Cleveland County Regional Airport.

2. Commitment to General Aviation and Regional Airports

Passero has a strong commitment for specializing in general aviation and regional airports, where we can make a significant impact. As demonstrated in the map below, Passero staff members bring tremendous past work experience at North Carolina Airports. Additionally, the business success of our clients is critically important to us. We go beyond basic service our clients, offering added value through services like a no-fee strategic analysis of the airport to identify strengths, weaknesses, opportunities, and threats (i.e. SWOT). This proactive approach demonstrates our dedication to understanding and addressing the unique needs of the Shelby-Cleveland County Regional Airport, ensuring its long-term success.

3. Comprehensive Capital Development Process

Passero will take a holistic and efficient approach to planning, designing, and constructing airfield maintenance and development projects at EHO. From developing corporate hangars and airport pavement, to rehabilitating lighting, signage, and electrical systems, our focus enhances safety and user experience. With our streamlined processes, balanced workload and proven track record, we continuously complete projects on time and within budget. Our experienced team will guide the City through the entire project development process, assist with funding eligibility, and ensure the continued success of the airport and each development project.

North Carolina Airport Familiarity



The Passero team, including TJ Collins, Michael Joseph, Logan Smith, and Julia Norris, has provided aviation consulting services to the general aviation and commercial airports indicated by the following symbols:

- ✈ General Aviation
- ✈ Commercial

General aviation clients that have selected Passero to be their aviation consultant in recent years have experienced a seamless and efficient transition from their former consulting firm to Passero.

"The transition from our past consultant to Passero has been smooth and effective, primarily due to the proactive, forward-thinking efforts of your staff." - Scott Moye, County Manager, Ware County, GA

Passero Associates understands what the City of Shelby wants to accomplish, and has the expertise and commitment needed to achieve your vision for the Shelby-Cleveland County Regional Airport.

Thank you for your consideration of our qualifications. We look forward to working with you.

Sincerely,

TJ Collins

TJ Collins, PE
Project Manager
tcollins@passero.com • (980) 809-5456

Michael Joseph

Michael Joseph, PE
Project Officer
mjoseph@passero.com • (470) 523-9245

RFQ for Professional Airport Engineering and Planning Services

Firm	Committee Member #1	Committee Member #2	Committee Member #3	Committee Member #4	Average Score	Notes
Delta Airport Consultants	76	88	86	74	81	1) Has not working in Shelby before but has extension work in the surrounding areas. 2) Has similar project to what we plan to do in the next 5 years. 3) Charlotte Office
Passero Associates	76	89	83	75	80.8	1) Project Manager has done work with the City before. 2) Project Manager has 11 years of experience, most of which was at W.K. Dickson. 3) Charlotte Office.
W.K. Dickson & Co.	83	92	94	95	91	1) Gave relevant projects they have completed that are similar to the projects the City has on the radar for the next 5 years. 2) Has been the consultant for the Shelby-Cleveland County Regional Airport over 25 years. 3) Good working relationship with City staff.

RESOLUTION NO. 49 – 2024

**A RESOLUTION AUTHORIZING SELECTION OF W.K. DICKSON & CO., INC.
BASED ON QUALIFICATIONS FOR ENGINEERING AND PLANNING SERVICES
AT THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT**

WHEREAS, the City of Shelby is the owner and operator of the Shelby-Cleveland County Regional Airport (KEHO); and,

WHEREAS, the City of Shelby issued a Request for Qualifications for Engineering and Planning Services at the Shelby-Cleveland County Regional Airport; and,

WHEREAS, three (3) proposals were received from engineering firms interested in performing the work related to and associated with the Request for Qualifications; and,

WHEREAS, the Federal Aviation Administration requires the selection of a consultant based on qualifications pursuant to Advisory Circular No. 150/5100-14D not to exceed five (5) years based on a general project description; and,

WHEREAS, City staff have reviewed the three (3) proposals and determined that W.K. Dickson & Co., Inc. to be the most qualified firm to perform the services as outlined in the Request for Qualifications.

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

Section 1. The City Council of the City of Shelby desires W.K. Dickson & Co., Inc. to serve as the airport consultant for engineering and planning services at the Shelby-Cleveland County Regional Airport for the next five (5) years.

Section 2. The City Manager is hereby authorized to enter into an agreement to carry out the action as described in Section 1.

Section 3. The City Manager or his designee shall negotiate a specific scope and fee for each individual project that arises during the five (5) year term of the agreement.

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

Adopted and Approved this the 15th day of July, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

Agenda Item: D-7

7) Approval of Special Event Applications:

- a) Food and Brews Festival, requested date: September 7, 2024
- b) Dragon Stock 2, requested date: September 28, 2024
- c) SHS Homecoming Parade, requested date: October 4, 2024

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum(s) dated July 3, 2024, from Carol Williams, City Clerk to Rick Howell, City Manager
- Special Event Application(s)

City Manager's Recommendation / Comments

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

Memo

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: July 3, 2024

Re: Special Event Application

BACKGROUND:

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

- ✓ Food and Brews Festival, requested date: September 7, 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 July 15, 2024 for Council's review and approval.

ATTACHMENT:

- A. Special Event Permit Application packet received February 21, 2024



TO: SPECIAL EVENT SPONSORS

PLEASE COMPLETE THE ATTACHED SPECIAL EVENT PERMIT APPLICATION AND RETURN IT, ALONG WITH THE \$20 PROCESSING FEE PAYABLE TO THE CITY OF SHELBY, TO THE CITY CLERK'S OFFICE AT LEAST THIRTY (30) DAYS PRIOR TO THE SCHEDULED EVENT. YOUR APPLICATION WILL BE REVIEWED BY THE APPROPRIATE CITY DEPARTMENTS AND ULTIMATELY APPROVED BY CITY COUNCIL AT A REGULARLY SCHEDULED MEETING. THE CITY CLERK WILL MAIL A CONFIRMING PERMIT LETTER TO YOU PRIOR TO THE EVENT DATE.

IF YOU HAVE ANY QUESTIONS OR NEED ADDITIONAL INFORMATION, PLEASE CALL THE CITY CLERK AT 704 669-6588.

**CITY OF SHELBY
SPECIAL EVENT PERMIT
APPLICATION INSTRUCTIONS**

1. **EVENT NAME:** Provide the common name by which the event is to be known.
2. **PURPOSE AND BRIEF DESCRIPTION OF EVENT:** Please explain what type of event will be held. For example: A parade, fundraiser, festival, etc.
3. **LOCATION OF EVENT:** Please explain where you plan to hold your event. A map containing the event location and the event layout is required.
4. **PERSONS/VEHICLES/ANIMALS:** Please explain the number of people expected to attend the event. In addition, estimate the number of vehicles that will be at the event and list any animals, which will be present.
5. **RESPONSIBLE PARTIES:** Please list the individual(s) who will be responsible for the well being of the event.
6. **DATE, HOURS, TIME OF ASSEMBLY:** The date of the event must be at least thirty (30) days after the date of submittal of the application. Activities on a weekday will be prohibited from taking place during the peak rush periods 7-9 a.m. and 4-7 p.m. to the extent that the activity uses a major thoroughfare. Please list an alternate date that would be appropriate for the event in case a conflict arises.
7. **EVENT NOTIFICATION TO RESIDENTS AND BUSINESSES:**

Events that require temporarily closing streets or sidewalks require event notification to nearby residents and businesses. **You are responsible for notifying the neighbors and businesses in the surrounding area of your event** at least thirty (30) days prior to the event application. Please show respect to our local neighbors and businesses by giving them notice about any impact the event may have on them. Please plan to notify both the property owner and the tenants. Common factors to consider are traffic, noise, and any temporary street closures.

At a minimum, you should provide direct notification (typically door-to-door visits) to:

- Residents and businesses on and adjacent to a proposed temporary street closure
- Residents and businesses who may be seriously impacted by the temporary street closure (especially those whose primary access to their property is affected by the closure)

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

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:

Food & Brews Festival

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT:

Community friendly event. Food trucks, brew trucks, vendors, live music and kid's zone.

3. LOCATION OF EVENT (ATTACH MAP):

Warren Street from Lafayette to Harris Street, and Washington Street from Marion to Asey Street.

4. PLEASE INDICATE:

Approximately how many people will attend the event? 1500

Approximately how many vehicles will be present? 1500

Approximately how many animals will be present? Small petting zoo
5 Animals (Red Barn Farm)

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: Montana Noel

Address: 5708 Old Monroe Rd. Indian Trail, NC 28079

Phones: 336 448 8878
(Daytime) (Evening)

sunnydaymarkets.noel@outlook.com
E-mail address

Name: Brandon Toney

Address: 5708 Old Monroe Rd. Indian Trail, NC 28079

Phones: 704 441 1186
(Daytime) (Evening)

sunnydaymarkets.toney@outlook.com
E-mail address

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) September 7, 2024

Alternate day(s) and date(s) _____

Requested hours of operation, from 11 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. 10 Trash Receptacles Sunny Day Markets staff will clean up. 4-6 Porta Potties/ MAP

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

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

Will alcoholic beverages be served? Yes

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

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: Local EMS/Local Police

Address: Call 911

Phones: Call 911

Indicate medical services that will be provided for the event.

AMBULANCE: Local EMS

DOCTOR (S): Local EMS

PARAMEDICS: Local EMS

11. CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:

Barricades/Cones for street closure

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: Food & Brews Street Festival

Authorize Event/Vendor Coordinator: Montana Noel

Phone No.: _____ Mobile No.: 336 448 8878

Email: sunnydaymarkets.noel@outlook.com

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

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

Full Day Rentals only

Total Number of Event Panels:

_____ x \$15.00 x Number of Days _____ = \$ _____

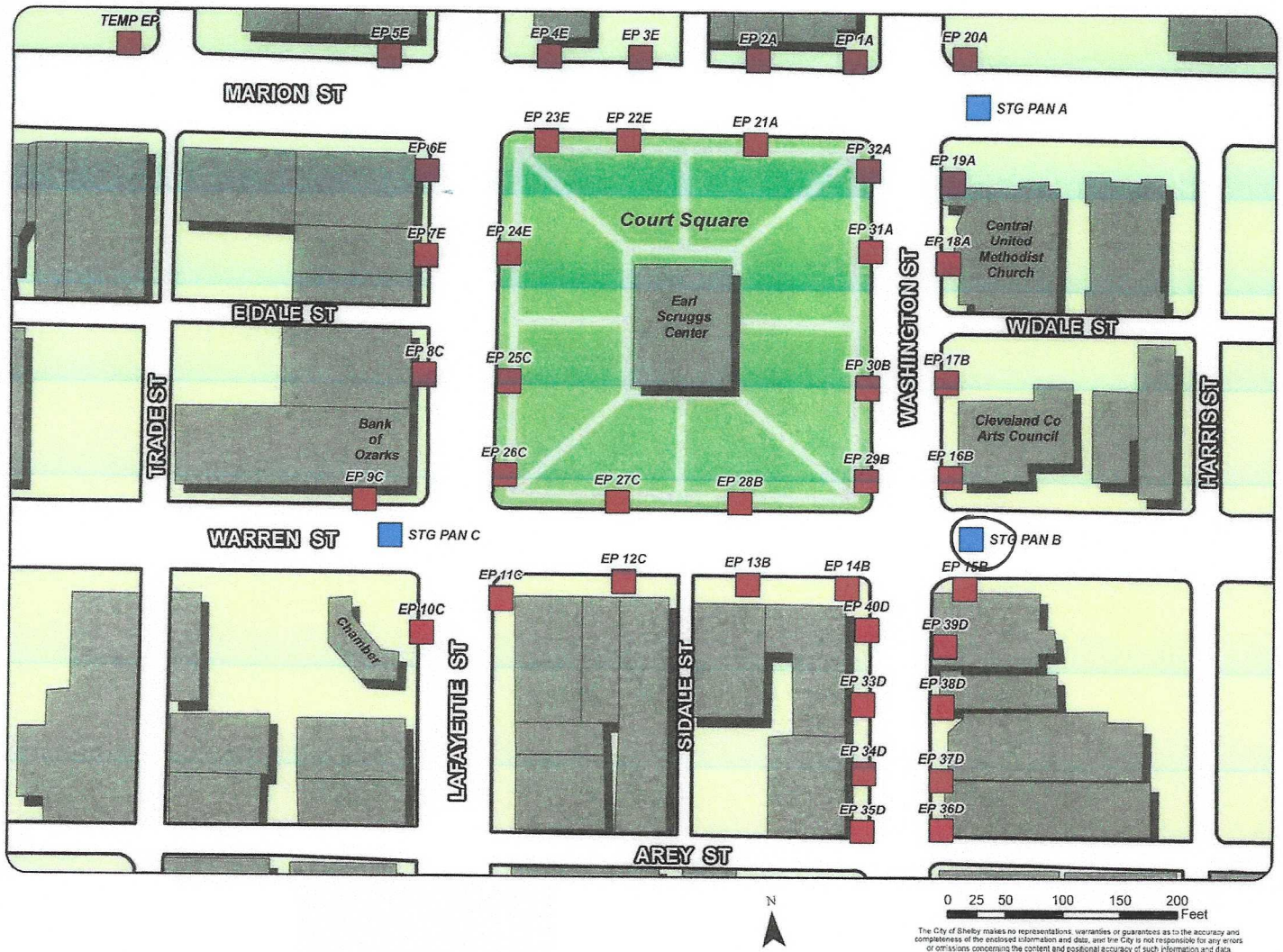
Total Number of Stage Panels:

1 x \$110.00 x Number of Days 1 = \$ 110.00

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

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

City of Shelby Uptown Event Panels



Legend

Event Panel

Stage Panel

12. ANY ADDITIONAL COMMENTS:

We would like to get as many local small businesses
involved as possible.

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.

Brandon Toney

SIGNATURE

Brandon Toney

APPLICANT

704-441-1186

PHONE

5708 Old Monroe Rd. Indian Trail, NC 28079

PHYSICAL ADDRESS

sunnydaymarkets.toney@outlook.com

E-MAIL ADDRESS

02/15/2024

DATE

Memo

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: July 3, 2024

Re: Special Event Application

BACKGROUND:

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

- ✓ Dragon Stock 2, requested date: September 28, 2024

REVIEW:

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

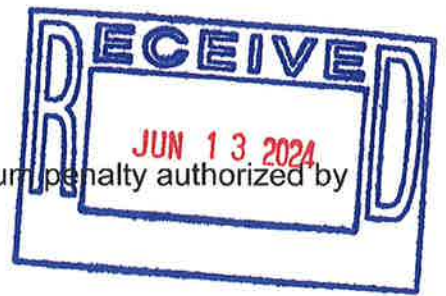
RECOMMENDATION:

Please place the attached Special Event Permit Application on the Consent Agenda of July 15, 2024 for Council's review and approval.

ATTACHMENT:

- A. Special Event Permit Application packet received June 13, 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:

DRAGON STOCK 2

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT:

FUNDRAISER FOR THE CLEVELAND CO MUSIC HALL OF FAME
LIVE CONCERTS 10 BANDS (5 ON OUTDOOR STAGE & 5 INDOORS)

3. LOCATION OF EVENT (ATTACH MAP):

WARREN ST. ~~BETWEEN~~ BETWEEN WASHINGTON ST.
& LAFAYETTE ST.

4. PLEASE INDICATE:

Approximately how many people will attend the event? 500

Approximately how many vehicles will be present? 4 FOOD TRUCKS

Approximately how many animals will be present? ?? IF WILL BE PET FRIENDLY

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

Single lane N/A

All lanes in travel direction N/A

Whole street YES NO PARADO

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

Name: JAMIE COULTER DRAGONFLY WINE MARKET

Address: 101 W. WARREN ST SHELBY NC 28150

Phones: 704-466-3578 704-577-3160
(Daytime) (Evening)

JAMIE@DRAGONFLYWINEMARKET.COM
E-mail address

Name: BIL JONES

Address: 101 W. WARREN ST. SHELBY NC 28150

Phones: 704-361-5453 SAME
(Daytime) (Evening)

STEPSIDEDELUXE@GMAIL.COM
E-mail address

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) SATURDAY SEPT 28th 2024

Alternate day(s) and date(s) ~~6AM~~

Requested hours of operation, from 6AM AM/PM to 11PM 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. HAVE ALREADY TOLD EVERY BUSINESS ON WARREN ST. ABOUT IT.

9. AVAILABILITY OF FOOD, BEVERAGES, AND/OR

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

Will alcoholic beverages be served? YES

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

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:

WILL NEED 10 TRASH CANS - 12 ROAD BLOCKS
POWER TO ALL POWER BOXES ON W. WARREN ST.
BETWEEN LAFAYETTE ST. AND WASHINGTON ST.
EP27C - EP28B - EP12C - EP13B

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: DRAGONSTOCK 2
Authorize Event/Vendor Coordinator: DRAGONSTOCK PRODUCTIONS
Phone No.: 704 466-3578 Mobile No.: 704 577-3160
Email: JAMIE@DRAGONFLYWINEMARKET.COM

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

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

Full Day Rentals only

Total Number of Event Panels:
_____ 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.

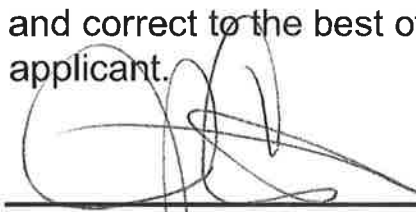
Any event panel not requested and paid for in advance and requested the day of the event will be subject to an after-hours charge.

12. ANY ADDITIONAL COMMENTS:

LAST YEAR (2023) WE RAISED OVER \$12,000.00
FOR THE CLEVELAND CO MUSIC HALL OF FAME,
AND HOPING TO BETTER THAT THIS YEAR.

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

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



SIGNATURE

JAMIE COULTER

704-466-3578

APPLICANT

PHONE

101 W. WARREN ST SHELBY NC 28150

PHYSICAL ADDRESS

JAMIE@DRAGONFLYWINEMARKET.COM

E-MAIL ADDRESS

6-12-24

DATE



WASHINGTON ST.



← PETA JOHNS →

TRASH CANS

TC

NEED 10

WILL NEED

10 ROAD BLOCKS

FOOD TRUCK FOOD TRUCK

TC

TC

FOOD TRUCK FOOD TRUCK

TC

TC

DALE ST. ALLEY

TC

DRAGONFLY

TC

TC

TC

TC

< STAGE >



LAFAYETTE ST



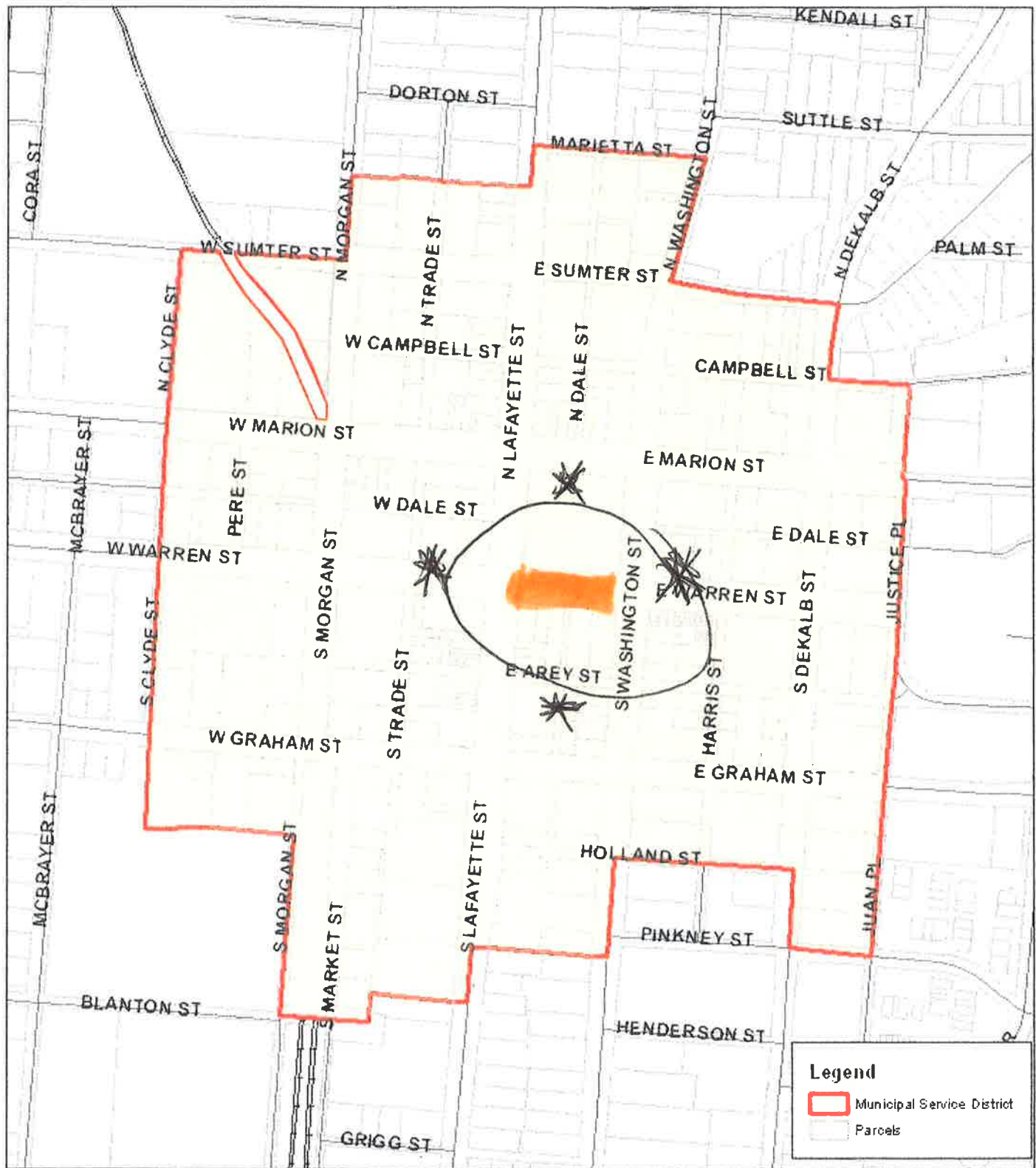
7 ALL BUSINESSES ON W. WARREN ST.
HAVE ALREADY BEEN NOTIFIED AND HAPPY
THAT IT SHOULD BE A GOOD BUSINESS DAY
AS WELL THE PEOPLE WHO LIVE IN THE
APTS OVER DRAGONFLY

8 WE WILL HAVE MANY VOLUNTEERS
WHO WILL BE HELPING IN MANY WAYS
(SEE MAP)

VOLUNTEERS WILL CLEAN UP AFTERWARDS
AND MOVE ROAD BLOCK SO STREET
WILL BE OPEN BY MIDNIGHT
THERE WILL BE 5 PORTA TOILETS PLUS
RESTROOMS

9 THERE WILL BE 4 FOOD TRUCKS
BEVERAGES WILL BE SOLD OFF
FOOD TRUCKS AND FROM INSIDE
DRAGONFLY & LILY BEAN

11 WILL NEED 10 TRASH CANS
AND 10 ROAD BLOCKS



Scale 1:4,800 1 inch = 400 feet



Memo

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: July 3, 2024

Re: Special Event Application

BACKGROUND:

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

- ✓ SHS Homecoming Parade, requested date: October 4, 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 July 15, 2024 for Council's review and approval.

ATTACHMENT:

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

CITY OF SHELBY
SPECIAL EVENT PERMIT APPLICATION

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

1. EVENT NAME:

Shelby High Homecoming Parade

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT

Homecoming Parade - about 60 units

3. LOCATION OF EVENT (ATTACH MAP)

Start @ corner of Lafayette and Dorton St
Finish @ corner of Lafayette and Graham

4. PLEASE INDICATE:

Approximately how many people will attend the event? 500

Approximately how many vehicles will be present? 60-65

Approximately how many animals will be present? none

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 - Lafayette from Dorton St to Graham

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

Name: Eli Wortman Shelby High School

Address: 230 E. Dixon Blvd.

Phones: 704-476-8325 919-744-8526
(Daytime) (Evening)

newortman@clevelandcountyschools.org
E-mail address

Name: _____

Address: _____

Phones: _____
(Daytime) (Evening)

E-mail address

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) Friday Oct 11th 2024

Alternate day(s) and date(s) Thursday Oct 3rd 2024

Requested hours of operation, from 3:30 AM/PM to 5:00 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? No

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.

Block Streets
Police Presence

12. ANY ADDITIONAL COMMENTS:

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

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


SIGNATURE

Shelby High School
APPLICANT

704-476-8325
PHONE

230 E. Dixon Blvd
PHYSICAL ADDRESS

newortman@clevelandcountyschools.org
E-MAIL ADDRESS

7-1-24
DATE

Agenda Item: D-8

8) Management Reports:

- a) Planning Report – June 2024
- b) Monthly Financial Summary – May 2024

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Memorandum dated July 3, 2024, from Justin Longino, Assistant City Manager to Rick Howell, City Manager and Brian Burgess, Planning and Development Director
- June 2024 Planning Report
- Monthly Financial Summary, May 2024

City Manager's Recommendation / Comments

The above-listed reports are for City Council information and are placed on the agenda to ensure documentation that they were formally presented by management during a regular meeting.

MEMORANDUM

To: Rick Howell – City Manager
 From: Justin Longino – Assistant City Manager
 CC: Brian Burgess, Planning and Development Director
 Date: July 3, 2024
 Subject: June Planning Report

PERMITS ISSUED / FEES COLLECTED

Permit Type	June	May	YTD	2023
<i>Inspections</i>				
Single Family Reno/Addition Building Permits	10	11	43	167
New Single Family Building Permits	17	18	91	142
Commercial Reno/Addition Building Permits	18	6	34	30
New Commercial Building Permits	0	3	9	25
Permit Fees	\$66,931	\$51,056	\$916,308	\$160,855
<i>Planning</i>				
Commercial Site Plan Review	3	6	38	31
Annexation	0	0	0	3
Major Subdivision (more than 5 lots)	2	3	15	7
Minor Subdivision (less than 5 lots)	3	3	26	26
Residential Site Plan	21	34	142	177
Zoning Map Amendment (Rezoning)	1	1	7	11
Conditional Use Map Amendment	0	0	1	4
Special Use Permit	0	0	1	5
Zoning Permit	7	14	47	127
Preliminary Plats Approved*	0	2	2	--
Permit Fees	\$4,680	\$4,920	\$25,290	\$63,547
<i>Code Enforcement (Closed Cases)</i>				
Cases Open / Closed	145	129 / 171	538	--
Solid Waste	8	20	89	137
High Grass/Weeds	85	92	216	927
Trash	0	7	16	28
Abandoned Vehicle	3	0	14	28
Minimum Housing	0	2	6	40
Planning Violation	7	8	24	47
Violation Fees	\$4,890	\$11,943	\$20,012	\$\$\$

Notes:

Excluding the justice center, this is already double from last year.

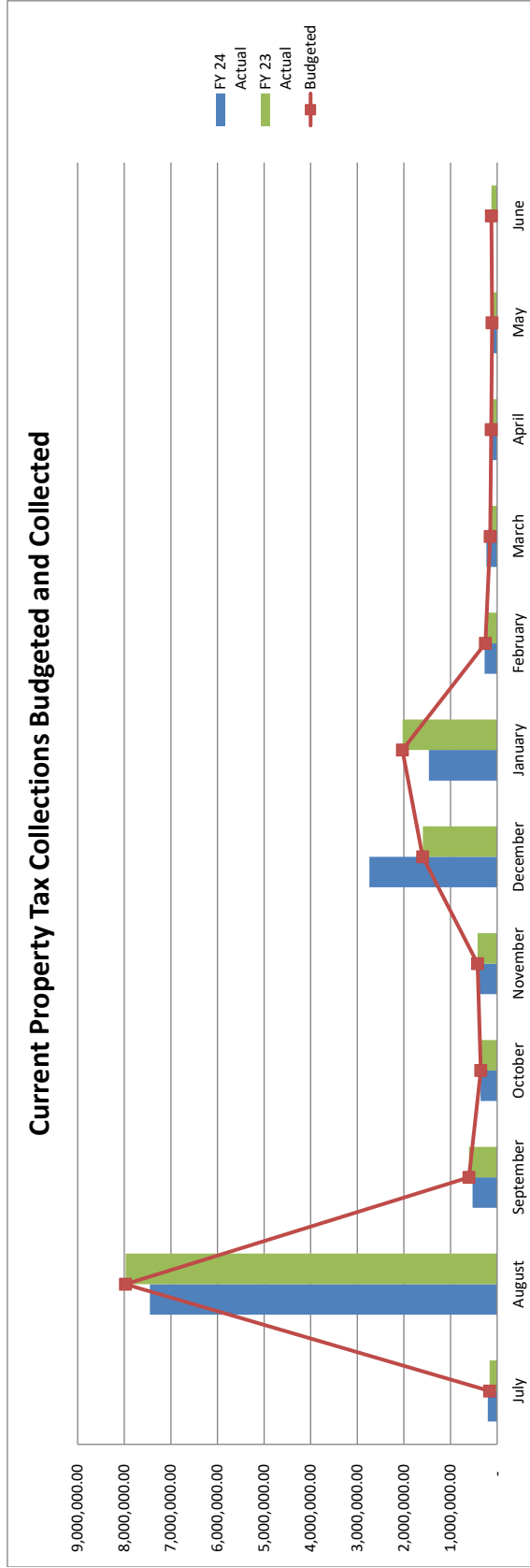
SUBDIVISION	TYPE	COUNCIL APPROVAL?	STATUS	# UNITS
No contact with Planning Dept yet				
The Farm at Edgewater	SF	N	No submittal or inquiries yet	5
S. Dekalb multi-family (diagonal from Palisades)	MF	TBD	No submittal or inquiries yet	TBD
Conceptual				
Meacham/Mull properties	SF	Y	Awaiting revised submittal and CZ application	453
E Ross Grove Rd near N. Lafayette (parcel 26972)	TBA	Y	Sketch plan meeting held; awaiting sketch submittal (developer is looking at expanding the footprint)	68
Spake Circle	TBA	Y	Awaiting sketch plan submittal	200
McClendon Meadows	SF	Y	Awaiting sketch plan submittal	455
Homestead	SF	Y	Awaiting sketch plan submittal	351
E. Marion/Borders	SF	Y	Revised submittal for AX and CZ under review	161
365 Washburn Switch Rd (Beaver Run)	SF	TBD	Awaiting sketch plan submittal	TBD
Unnamed Royster subdivision (Sumter/Marion)	SF	TBD	Awaiting sketch plan submittal; "higher end homes"	200
Charles Rd/Dellinger Rd	SF	N	Awaiting revised submittal	9
Sedgefield/Leander THs	TH	N	Revised submittal under review	12
Magness Rd / Moonshadow Ln	SF	N	Awaiting revised sketch or civil drawings	51
Metcalf Rd / Grover St (parcel 21522)	SF	N	Awaiting revised sketch or civil drawings	141
W. Sumter at Hartley St	SF	N	withdrawn; per surveyor "the client is not sure what he wants to do here"	
Senior Center THs	TH	N	Sketch plan under review	8
East of Metcalf/west of N. Lafayette (parcel 64208)	TBD	N	Sketch plan under review	TBD
W. Elm subdivision	TBD	TBD	requested utility availability letter; 2022 sketch plan showed 187 SFR	TBD
Pending Council action				
Rhoda Springs (Toms St/Wyke Rd)	SF	Y	CZ approved 2022; revised CZ submitted (removing Sanford Dr connection)	117
Earl Rd / Industry Dr	SF	Y	PZB tabled rezoning in May; awaiting applicant mtg	166
Waiting on civil drawings				
The Preserve at Edgewater (ETJ)	SF	N	PZB approval expired; must reapply; submittal expected summer 2024	20
Kings View THs	TH	Y	SUP1 expired March 2024; must reapply unless firewa	101
Gidney St THs	TH	Y	SUP1 approved	159
Blanton Farm	SF / TH	Y	CZ approved	1642
W. Ross Grove Rd THs	TH	N	site plan approved but may change again; awaiting preliminary plat submittal for PZB	10
Fincastle Glen (S. Lafayette/Melrose)	SF	Y	CZ approved	137
Cambridge Commons	MF	Y	SUP1 approved	98
Joe's Lake Road THs	TH	Y	SUP1 approved; first submittal under review	84
Civil drawings under review				
Riverwalk	SF	N	Will go back to PZB	144
Willowbrook (adjacent to Magnolia Plantation)	SF	N		144
Willow Estates	SF / TH	N	Site construction underway	
Thrift Rd / Nancy Dr	SF	Y	CZ and annexation approved	213
Zoning approved; construction not begun				
Cleveland Hill (Eaves Road)	SF	Y	AX approved; Approved by PZB	193
The Pines at Edgewater (ETJ)	SF	N	Approved by PZB; Final plat signed	8
Maple Glen	SF / TH	N	Approved by PZB	60
Royster Ave THs	TH	N	Building permit is awaiting details from applicant	12
Site and/or dwelling construction underway				
Villas at Kingsview	SF	N	Site construction underway	49
Willow Estates	SF / TH	N	Site construction underway; RTAP under review	246
Seattle Crossing	SF	N	Site construction underway; some building permits issued, others under review	78
Arboretum at Edgewater (ETJ)	SF	N	Preliminary plat approved by PZB; 3 building permits issued	17
Palisades	MF	Y	Construction on-going; now leasing with TCO	312
Pinnacle Estates	SF	N	Construction of dwellings on-going	92
Lake George Drive	SF	N	Construction of dwellings on-going	38
TOTAL DWELLING UNITS				6254



**Monthly Financial Summary
May 2024**

City of Shelby
 Current Property Tax Collections
 FY 2024

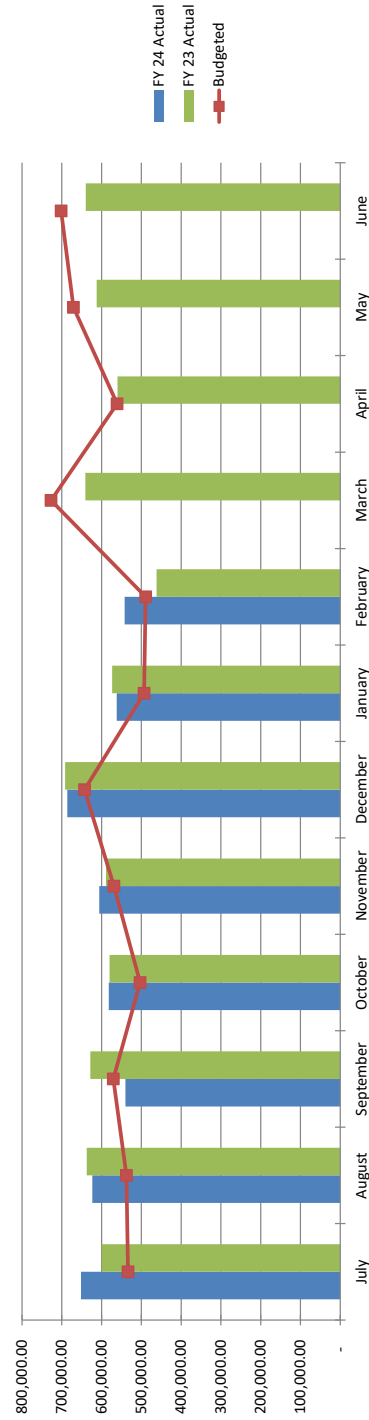
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	159,933.38	7,975,543.92	606,204.49	351,647.91	420,081.33	1,596,722.79	2,030,450.43	252,495.36	149,439.68	127,820.47	108,378.28	121,281.94	13,900,000.00
FY 2023	159,791.35	7,968,461.04	605,666.14	351,335.62	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	132,552.48		13,959,039.51
% of Budget	1.45%	53.58%	3.79%	2.55%	3.15%	19.73%	10.55%	1.93%	1.65%	1.08%	0.95%	0.00%	100.42%
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	24,174.20	(121,281.94)	59,039.51



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	542,204.88					4,794,104.02
% of Budget	9.31%	8.90%	7.72%	8.31%	8.66%	9.80%	8.03%	7.75%	0.00%	0.00%	0.00%	0.00%	68.49%
Variance	118,573.84	85,614.50	(30,014.29)	78,594.68	37,152.01	43,340.74	68,979.66	52,891.58	(727,152.85)	(661,084.49)	(671,026.81)	(701,764.55)	(2,205,895.98)

Sales Tax Collections Budgeted and Collected

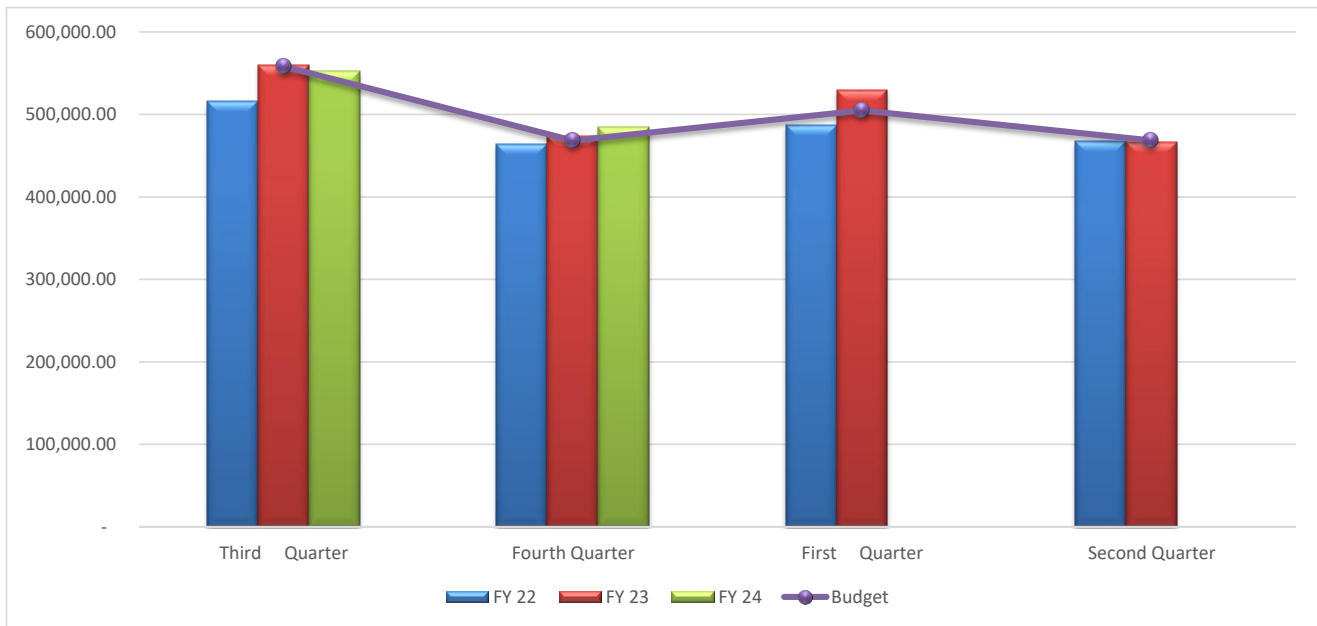


Notes:
Sales Tax Expansion to include Service Contracts: NCGS §105-164.4(a)(11), effective January 2014, has expanded the NC Sales and Use Tax to include "the sales price of a service contract".
A link to the NCDOR directive on this change is embedded here: <http://www.dor.state.nc.us/practitioner/sales/directives/SD-13-5.pdf>

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/salesdistribution_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:

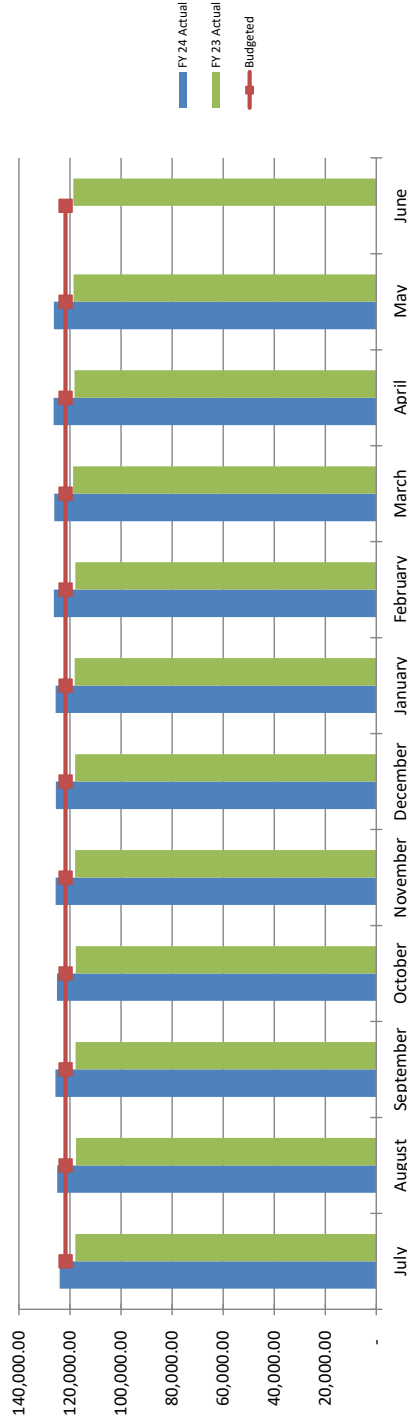
Effective July 2014, utility franchise tax was eliminated on sales of electricity and piped natural gas. A "hold harmless" provision will keep local distribution levels at the amounts received during the 2013-14 Fiscal Year.

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	117,966.28	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	126,317.84	126,317.84	1,381,838.50
% of Budget	8.49%	8.55%	8.60%	8.56%	8.60%	8.60%	8.60%	8.65%	8.63%	8.65%	8.65%	8.65%	94.58%
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	4,567.84	(121,750.00)	(79,161.50)

Res. Accts:	7,782	7,846	7,880	7,849	7,878	7,878	7,886	7,926	7,909	7,931	7,931	7,931	
Comm. Accts:	680	680	686	682	688	687	682	688	689	689	689	689	

Sold 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

104,354.77

Debt Retired In 2024

FY 20 Installment Purchase

189,692.00

Debt Retired In 2025

FY 21 Installment Purchase

128,617.50

Debt Retired In 2026

FY 22 Installment Purchase

313,080.27

Debt Retired In 2027

FY 23 Installment Purchase - Radios

158,235.00

Debt Retired in 2028

274,873.35

274,873.35

274,873.35

274,873.35

274,873.35

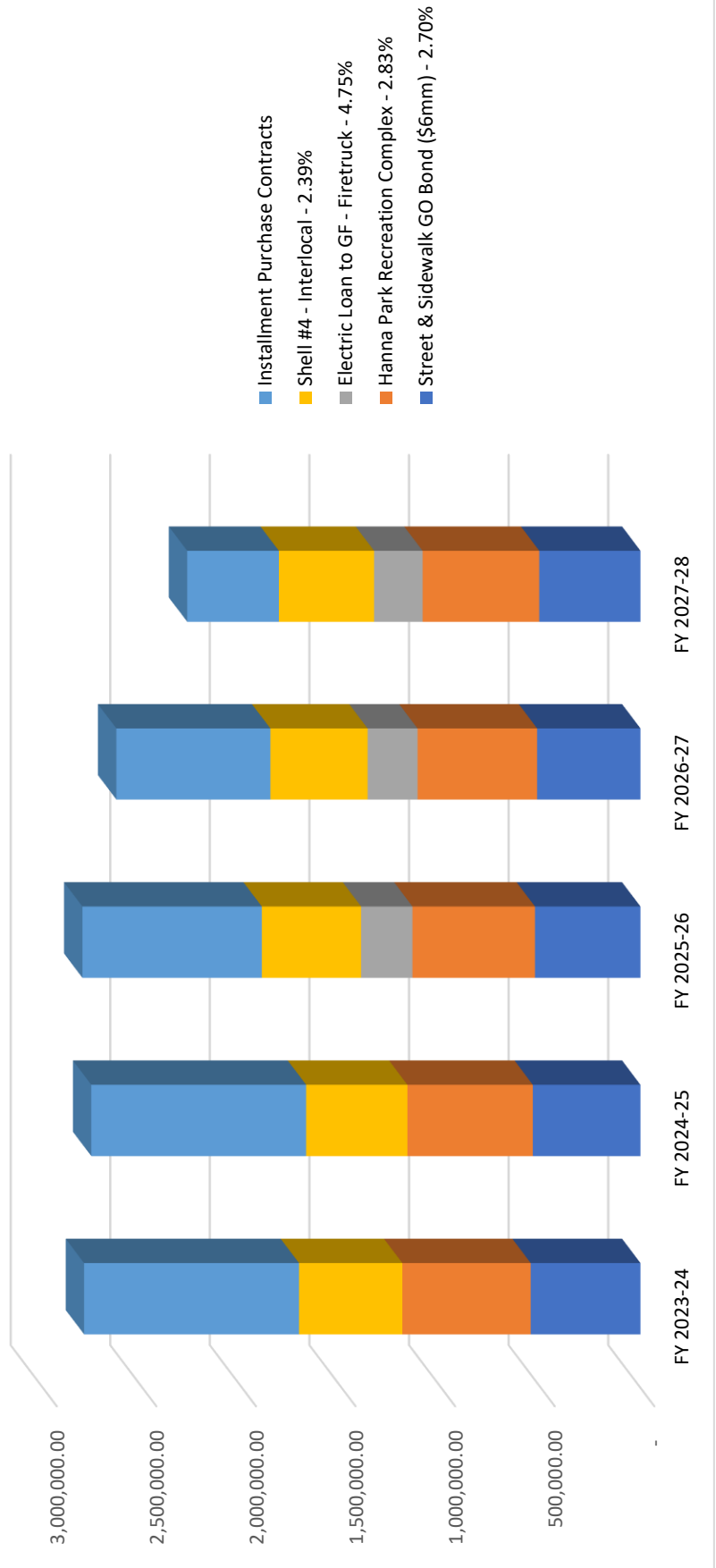
274,873.35

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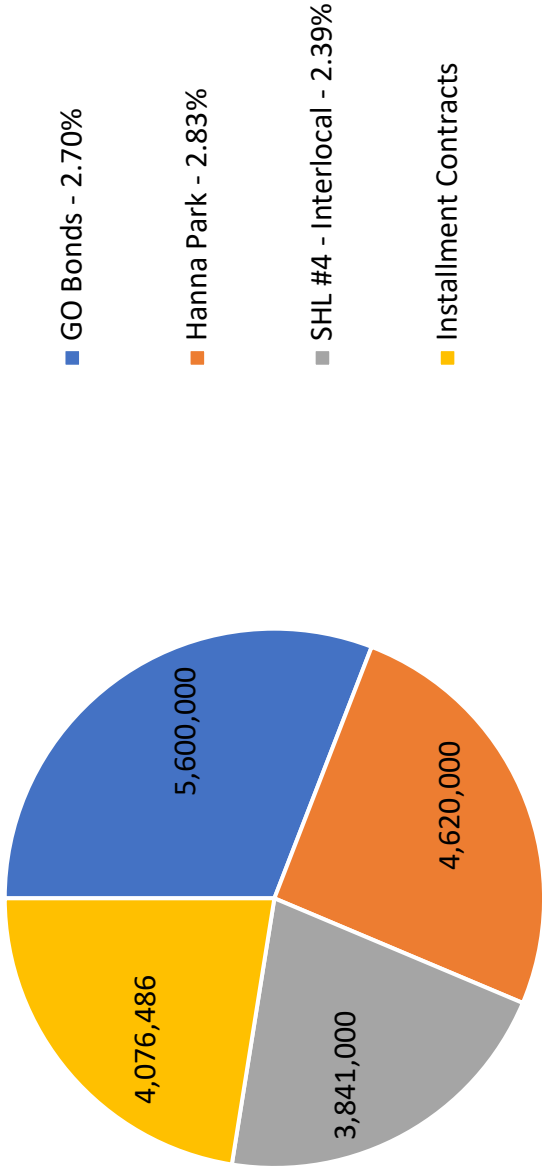
FY 23 Installment Purchase	185,002.10	185,002.10	185,002.10	185,002.10	185,002.10	185,002.08
Debt Retired in 2028	1,078,981.63	1,078,447.04	900,694.08	772,955.71	459,875.43	
Total Debt Service - General Fund	2,793,060.86	2,756,993.64	2,801,579.14	2,631,155.52	2,275,389.97	1,729,655.97

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



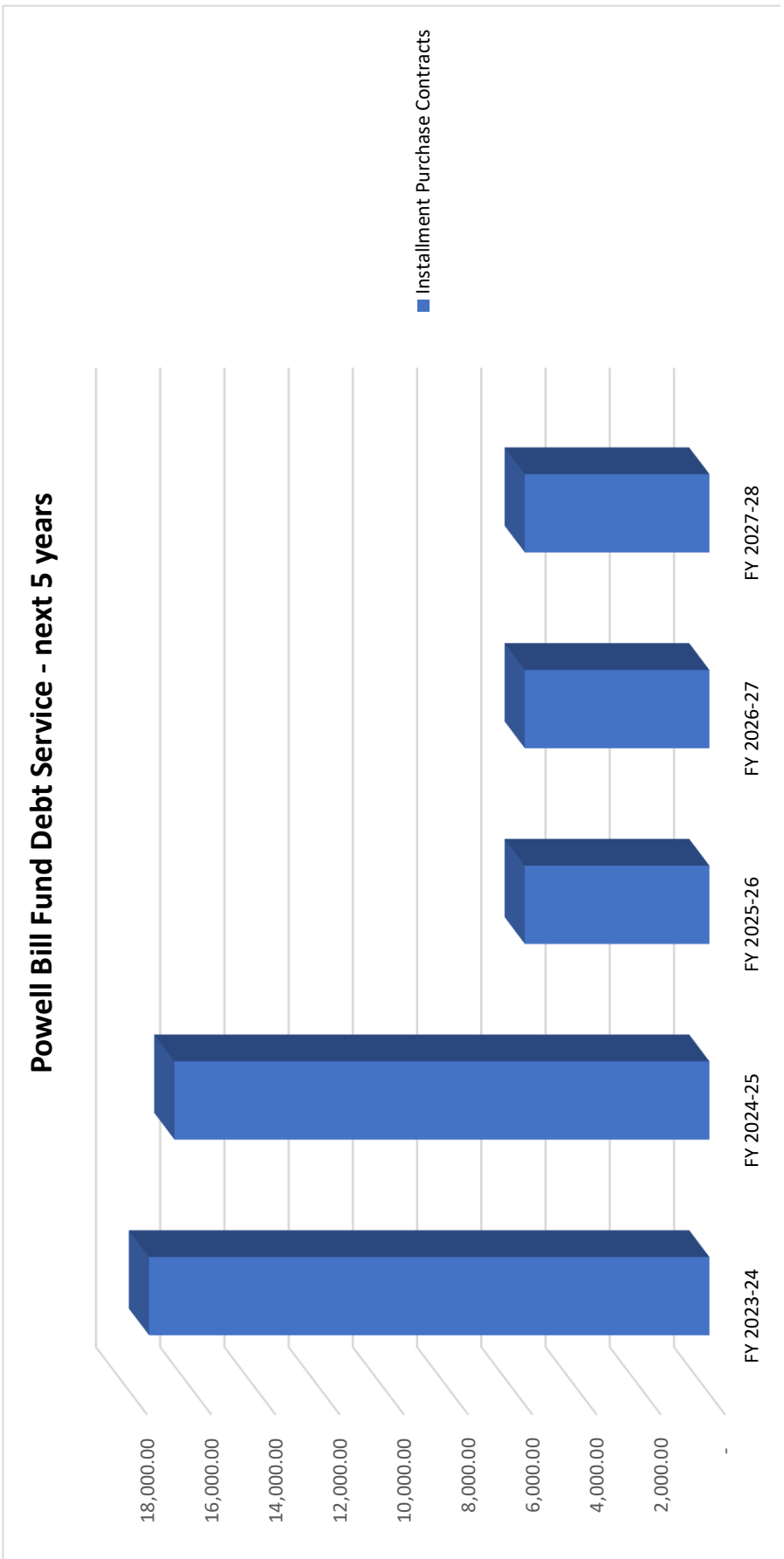
City of Shelby
 For FY24 - May 2024 (91.67% of Fiscal Year)
 General Fund Expenditures by Division

<u>ACCOUNT DESCRIPTION</u>	<u>ORIGINAL APPROP</u>	<u>REVISED BUDGET</u>	<u>YTD EXPENDED</u>	<u>ENCUMB</u>	<u>AVAIL BUDGET</u>	<u>% USED</u>
Total 110411 GOVERNING BOARD	81,200	81,428	69,578.57	0.00	11,849	85.40 %
Total 110412 ADMINISTRATION	793,199	840,154	542,282.25	0.00	297,872	64.50 %
Total 110413 FINANCE	838,107	841,841	721,544.24	613.61	119,683	85.80 %
Total 110414 PURCHASING	124,387	125,812	82,585.27	268.72	42,958	65.90 %
Total 110416 HUMAN RESOURCES	466,973	468,993	374,487.12	655.85	93,850	80.00 %
Total 110419 CUSTOMER SERVICE	83,044	98,262	63,218.15	8,440.00	26,604	72.90 %
Total 110420 INFORMATION SERVICES	516,007	532,513	417,306.13	62,660.43	52,546	90.10 %
Total 110421 METER SERVICE	921	19,170	33,745.59	0.00	-14,576	176.00 %
Total 110425 GARAGE	924,726	925,898	749,977.42	924.00	174,996	81.10 %
Total 110427 CITY HALL	113,000	122,892	100,911.73	0.00	21,980	82.10 %
Total 110431 POLICE	9,103,400	9,415,181	8,065,277.89	269,814.37	1,080,089	88.50 %
Total 110433 COMMUNICATION	964,800	967,704	768,850.29	0.00	198,854	79.50 %
Total 110434 FIRE	7,563,440	5,840,057	5,584,496.89	85,823.86	169,737	97.10 %
Total 110435 BUILDING INSPECTIONS	543,850	551,492	435,114.35	0.00	116,378	78.90 %
Total 110451 STREETS	1,447,150	1,499,264	1,170,552.84	1,656.73	327,054	78.20 %
Total 110453 AIRPORT	517,225	539,812	505,847.52	4,706.25	29,258	94.60 %
Total 110471 SOLID WASTE	2,232,160	2,429,486	2,161,170.58	15,499.42	252,816	89.60 %
Total 110491 GIS	127,089	126,609	101,331.47	8,742.96	16,535	86.90 %
Total 110493 PLANNING SERVICES	629,050	716,048	624,004.81	356.55	91,686	87.20 %
Total 110495 SPECIAL APPROPRIATIONS	3,725,800	4,535,127	3,776,895.70	0.00	758,231	83.30 %
Total 110612 PARKS & RECREATION	2,185,025	2,395,680	1,657,810.82	26,654.12	711,215	70.30 %
Total 110613 MAINTENANCE GROUNDS &	1,784,200	1,844,606	1,521,631.84	63,476.04	259,498	85.90 %
Total 110 GENERAL FUND	34,764,753	34,918,027	29,528,621.47	550,292.91	4,839,112	86.10 %

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	-

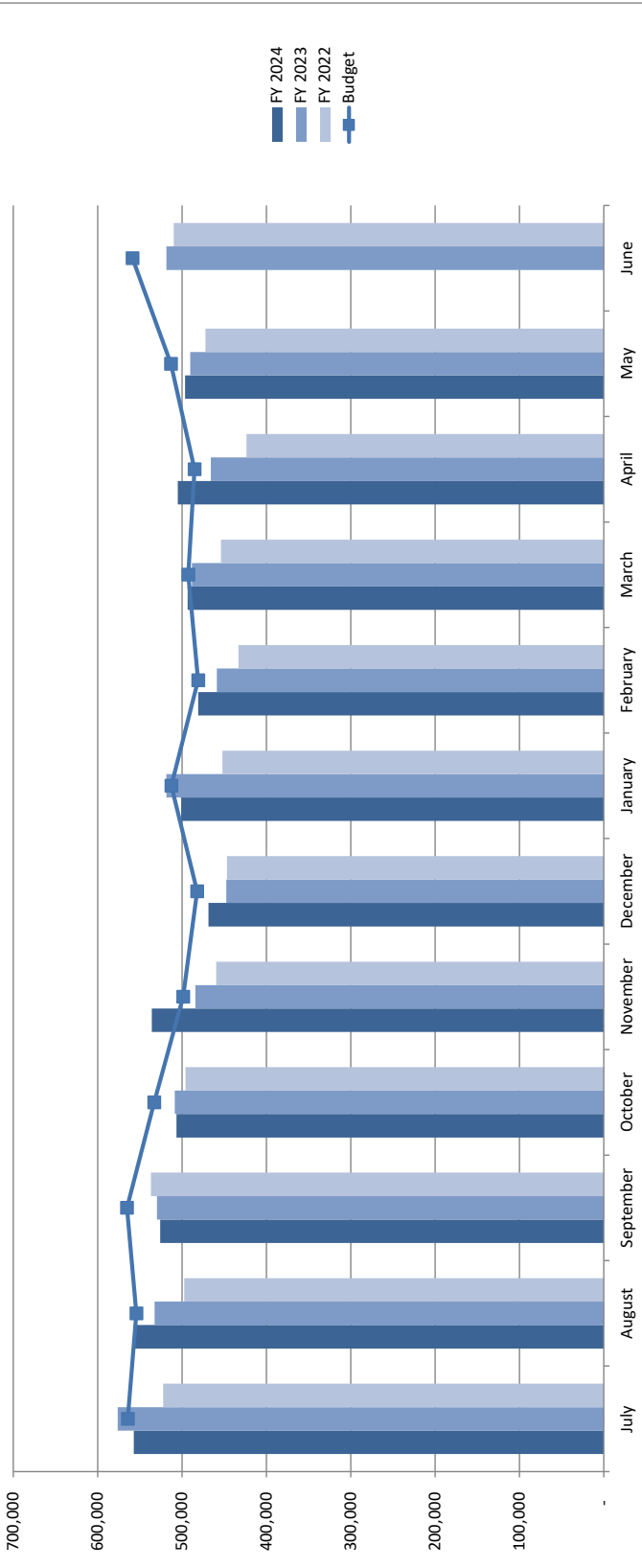


City of Shelby
Water Revenue Budget to Actual
FY 2024

FY 2024 Budget

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Inside Water													
Usage	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													
Usage	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													
Usage	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													
Usage	141,317	139,654	126,617	119,697	129,348	110,092	123,841	115,626	123,359	124,506	121,057	-	1,375,114
Dollars	495,811	493,700	463,854	447,994	472,585	418,793	448,392	429,922	446,525	451,424	446,054	-	5,015,052.59
Outside Water													
Usage	15,021	15,899	15,309	14,281	15,768	11,518	12,324	11,908	10,459	12,735	11,527	-	146,749
Dollars	61,249	63,405	61,988	58,499	63,219	49,829	52,639	50,839	46,825	53,507	50,186	-	612,184
Totals													
Usage	156,338	155,553	141,926	133,978	145,116	121,610	136,165	127,534	133,818	137,241	132,584	-	1,521,863
Dollars	557,060	557,105	525,841	506,492	535,804	468,622	501,031	480,762	493,350	504,930	496,240	-	5,627,236.44
Variance													
Inside Water													
Usage	(1,659)	1,865	(19,635)	(11,754)	7,874	(5,167)	(5,210)	810	1,549	6,733	(3,587)	(142,718)	(170,901)
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	(8,422.09)	(497,967.23)	(546,271.32)
Outside Water													
Usage	28	17	(82)	235	3,555	(799)	(36)	(889)	(1,027)	472	(2,619)	(14,898)	(16,043)
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	(8,437.63)	(60,701.67)	(66,492)
Totals													
Usage	(1,631)	1,882	(19,717)	(11,519)	11,429	(5,967)	(5,246)	(79)	522	7,205	(6,206)	(157,616)	(186,944)
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	(16,859.73)	(558,668.90)	(612,763.56)

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
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FX 19 Installment Purchase

Debt Retired In 2024

54,380.79

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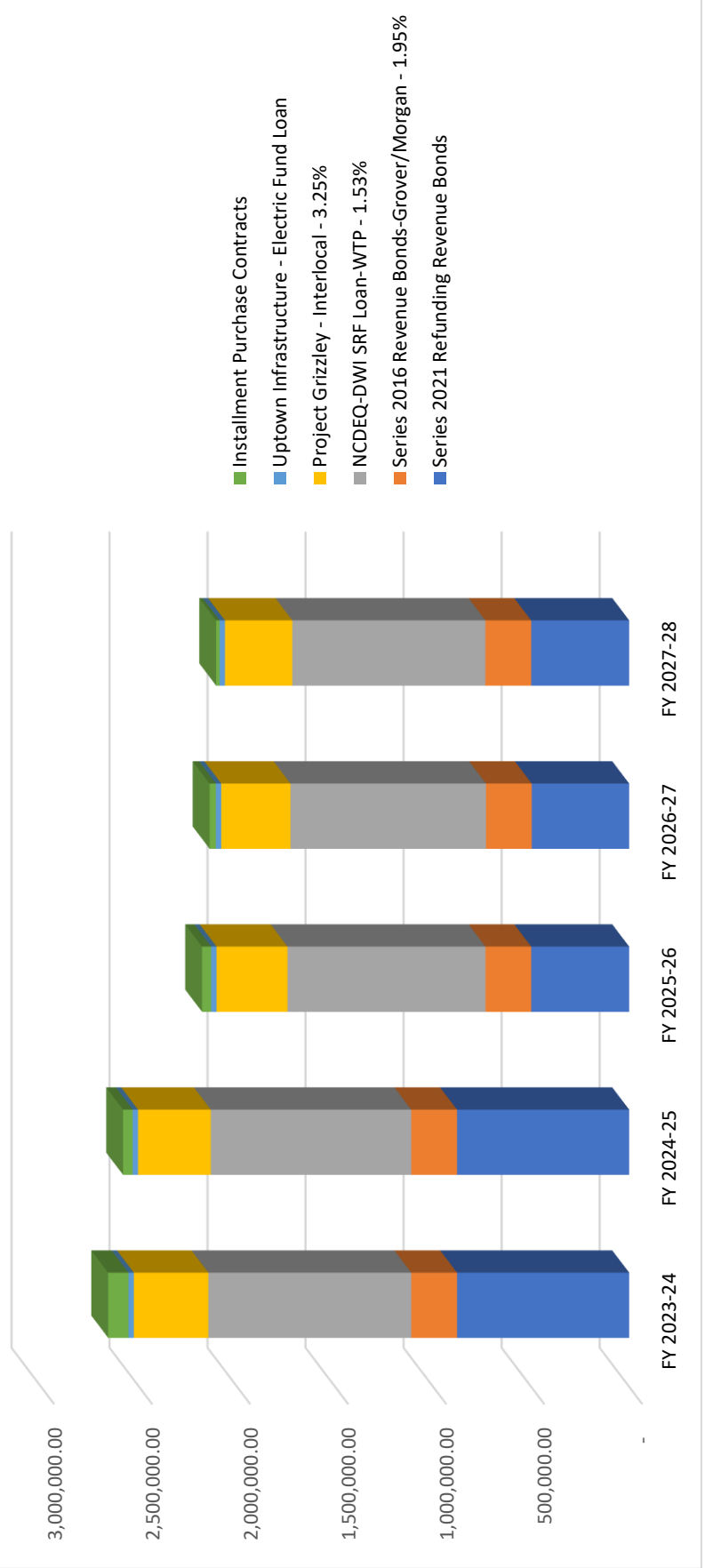
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54,380.79

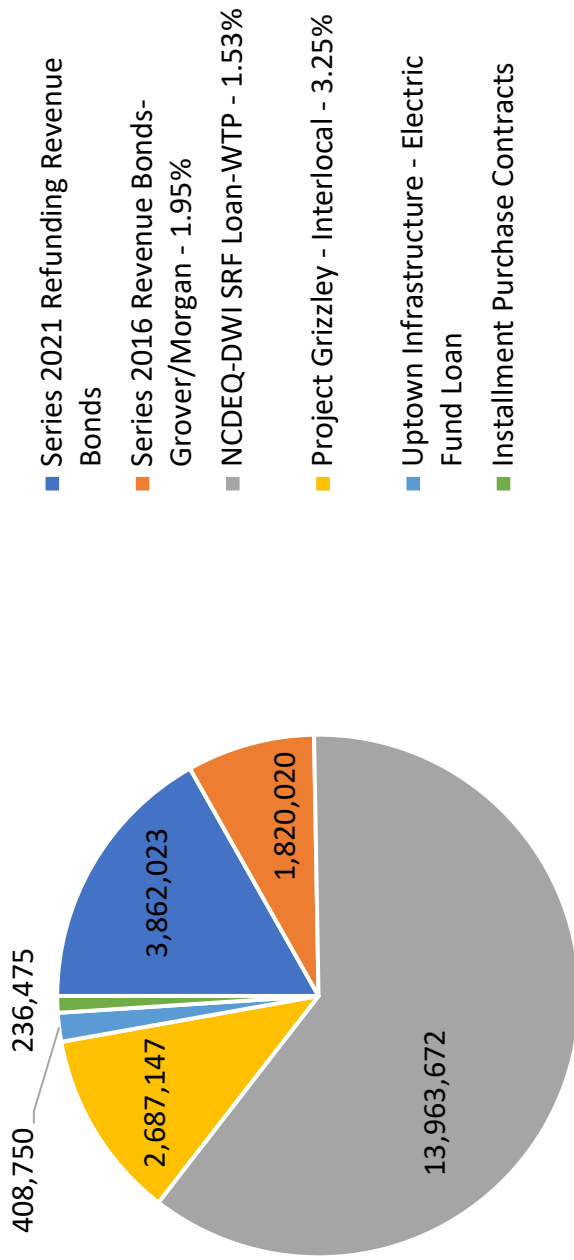
54,380.79

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	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	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	1,736,242.78	1,736,242.78

Water Fund Debt Service - next 5 years



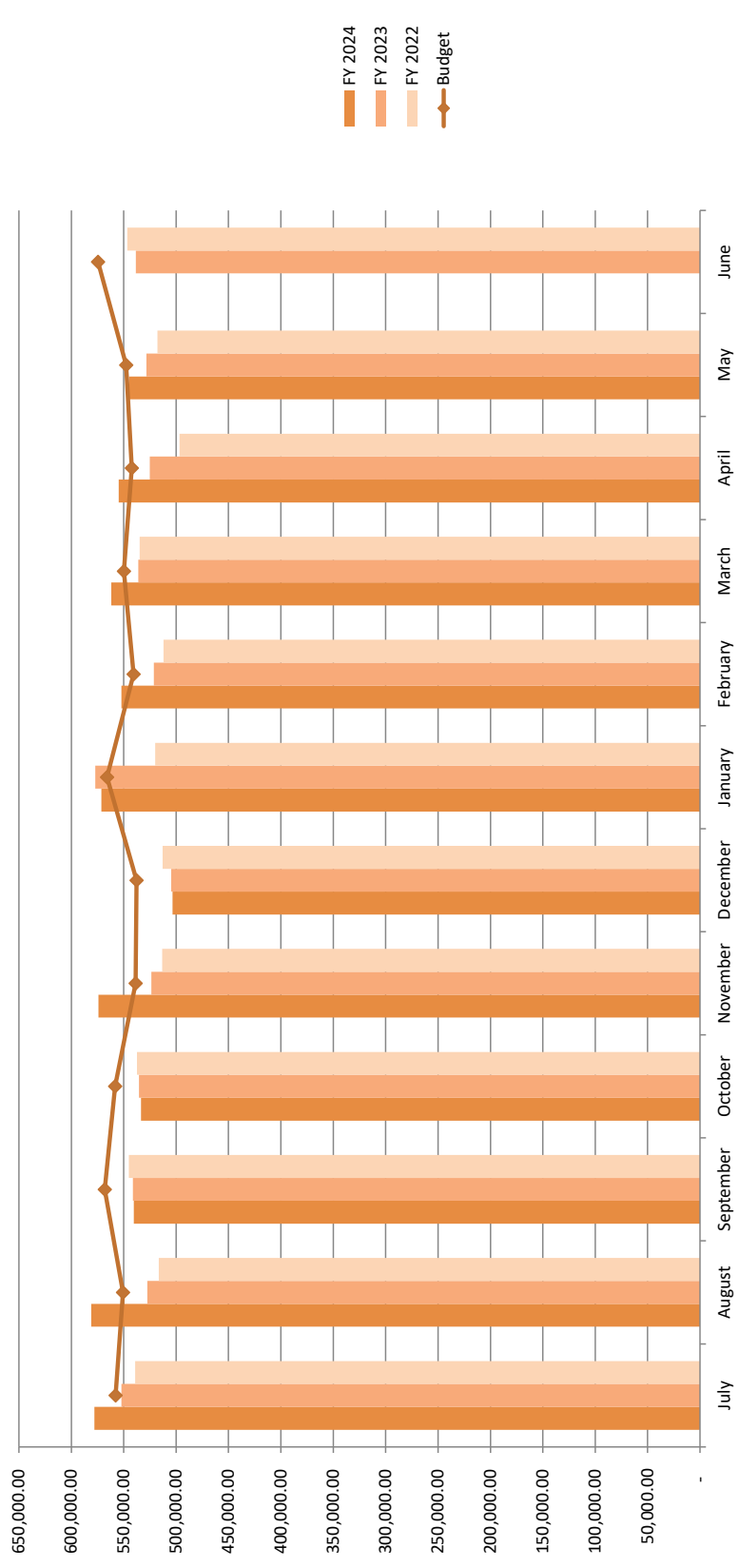
6/30/2023 Outstanding Debt Principal - Water



City of Shelby
Sewer Revenue Budget to Actual
FY 2024

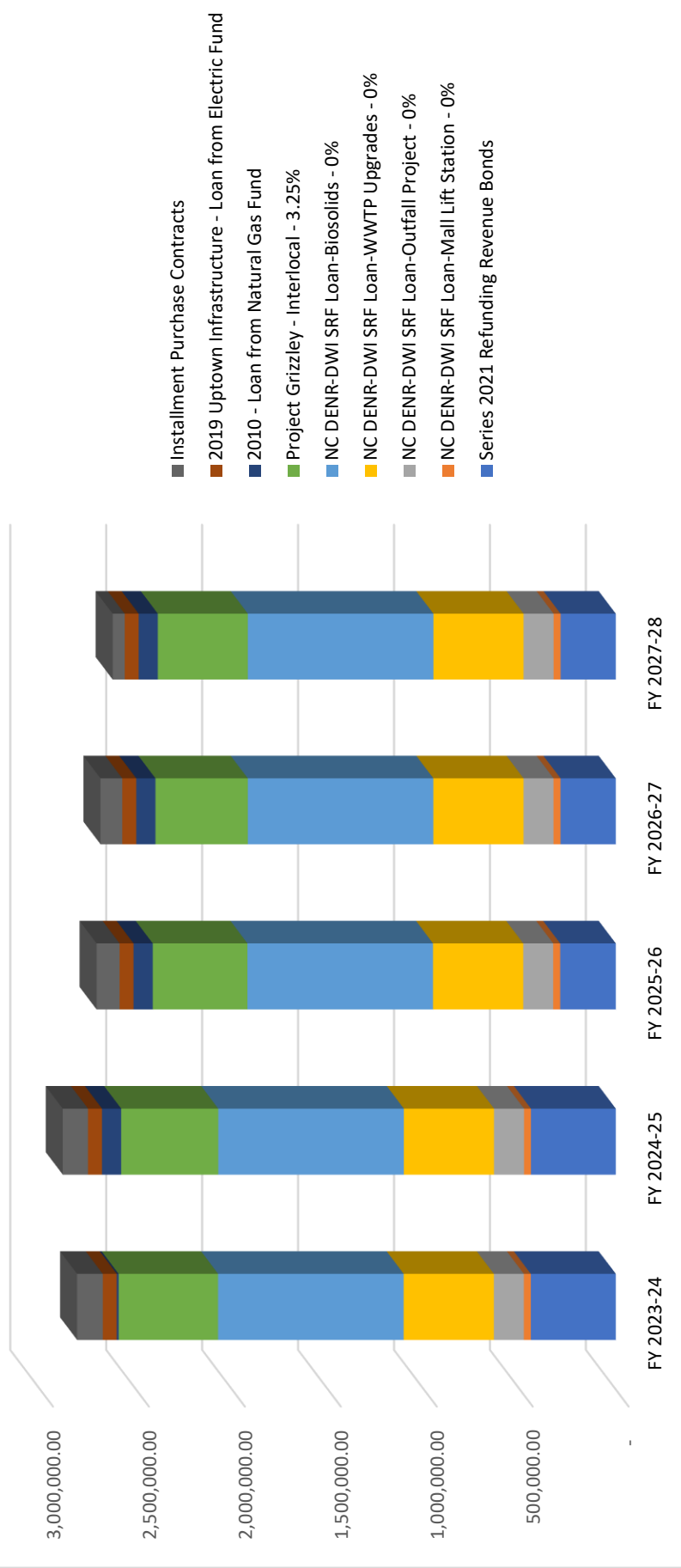
	July	August	September	October	November	December	January	February	March	April	May	June	Totals
FY 2024 Budget													
Inside Sewer													
Useage	74,985	73,529	53,846	72,732	69,675	68,967	76,473	69,621	72,374	68,969	70,110	77,240	848,522
Dollars	519,453.28	512,329.41	525,830.10	513,414.01	494,883.42	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	69,306	-	787,947
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	495,675.06	-	5,535,112.95
Outside Sewer													
Useage	3,420	3,245	4,208	3,928	3,743	3,681	4,696	4,631	4,028	4,239	3,727	-	43,546
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	49,109.49	-	559,880.63
Totals													
Useage	82,410	82,517	71,110	70,166	79,106	64,549	79,867	75,278	78,758	74,699	73,033	-	831,493
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	544,784.55	-	6,094,993.58
Variance													
Inside Sewer													
Useage	4,005	5,743	13,056	(6,494)	5,688	(8,099)	(1,302)	1,026	2,356	1,491	(804)	(77,240)	(60,575.00)
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	(4,127.25)	(527,410.04)	(564,315.86)
Outside Sewer													
Useage	709	573	1,003	404	338	156	1,044	1,068	366	591	200	(3,406)	3,046.00
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	1,179.95	(47,074.23)	27,540.44
Totals													
Useage	4,714	6,316	14,059	(6,091)	6,026	(7,943)	(258)	2,094	2,722	2,082	(604)	(80,646)	(57,529.00)
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	(2,947.30)	(574,484.26)	(536,775.42)

Sewer Sales in Dollars - Budget to Actual FY 2023 - 2024

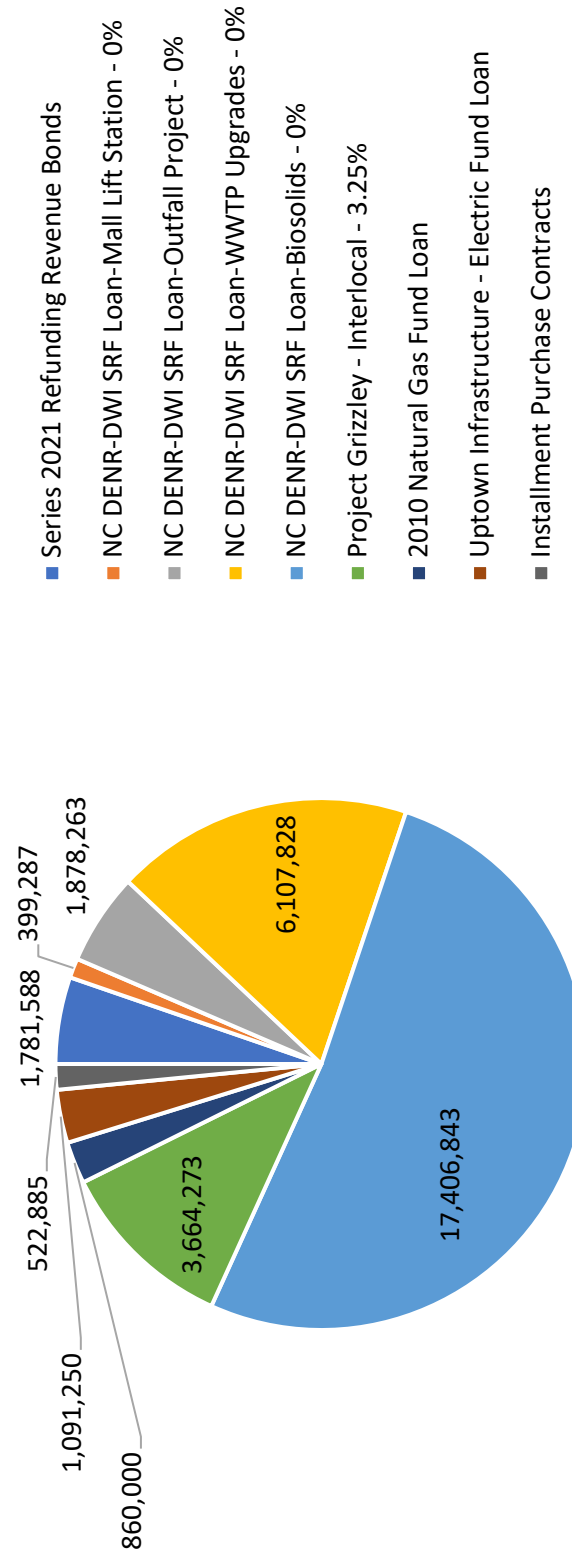


2019 Uptown Infrastructure - Loan from Electric	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00
0% Debt Retired in 2038									
FY 19 Installment Purchase	1,408.74	-	-	-	-	-	-	-	-
Debt Retired In 2024									
FY 20 Installment Purchase	12,525.50	11,679.11	-	-	-	-	-	-	-
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	-	-	-	-	-
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
Debt Retired in 2028									
Total Installment Debt	133,759.80	131,504.67	119,783.08	113,610.56	62,697.37	62,697.37	62,697.37	62,697.37	62,697.37
Total Debt Service - Sewer Fund	2,807,294.05	2,881,932.53	2,705,664.46	2,685,445.64	2,621,898.80	2,621,898.80	2,621,898.80	2,356,841.29	2,246,658.22

Sewer Fund Debt Service - next 5 years



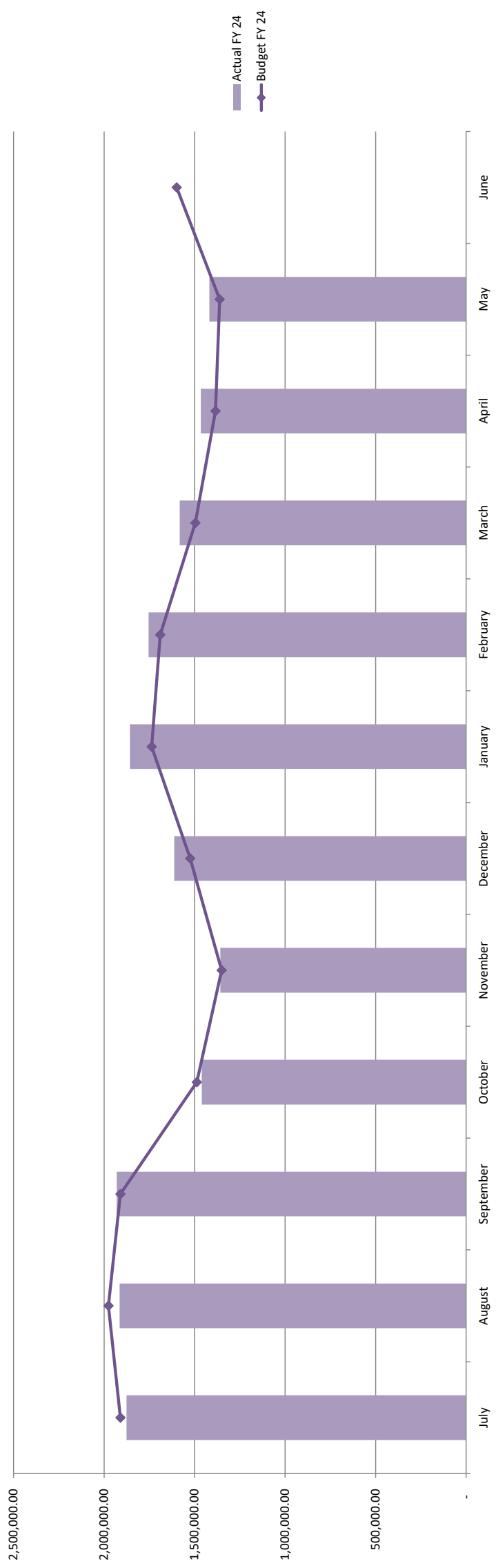
6/30/2023 Outstanding Debt Principal - Sewer



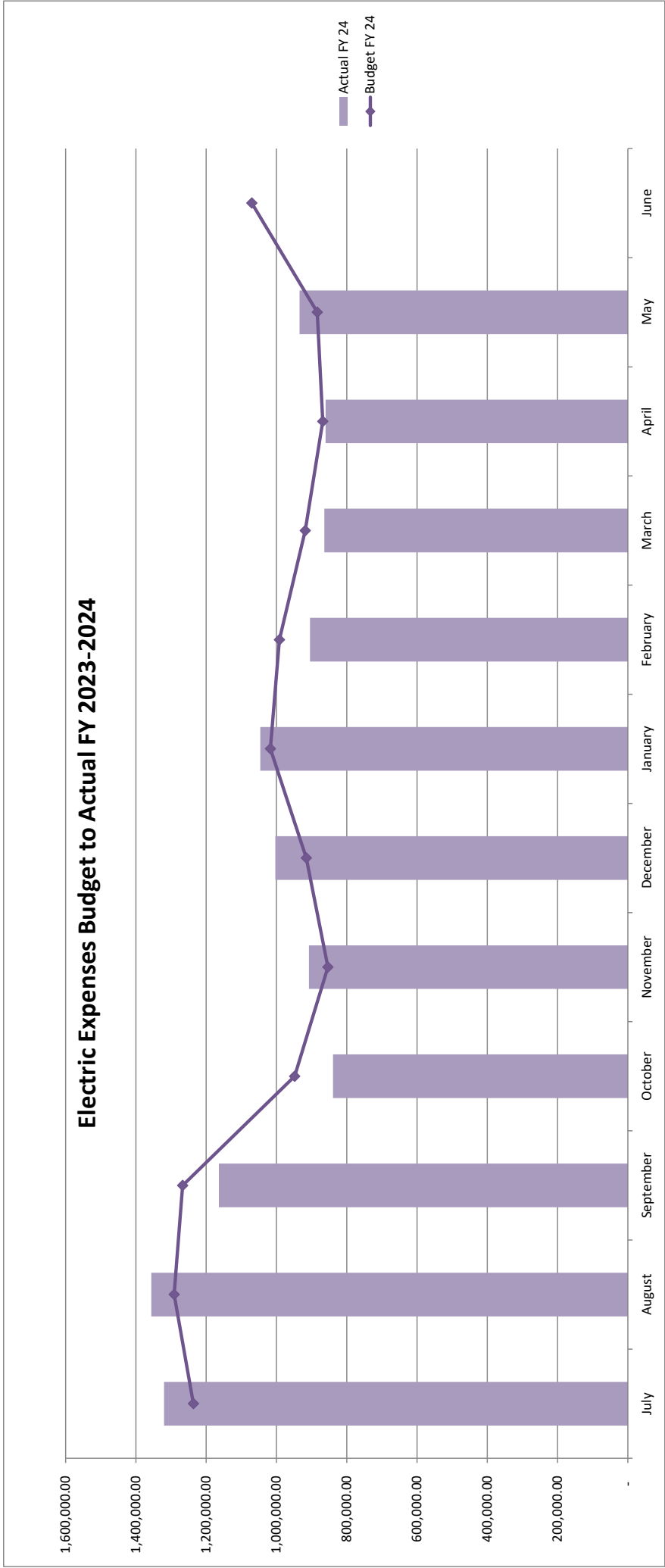
City of Shelby
Electric Revenues Budget to Actual
FY 2024

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	566,179.17		8,025,743.72
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	851,949.31		10,201,067.23
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	1,418,128.48	-	18,226,810.95
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	21,990.35	(669,742.72)	(515,130.85)
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	35,126.78	(929,440.11)	(683,058.20)
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	57,117.13	(1,599,182.84)	(1,198,189.05)

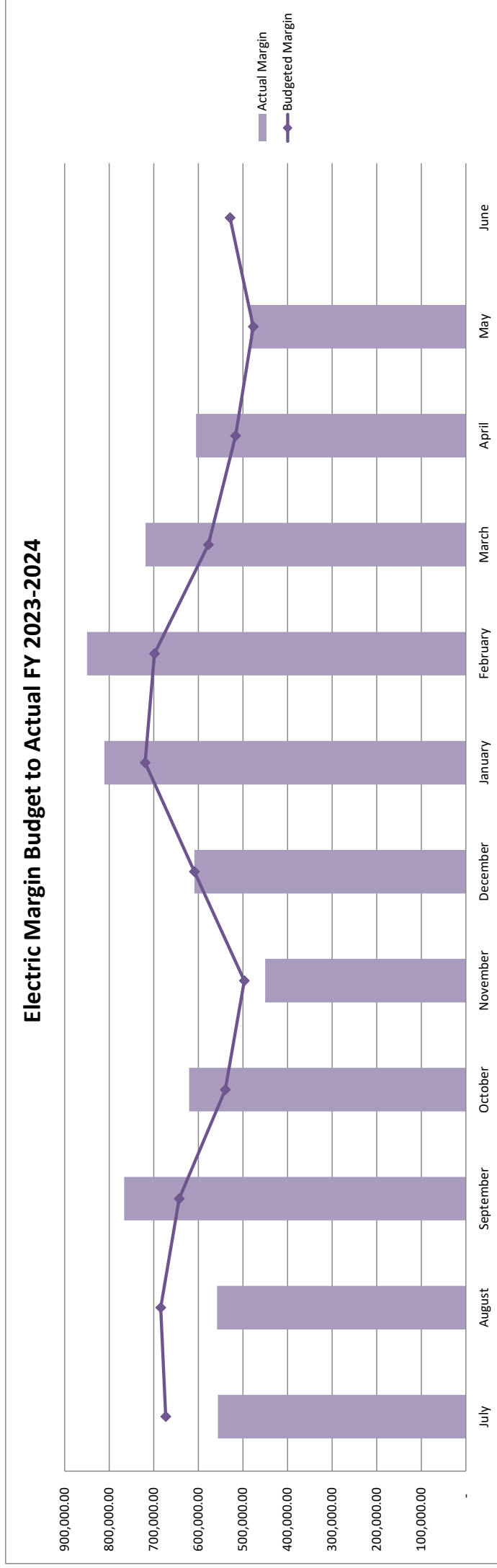
Electric Revenues Budget to Actual FY 2023-2024



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	900,048.54		10,796,314.99
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	34,327.05		401,307.67
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	934,375.59	-	11,197,622.66
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	(47,749.32)	1,031,347.81	1,024,240.01
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)	(2,530.35)	38,907.01	38,692.33
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	(50,279.67)	1,070,254.81	1,062,932.34



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	1,418,128.48	-	18,226,810.95
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)	(934,375.59)	-	(11,197,622.66)
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	483,752.89	-	7,029,188.29
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	6,837.46	(528,928.02)	(135,256.71)



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

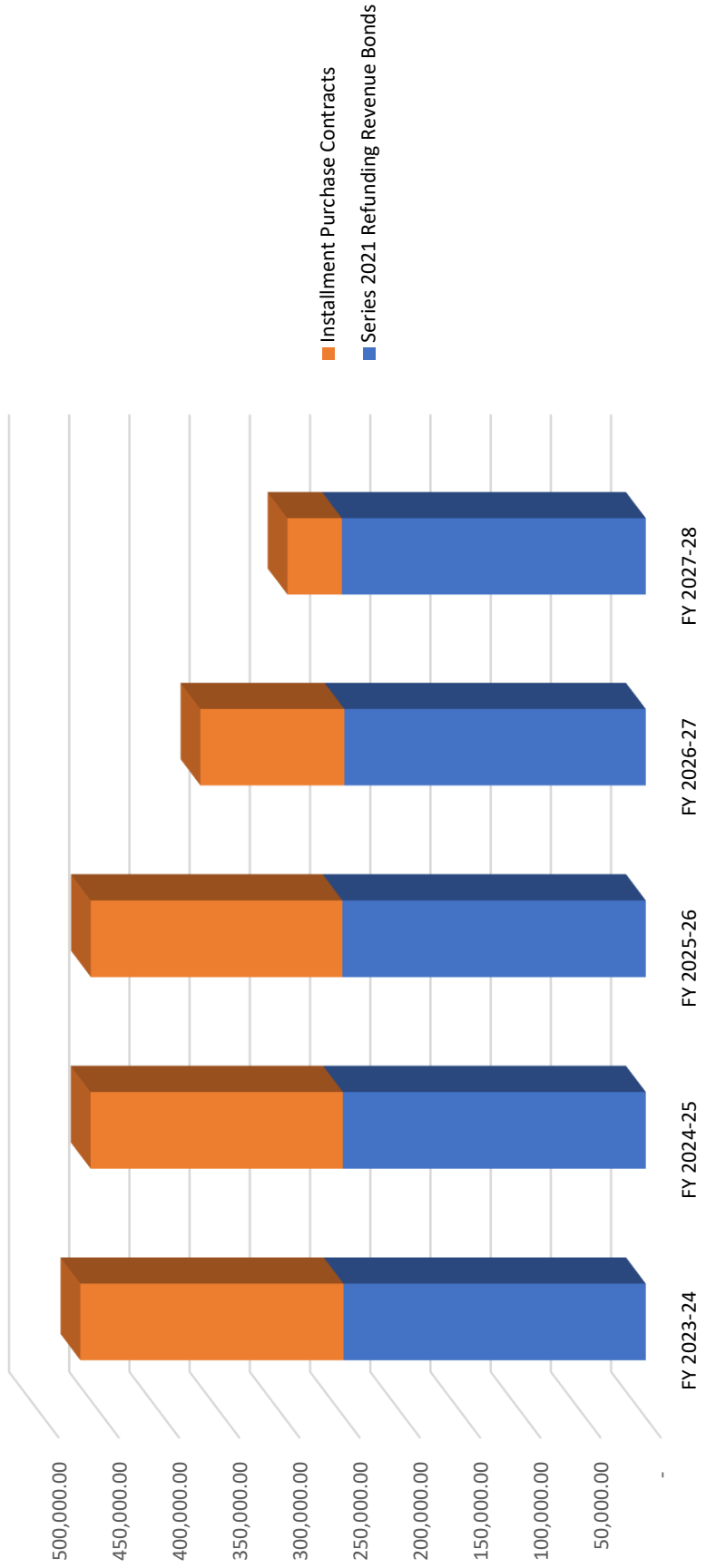
Series 2021 Refunding Revenue Bonds

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	

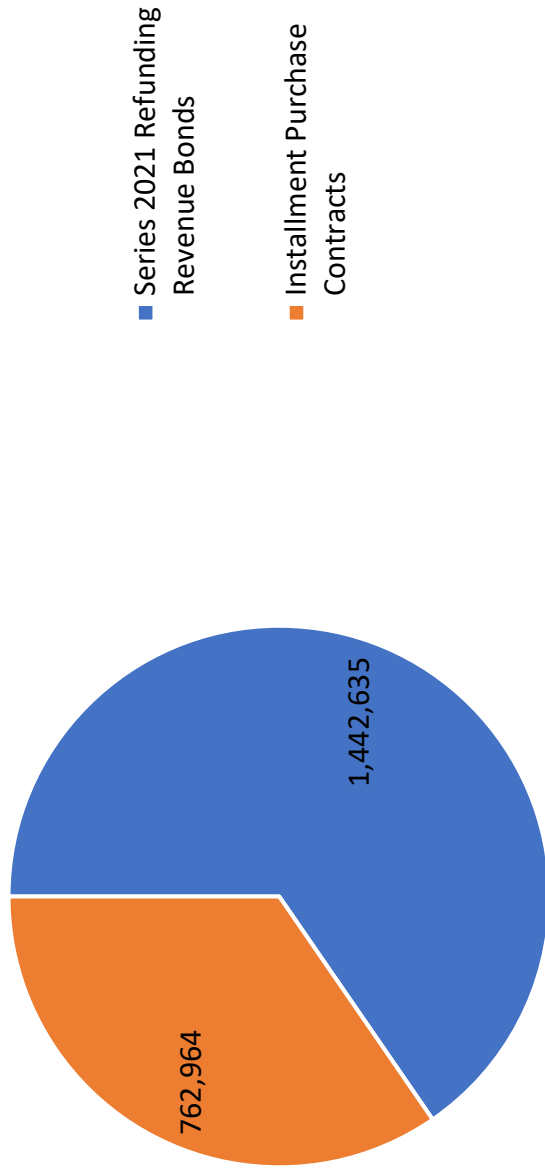
Installment Purchase Contracts

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

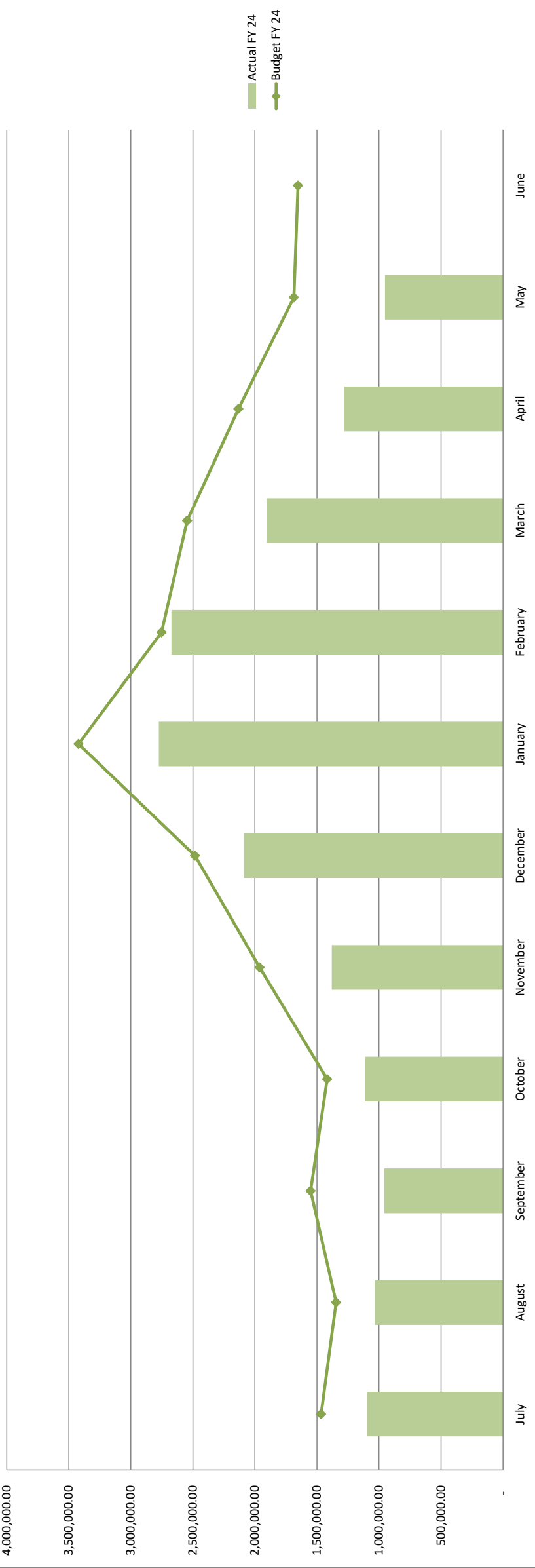
Revenues Budget FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	146,451.99	142,477.46	144,911.67	155,057.81	293,884.14	700,054.66	945,769.94	761,897.08	602,242.21	439,213.97	220,217.83	167,855.56	4,720,034.31
Commercial	190,909.53	207,335.74	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	160,415.63	(167,855.56)	3,954,978.73
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	170,772.74	(213,783.10)	3,928,337.15
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	16,458.32	(68,634.66)	210,669.50
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	42,322.30	(89,344.14)	704,027.96
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	561,454.25	(89,344.14)	8,454,673.22
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	951,423.24	-	17,252,686.56

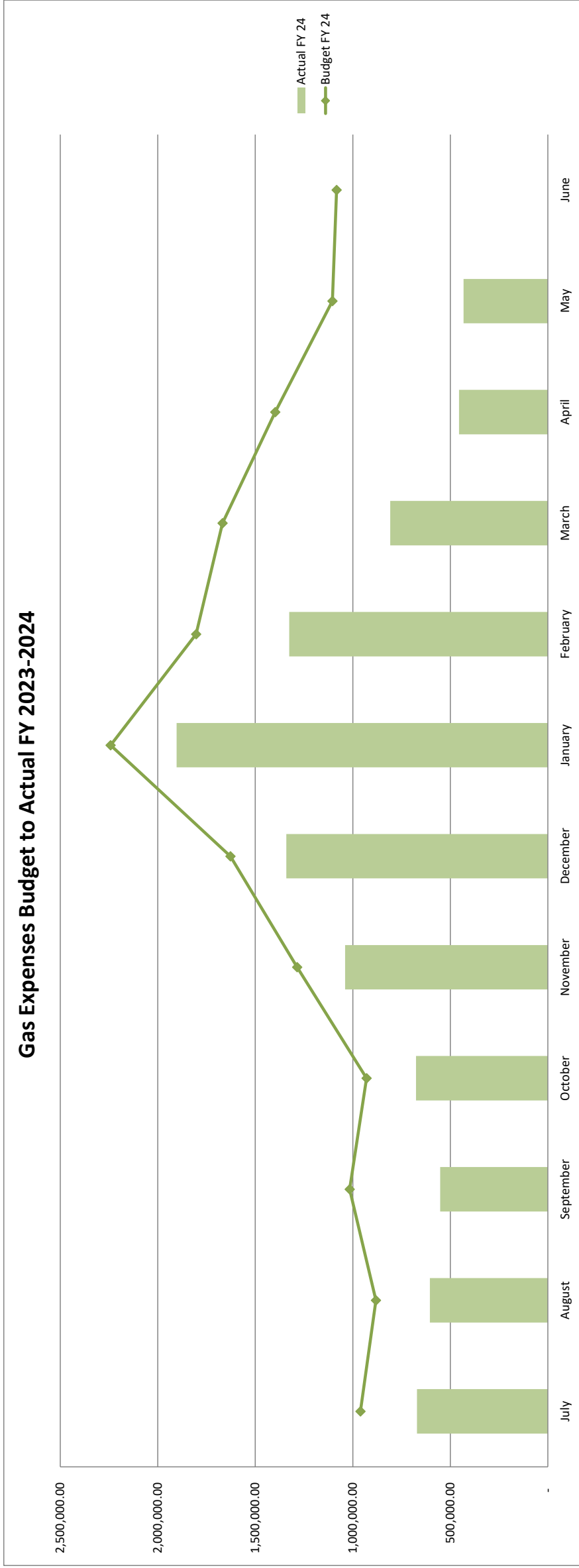
Revenue Variance	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Residential	(16,762.99)	(18,646.64)	(30,023.30)	(16,325.33)	(23,057.40)	(150,356.88)	(96,154.40)	5,096.34	(68,864.97)	(122,302.26)	(59,802.20)	(167,855.56)	(765,055.58)
Commercial	(38,098.80)	(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)	(70,258.53)	(213,783.10)	(1,305,960.92)
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)	(52,203.11)	(68,634.66)	(428,568.59)
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)	(41,586.40)	(89,344.14)	(401,504.62)

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)	(510,793.31)	(1,112,853.09)	(4,263,185.73)
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)	(734,643.55)	(1,652,470.55)	(7,164,275.44)

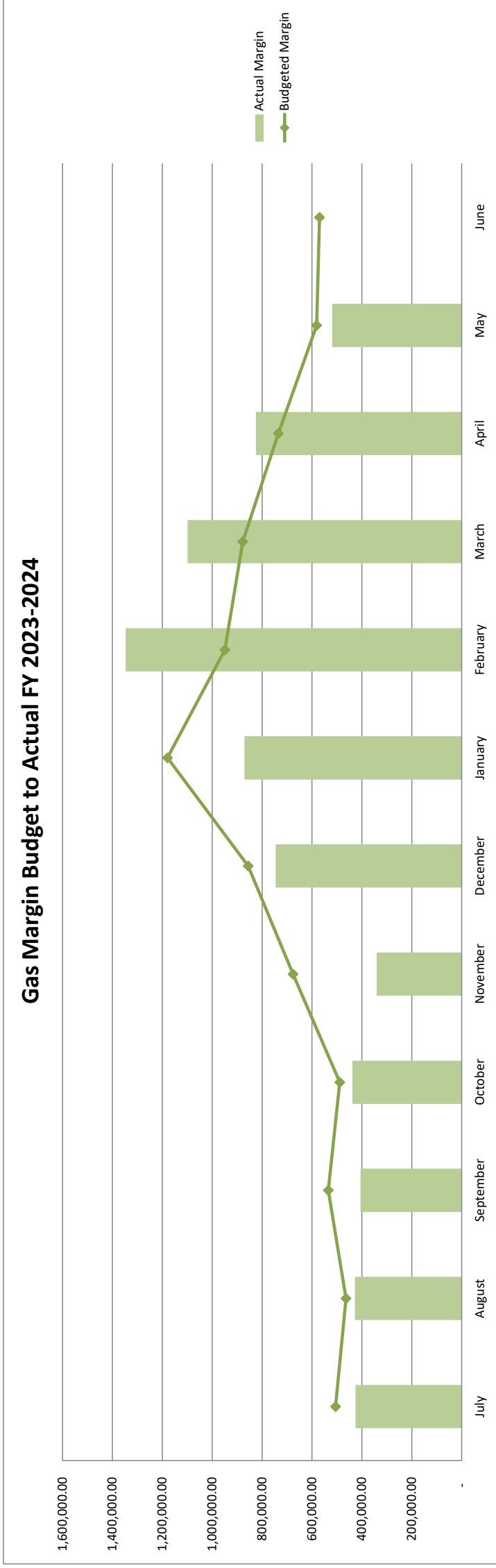
Gas Revenues Budget to Actual FY 2023-2024



Expenses Budget FY 24	July	August	September	October	November	December	January	February	March	April	May	June	Totals
	961,093.37	881,426.65	1,015,868.93	929,148.62	1,285,520.95	1,627,365.10	2,242,002.20	1,803,859.48	1,668,493.26	1,397,537.42	1,104,849.52	1,082,834.50	16,000,000.00
Actual FY 24	670,914.51	605,246.61	552,368.38	676,065.61	1,039,073.00	1,340,830.60	1,903,641.34	1,325,823.89	807,713.12	454,918.90	431,985.57		9,806,581.53
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	672,863.95	1,082,834.50	6,191,418.47



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	951,423.24	-	17,252,686.56
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	431,985.57	-	9,808,581.53
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	519,437.67	-	7,444,105.03
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	(61,779.61)	(569,636.05)	(972,856.97)



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

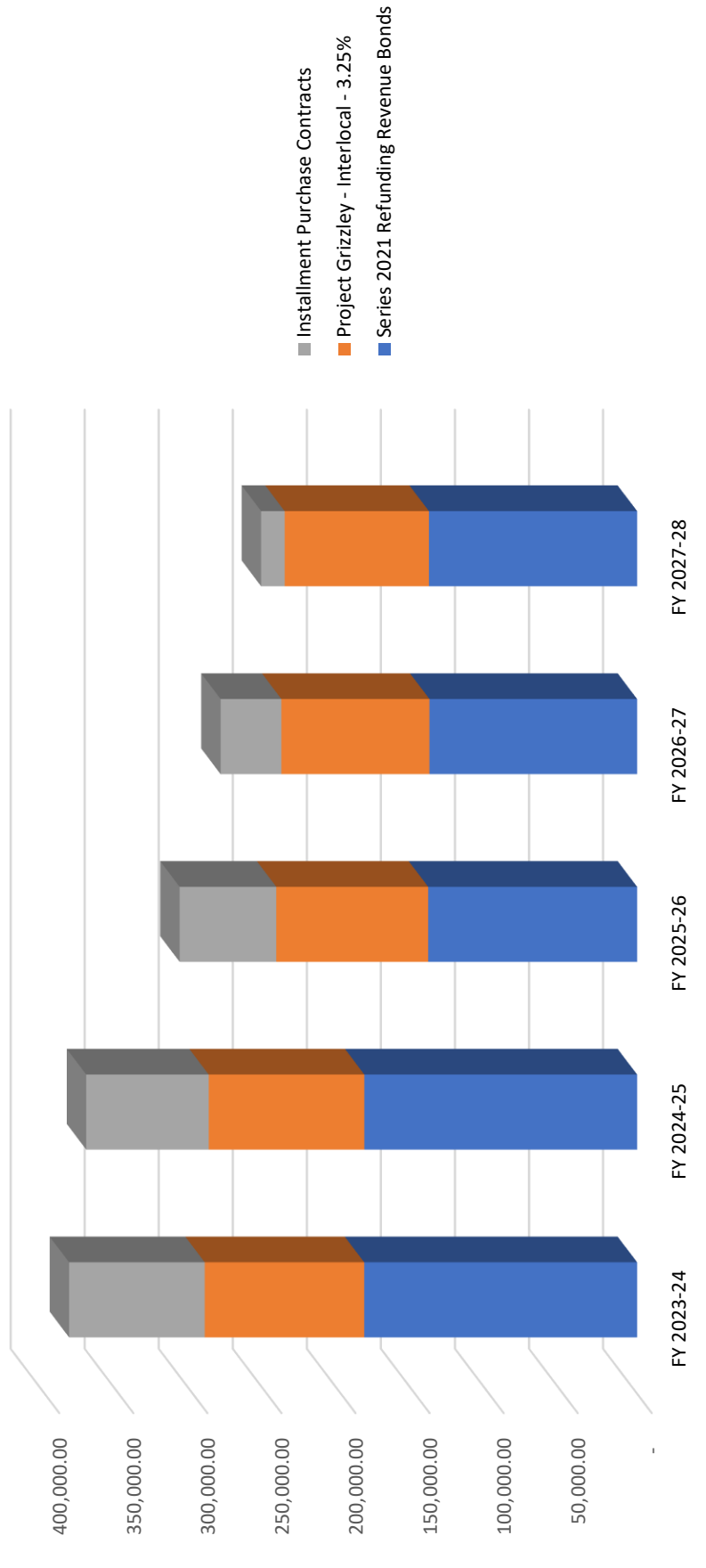
Project Grizzley - Interlocal - 3.25%

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

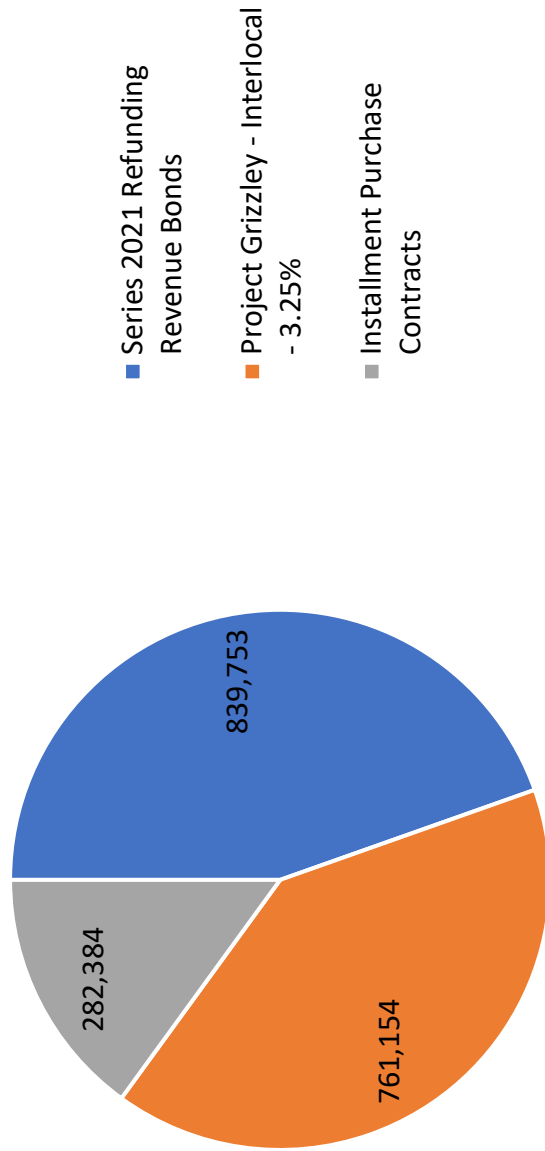
Installment Purchase Contracts

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

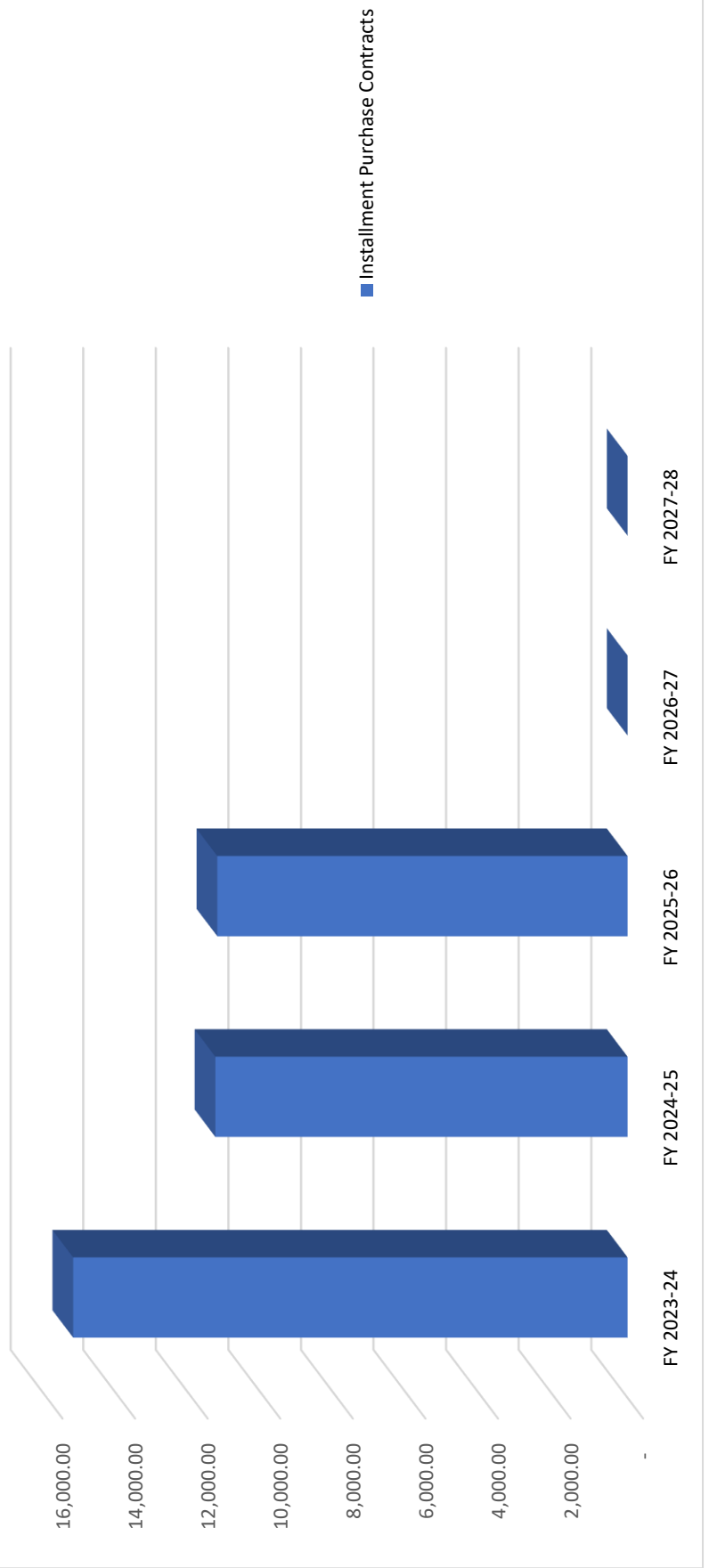
Debt Retired In 2024

FY 21 Installment Purchase 11,357.50 11,357.50 11,304.84

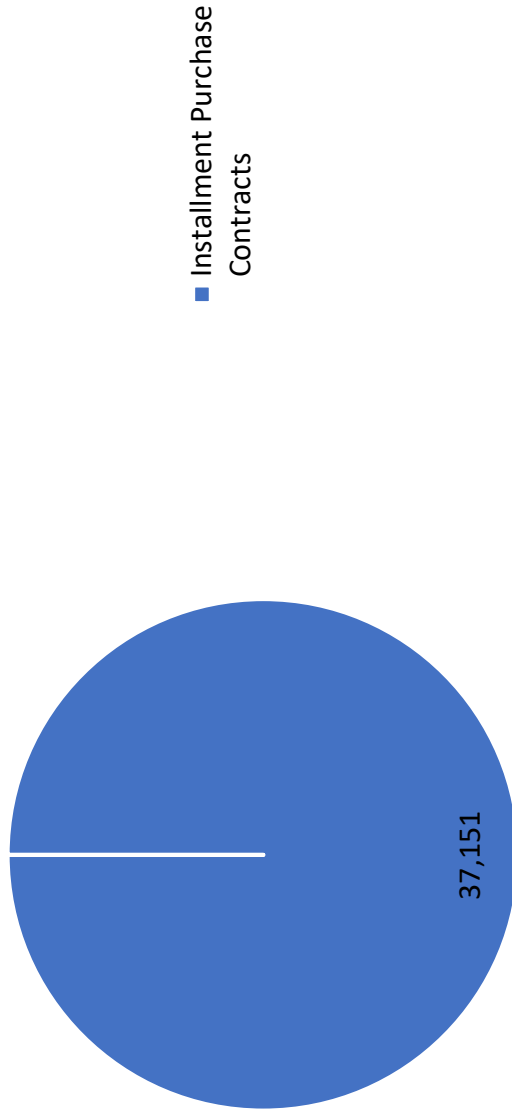
Debt Retired In 2026

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 - May 2024 (91.67% 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	3,780,050.02	8,765.94	584,739	86.60 %
Total 610713 WATER LINES OPERATIONS	937,390	996,044	988,329.87	15,363.58	-7,649	100.80 %
Total 610714 WATER PLANT OPERATIONS	2,342,416	2,408,726	1,864,243.56	321,810.73	222,672	90.80 %
Total 610 WATER FUND	<u>6,656,332</u>	<u>7,778,326</u>	<u>6,632,623.45</u>	<u>345,940.25</u>	<u>799,762</u>	<u>89.70 %</u>
Total 620721 SEWER ADMINISTRATION	3,121,474	4,512,928	3,837,734.82	14,190.58	661,003	85.40 %
Total 620723 SEWER LINES OPERATIONS	1,108,930	1,270,577	898,136.60	51,442.75	320,998	74.70 %
Total 620724 SEWER PLANT OPERATIONS	2,758,365	2,843,861	2,311,963.67	288,083.16	243,814	91.40 %
Total 620 SEWER FUND	<u>6,988,769</u>	<u>8,627,366</u>	<u>7,047,835.09</u>	<u>353,716.49</u>	<u>1,225,815</u>	<u>85.80 %</u>
Total 630731 ELECTRIC ADMINISTRATIO	3,918,825	9,478,225	8,902,696.43	72,939.65	502,589	94.70 %
Total 630732 ELECTRIC PURCHASE	13,760,555	13,760,555	12,290,292.43	0.00	1,470,263	89.30 %
Total 630733 ELECTRIC LINES	3,582,620	4,943,695	3,478,480.88	667,238.52	797,976	83.90 %
Total 630 ELECTRIC FUND	<u>21,262,000</u>	<u>28,182,476</u>	<u>24,671,469.74</u>	<u>740,178.17</u>	<u>2,770,828</u>	<u>90.20 %</u>
Total 640741 NATURAL GAS ADMINISTRA	5,135,252	6,469,336	5,220,861.17	37,587.51	1,210,887	81.30 %
Total 640742 NATUTRAL GAS PURCHASE	17,010,000	17,010,000	9,992,456.97	0.00	7,017,543	58.70 %
Total 640743 NATURAL GAS LINES	2,999,210	3,243,432	2,700,249.26	280,976.14	262,207	91.90 %
Total 640 NATURAL GAS FUND	<u>25,144,462</u>	<u>26,722,767</u>	<u>17,913,567.40</u>	<u>318,563.65</u>	<u>8,490,636</u>	<u>68.20 %</u>
Total 650751 STORMWATER ADMINISTRAT	919,527	1,783,188	1,032,750.18	665,144.11	85,294	95.20 %
Total 650 STORMWATER FUND	<u>919,527</u>	<u>1,783,188</u>	<u>1,032,750.18</u>	<u>665,144.11</u>	<u>85,294</u>	<u>95.20 %</u>

City of Shelby
Weather Variances
Fiscal Year to Date at May 31, 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	7.70	3.30	116	208	92	51	3	-48
June	4.30	0.00	(4.30)	337	0	-337	0	0	0
Totals	48.20	52.39	4.19	1,817	1,525	(292)	3,292	2,739	(553)

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

E. Unfinished Business

Agenda Item: E-1

- 1) Adoption of an ordinance amending Ordinance 33-2024 relating to the Uptown Shelby Social District and amending the map of the Social District: Ordinance No. 49-2024

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

Summary of Available Information:

- Memorandum dated July 11, 2024, from Jason Lunsford, City Attorney to Rick Howell, City Manager
- Amended Map of Social District
- Ordinance No. 49-2024

City Manager's Recommendation / Comments

Ordinance No. 49-2024 is presented for City Council consideration at this time as unfinished business. Council will recall that the designated area for the Uptown Shelby Social District was set to coincide with the existing boundaries of the Municipal Service District (MSD). After a review by the City Attorney and after receiving a request from officials at the courthouse it is the belief of staff that it is appropriate to amend the current boundary to reflect the changes shown on the enclosed boundary map. The change simply moves the boundary from Justice Place in front of the courthouse to Dekalb Street. Staff sees no reason this request cannot be accommodated as it is well reasoned that the consumption of alcohol in close proximity to the courthouse has a probability to be problematic. The City Attorney has prepared an amendment to the current ordinance along with the included map.

It is my recommendation that Ordinance No. 49-2024 be adopted and approved by City Council at this time.

To: Rick Howell

From: Jason Lunsford, City Attorney

Date: July 11, 2024

RE: Map Amendment to the Uptown Shelby Social District Ordinance

INTRODUCTION:

On April 15, 2024, Shelby City Council voted to approve the Uptown Shelby Social District, which took effect on July 1, 2024. Just prior to the effective date, staff received concerns from elected officials and security personnel at the Cleveland County Courthouse regarding the safety of citizens in general and more specifically staff at the courthouse given the then approved extension of the Uptown Shelby Social District past Dekalb Street and to Justice Place, ending immediately in front of the courthouse. With these concerns in mind and protecting the safety of all concerned while also maintaining the inclusion of all existing businesses, at the earliest possible date for City Council's approval, staff has amended the map to end at Campbell Street and Dekalb Street, thus excluding Justice Place and the existing courthouse, but continuing to include Graham Street to Dekalb Street over to Pinkney Street for the benefit of existing business. The proposed map is attached to the Amended Ordinance for your consideration and City Council approval.

RECOMMENDATION:

Following any further discussions and questions from City Council, it is recommended that City Council approve the Ordinance entitled AN ORDINANCE AMENDING ORDINANCE 33-2024 RELATING TO THE UPTOWN SHELBY SOCIAL DISTRICT AND AMENDING THE MAP OF THE SOCIAL DISTRICT. Following the approval of City Council, I will provide a copy of the Amended Map to the North Carolina Alcoholic Beverage Control (ABC) Commission for their records with no further approval needed, direct staff to update the City's Website, and request staff adjust the current boundary signs to correspond to the amended map. I will also amend the current Maintenance and Operation Plan to reflect the change there as well. A copy of the amended map will also be available in hard copy at the Office of the City Clerk for further inspection.

ORDINANCE NO. 49-2024

**An Ordinance Amending Ordinance 33-2024
Relating to the Uptown Shelby Social District and
Amending the Map of the Social District**

WHEREAS, on April 15, 2024, the Shelby City Council adopted Ordinance 33-2024 creating the Uptown Shelby Social District pursuant to N.C. Gen. Stat. § 18B-300.1 and N.C. Gen. Stat. § 160A-205.4 and;

WHEREAS, for the safety and concerns of the public at large, staff is recommending changing the map of the Uptown Social District to exclude the current section starting at Campbell Street and Dekalb Street extending from Dekalb Street to Justic Place and changing the boundary to stop at Campbell Street and Dekalb Street to Graham Street and then extending down Graham Street and over to Justice Place ending at Pinkney Street as depicted on the map attached.

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

Section 1. The Uptown Shelby Social District shall be limited to the area depicted on the map dated and found on the City’s website or upon inspection with the City Clerk and so amended this day, July 15, 2024. The Uptown Shelby Social District is restricted to the following Exhibit A.

Section 2. Staff shall submit the amended map to the Alcoholic Beverage Control (ABC) Commission pursuant to N.C. Gen. Stat. 18B-300.1. The amended map shall also be updated on the City’s website and the management and maintenance plan.

Adopted this 15th day of July, 2024.

Effective this 16th day of July, 2024.

O. Stanhope Anthony, III
Mayor

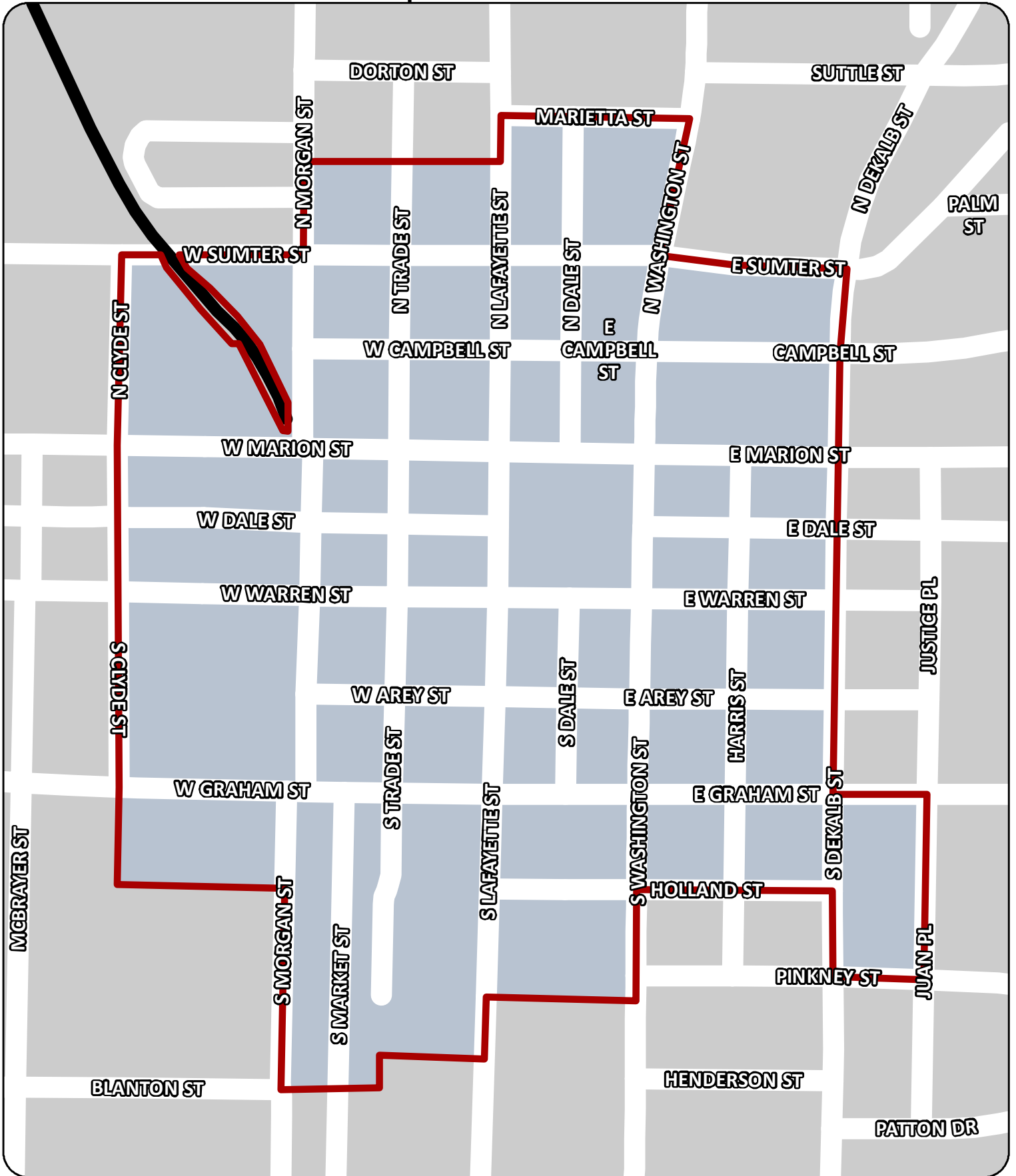
ATTEST

Carol Williams
City Clerk

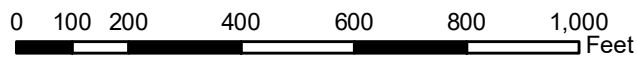
APPROVED AS TO FORM

Jason Lunsford
City Attorney

Exhibit A Proposed Social District



Social District Boundary
 Carolina Harmony Trail
 Social District Area



F. New Business

Agenda Item: F-1

- 1) Approval of a resolution establishing a Capital Reserve Fund for the Electric System of the City of Shelby, North Carolina: Resolution No. 50-2024

New Business Agenda Item: (Presenting: Rick Howell, City Manager)

Summary of Available Information:

- Resolution No. 50-2024

City Manager's Recommendation / Comments

Resolution No. 50-2024 is presented for City Council consideration as new business. If approved this resolution would establish a capital reserve fund within the Electric Fund in order to set aside current and future funding for the specified electric capital project. Establishment of this fund allows the City to segregate funding for specific electric system capital projects identified as future needs and to ensure that sufficient amounts are set aside annually for those needs.

Beginning in 2024 and ending June 30, 2031 the City would set aside \$15,000,000 for construction of a new electric substation, advanced metering infrastructure and expansion of existing buildings or construction of new buildings/facilities specifically needed by the electric department. The funding would be set aside from an expected \$3,400,000 credit on the City's wholesale power purchases from the NCMPA1 in August 2024 and then an amount not to exceed \$2,000,000 annually from July 1, 2024 to June 30, 2031.

It is my recommendation that Resolution No. 50-2024 be adopted and approved at this time.

Resolution No. 50-2024
A Resolution Establishing a Capital Reserve Fund
for the Electric System of the City of Shelby, North Carolina

Whereas, a need has been identified by the City of Shelby to provide funding for future electric system capital projects; and

Whereas, the City of Shelby finds it appropriate to fund these electric system capital projects through the set aside of one-time credits from the NCMPA1 as a result of lower wholesale power costs, annual net retained earnings and through anticipated future borrowings; and

Whereas, NC General Statute 159-18 authorizes the City Council to establish and maintain a capital reserve fund for any purposes for which it may issue bonds; and

Whereas, NC General Statute 159-48(d)(3) authorizes a city to borrow money and issue bonds for the provision of an electric system including without limitation facilities for the generation, transmission, and distribution of electric light and power.

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

Section 1. That the City Council hereby creates a Capital Reserve Fund for the purpose of funding future electric system capital projects as noted below:

- a. An electric substation at a site to be determined to serve the growing electric load of developing areas within and/or without the city limits. (\$5,000,000)
- b. An Advanced Metering Infrastructure (AMI) system to serve the future needs of the electric system. (\$4,000,000)
- c. The expansion of existing buildings/facilities or construction of new buildings/facilities to provide space for the needs of the electric system. This may also include the acquisition of real property. (\$6,000,000)

Section 2. That the City Council reserves the right to adjust these amounts from time to time based upon the needs of the City.

Section 3. That the City Council hereby directs that the following revenues generated by the electric system be transferred to the Capital Reserve Fund as follows.

- a. The approximately \$3,400,000 anticipated to be received from the NC Municipal Power Agency 1 (NCMPA1) in August 2024.
- b. An amount not to exceed \$2,000,000 annually from electric system net retained earnings after the close of each fiscal year.

- c. All interest derived from the investment of the accumulated funding described in items a and b above are to be retained in the Capital Reserve Fund and counted toward the \$15,000,000 to be set aside.

Section 4. These revenues totaling \$15,000,000 are to be accumulated within the Capital Reserve Fund beginning July 1, 2024 through June 30, 2031.

Section 5. The City Manager in consultation with the Finance Director is hereby directed and authorized to implement the provisions of this resolution.

Section 6. This resolution shall become effective upon its adoption and approval.

Adopted and approved this the 15th day of July, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

Agenda Item: G

City Manager's Report

I will report to Mayor and Council about ongoing projects and issues. The projects and issues reported upon are intended to be for your information and do not necessarily require action by Council.

Agenda Item: H

Council Announcements and Remarks

Agenda Item: I

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).

J. Adjournment:

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

- 1) Motion to adjourn