

Shelby City Council Agenda
Regular Meeting
August 5, 2024 at 6:00 p.m.

Don Gibson Theater
318 South Washington Street
Shelby, North Carolina

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

Invocation

Pledge of Allegiance

A. Approval of Agenda

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

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

B. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of July 15, 2024
- 2) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from Todd Doupona: Resolution No. 51-2024 (Borders Road and East Marion Street)
- 3) Adoption of a budget ordinance amendment for the City of Shelby's First Broad Outfall Sewer Improvement Project: Ordinance No. 50-2024
- 4) Management Reports:
 - a) Monthly Financial Summary – June 2024

END OF CONSENT AGENDA

C. Unfinished Business:

- 1) Approval of a resolution awarding the contract for the City of Shelby's S. Morgan St and Market St Water and Sewer Rehabilitation Project to Father and Son Enterprises, LLC: Resolution No. 52-2024**

D. New Business:

- 1) Approval of a resolution authorizing selection of HDR Engineering, Inc. of the Carolinas for professional engineering services for the feasibility study with preliminary engineering report to extend utilities to the US-74 Bypass interchanges: Resolution No. 53-2024**
- 2) Approval of a resolution authorizing disbursement of Travel and Tourism funding for Fiscal Year 2024-2025: Resolution No. 54-2024**

E. City Manager's Report

F. Council Announcements and Remarks

G. 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).**

H. 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

B. Consent Agenda:

Agenda Item: B-1

- 1) Approval of the Minutes of the Regular Meeting of July 15, 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 July 15, 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

July 15, 2024
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members David Causby, Charles Webber, Violet Arth, David White, and Emilie Bullock; City Manager Rick Howell, MPA, ICMA-CM, 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, Director of Human Resources Deborah (Deb) Jolly, Fire Chief William Hunt, EFO, Chief of Police Brad Fraser, Director of Planning and Development Services Brian Burgess, Director Parks and Recreation Charlie Holtzclaw, Public Works Director Scott Black, Public Information and Communications Officer Chip Nuhrah, Economic Developer Brandon Ruppe, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

Absent: Council Member Andrew L. Hopper, Sr.

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

Mr. White led the Pledge of Allegiance.

A. Approval of agenda:

Ms. Arth requested an additional item be added to the Closed Session regarding property acquisition.

- 1) Motion to adopt the amended agenda presented.

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

B. Special Presentation:

- 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

Presenter: Mayor Anthony

Mayor Anthony recognized Mrs. Beam on the Achievement for Excellence in Financial Reporting which is awarded by the Government Finance Officers Association. Mrs. Beam stated the City has received this award for over 20 years. Mrs. Beam also stated it is a team effort and she has a great team in the Finance Department.

C. Public Comment:

None

D. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of June 17, 2024**
- 2) Adoption of a budget ordinance amendment for the City of Shelby's Randolph Road Industrial Park Sewer Extension Project: Ordinance No. 47-2024**
- 3) Adoption of FY 2023-2024 budget ordinance amendment No. 12: Ordinance No. 48-2024**
- 4) Approval of a reimbursement resolution with regard to Installment Financings for FY 2024-2025: Resolution No. 47-2024**
- 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**
- 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**
- 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

8) Management Reports:

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

END OF CONSENT AGENDA

E. Unfinished Business:

- 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

Presenting: City Attorney Jason Lunsford:

- Provided an update on the Uptown Shelby Social District which went into effect recently on July 1, 2024
- Just prior to launching the social district concerns were brought up that the district included Justice Place which is the street directly in front of the Law Enforcement Center
- Officials at the Law Enforcement Center requested the district be amended so that any possible issues could be avoided
- The amended map presented simply moves the boundary from Justice Place to DeKalb Street and still includes the Pinkney Street/ Juan Place area

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to approve Ordinance No. 49-2024 entitled, “AN ORDINANCE AMENDING ORDINANCE 33-2024 RELATING TO THE UPTOWN SHELBY SOCIAL DISTRICT AND AMENDING THE MAP OF THE SOCIAL DISTRICT.”

F. New Business:

- 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

Presenting: City Manager Rick Howell:

- This resolution sets aside \$15 million for future Electric system needs, including, a possible new substation, metering infrastructure and expansion of existing buildings or construction of new buildings
- The funding comes from an expected \$3.4 million credit on the City's wholesale power purchase from the NCMAPA1 in August 2024 and then an amount not to exceed \$2 million annually from July 1, 2024 to June 30, 2031

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve Resolution No. 50-2024 entitled, "A RESOLUTION ESTABLISHING A CAPITAL RESERVE FUND FOR THE ELECTRIC SYSTEM OF THE CITY OF SHELBY, NORTH CAROLINA."

G. City Manager's Report:

Construction of the new County Home Road segment near the SECU is set to begin as soon as some required electric utility relocation is completed by Duke Energy. This is being scheduled and work by Duke is approximately 3-4 weeks out. Once that work is completed the City's contractor can begin road construction. A 90-120-day construction time frame is expected.

The City closed the purchase on the Webbley property on April 18, 2024. Contract work with Clearscapes Architecture for architectural services related to this project are ongoing. DFI is gearing up to begin the stakeholder input process and as I know more about that I will inform Council. Maintenance work continues on the grounds including underbrush removal and regular mowing.

The City has received the funding for the directed grant from the State of North Carolina in the amount of \$3,995,500. These funds are restricted "for the purchase and restoration of the historic home (Webbley) of former Governor O. Max Garder."

The City closed the purchase on the Hotel Charles property on April 23rd. As you know the first round of soliciting for potential qualified developers did not result in a match. DFI continues to work on the process of securing a qualified development partner who meets the requirements and public interests outlined. I would note that DFI is a long term partner in this project and will continue to actively engage the development community with the goal of finding the right development partner who can deliver the project.

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. As you all know the City was not successful in our 5th attempt to secure a

RAISE grant. At some point we will debrief with USDOT. That usually occurs in the fall. Staff continues to work toward identifying funding for this project. The inside City portion of this project is expected to be bid in early fall. The City does have significant grant funding toward this section of the rail trail but will not know until bids are received as to whether it is sufficient to move forward with an award. A future RAISE grant application may not be feasible if this section is built as the more rural portion may not be competitive using USDOT criteria.

Work on the Comprehensive Land Use Plan has begun. Stewart is in the initial phase of reviewing existing City plans, data gathering and mapping. A community tour and kickoff with staff are being scheduled for this month. I have included a draft project schedule. The goal is to wrap up the document and have it adopted by Council by early June 2025.

TGS Engineering continues the design of the remainder of Phase I of the rail trail. This essentially is the section from Marion Street to Dekalb Street (exclusive of the Depot Park section). This section is tentatively scheduled to go out to bid in late fall 2024.

Destination by Design has completed the engineering and architectural design for the renovation of the old depot and construction of Depot Park. This project is now back on track and was put out for bid at the end of June. A pre-bid meeting was held this morning for interested contractors. Bids are due on August 5, 2024.

Planning has begun for the development of a dog park on a portion of the former Shelby Middle School ballfield. This 6-acre site is adjacent to and will eventually be accessed from the rail trail. A more detailed schedule will be shared with Council once the site has been fully evaluated to address stormwater issues. An engineer has been retained to assist this project. There are some significant stormwater issues that will have to be resolved prior to actual construction on the dog park itself.

Phase I of the implementation of the Transportation Asset Management Plan is nearing completion. Approximately \$2.8 million of the \$10 million street improvement bonds passed by voters in November 2021 have been used in this phase for street resurfacing. Approximately 17 miles of streets have been resurfaced in TAMP Phase I.

Planning for Phase II of TAMP is in process as staff continues plans 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.

TAMP Phase III planning is moving forward. Much of this work is contingent on the planning, budgeting and construction of underground utility repair and replacement projects in advance of resurfacing. This phase would resurface approximately 18 miles. It is proposed for funding from the remaining \$4.0 million in authorized street / sidewalk improvement bonds. A revenue source for repayment of these bonds has not yet been identified.

The Cross-Town Water Main 24" Transmission Line Phase II project will extend the 24" diameter water main approximately 9,000 lf from the intersection of Marion Street/Morgan Street along S. Morgan Street to Graham Street to the South Tank on S. Lafayette Street and to the intersection with Forest Hill Drive/Beaumonde. Approximately 4,500 lf of sewer main in conflict with the line will also be replaced. This is the second of a multiphase project to improve water supply to the south, east and north of the uptown area. It is intended to improve fire flow, water volume/pressure and water quality overall in the system. It is high priority. Fuller and Company, (Crouse, NC) is the contractor. Substantial completion is expected in May 2025. Statutory completion deadline to expend all funds is December 31, 2026.

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.

Construction on the Hickory Creek sewer outfall project has begun. It will replace approximately 5,000 lf of existing sewer outfall with 24" diameter pipe. It runs along Hickory Creek from the end of Windsor Drive to Dixon Blvd. This project replaces an existing sewer outfall that has been plagued with Sanitary Sewer Overflows due to infiltration and inflow. Construction began in August 2023. Dellinger (Monroe, NC) is the contractor. Substantial completion is expected in June 2024. Statutory deadline to expend all funds is December 31, 2026. 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 WTP Filter Rehabilitation & Sedimentation Valve Replacement project consists of the rehabilitation and repair of 8 water treatment plant filters as well as the repair/replacement of the sedimentation basin gate and mud valves. JS Haren (Athens, TN) is the contractor. Construction began on this project in late 2023. Substantial completion is anticipated in September 2024. Statutory deadline to expend all funds is December 31, 2026.

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.

The First Broad River Sewer Outfall 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 Council Chambers – A scope of work is being developed to renovate the interior of the chambers after the broken water line flooded the room. I anticipate the scope to include a new sound system, camera system, addition of a video display system, carpet replacement, furnishings, ADA bathroom upgrades, lighting improvements as well as other improvements.

City Hall Annex – This project was bid in March. Upland Architecture is the design architect. This project will involve 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. Contracts have been signed and work began the week of July 8th.

Airport – As you know the City has maintained a goal to make the airport a self-sustainable operation for many years. As the City has made investments in revenue generating projects such as T-Hangars and fuel sale facilities this has come closer to reality. The City has been successful in receiving a number of NC Division of Aviation grants for a variety of projects including these above-mentioned revenue generating projects. These have all contributed to making the Shelby airport somewhere owners/pilots want to base their aircraft. This in turn results in an increase in the personal property tax base of the City as well as increased property tax receipts.

As such the latest Airport Layout Plan adopted by City Council in April 2023 identified a number of future improvements that will allow the City to move the airport even closer to self-sufficiency. One such project involves extension of the taxiway toward the east allowing for the construction of additional corporate aircraft hangars. Due to the potential for investment by private owners in a couple of new hangars the City is moving towards securing grant funding for the infrastructure necessary for this to occur. More details on this will hopefully be forthcoming in the next 60 days or so.

H. Council Announcements and Remarks:

Mayor Anthony reminded everyone of the American Legion World Series Festival on August 10, 2024 and the Host City Welcome on August 14, 2024.

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

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. Ruppe, Mrs. Jolly, Chief Fraser, Mrs. Williams and Mrs. Jones to attend. The motion passed unanimously, and Council moved into closed session at 6:24 p.m.

At the conclusion of the Closed Session item, Mr. Causby made a motion for City Council to return to the regular session at 6:53 p.m. and seal the minutes.

J. Adjournment:

- 1) Motion to adjourn**

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 6:54 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony, III
Mayor**

Minutes of July 15, 2024

DRAFT

Agenda Item: B-2

- 2) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from Todd Doupona: Resolution No. 51-2024 (Borders Road and East Marion Street)

Consent Agenda Item: (Brian Burgess, Director of Planning & Development)

Summary of Available Information:

- Memorandum dated July 30, 2024, from Brian Burgess, Director of Planning & Development to Rick Howell, City Manager
- Petition of Annexation
- Annexation Plat
- Resolution No. 51-2024

City Manager's Recommendation / Comments

It is my recommendation that Resolution No. 51-2024 be adopted and approved by City Council via the Consent Agenda at this time. The City Clerk will report her findings to you at your regular meeting to be held August 19, 2024, and the required public hearing would be held September 9, 2024, assuming the petition is determined to be sufficient.

This is a required step in the voluntary annexation process. Staff received the application and verified the information submitted is correct and that the prescribed fee of \$500 has been paid. The Clerk will review all the information submitted and any other applicable information and then determine if the application is sufficient for City Council to proceed to public hearing. If the application is sufficient and City Council proceeds with the public hearing, then I will direct staff to conduct a preliminary review to determine if the City can generally provide similar services to this property.

It is my recommendation that Resolution No. 51-2024 be adopted and approved by City Council via the Consent Agenda.

MEMORANDUM

To: Rick Howell – City Manager
From: Brian Burgess – Director of Planning & Development
Date: July 30, 2024
Subject: Borders Rd and E. Marion St. Annexation

Background

Wayne & Iris Beam have submitted a petition for annexation and conditional zoning at the corner of E. Marion and Borders Rd. This item is for annexation of the property. NCGS 160A-31 allows for the governing board of any municipality to annex, by ordinance, any area contiguous to its boundaries.

Recommendation

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

Attachments:

Annexation Petition
Annexation Plat



City of Shelby
Planning and Development Services Department

Petition for Annexation
(Satellite or Contiguous)

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

Address of Subject Property:

Parcels 22186, 22301, 22284

Applicant(s) Name: Todd Doupona
Address: 8307 Hampton Fare Lane
Waxhaw, NC 28173
Email: tdoupona@wdgse.com
Phone: 919-901-8299

Owner(s) Name: Wayne E. Beam/Iris C. Beam
Email:
Phone:

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

Provide a brief description of the subject property. Attach additional pages or documentation if necessary.
This is a proposed single family subdivision located on approximately 46 acres at 1853 East Marion Street in Light Oak, North Carolina.

Signature of Owners:

Signatures of all Individual Property Owner(s) and Spouses, if any

Wayne E. Beam
Signature of Owner

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

Iris C. Beam
Signature of Owner

If Owner is a Corporation:
Registered Name of Corporation

(Corp. Seal) Signature of President/Vice President

Attested by:
Signature of Secretary/Assistant Secretary

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

STATE OF North Carolina
COUNTY OF Cleveland

I, Serella M. Greene, a Notary Public for said County and State, do hereby certify that Wayne E. Beam and Eric C. Beam, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 15th day of March, 2024.



Serella M. Greene
Notary Public

My Commission Expires: October 24, 2026

If Owner is a Partnership:

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

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

(SEAL)

Notary Public

My Commission Expires: _____

If Owner is a Corporation:

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

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

(SEAL)

Notary Public

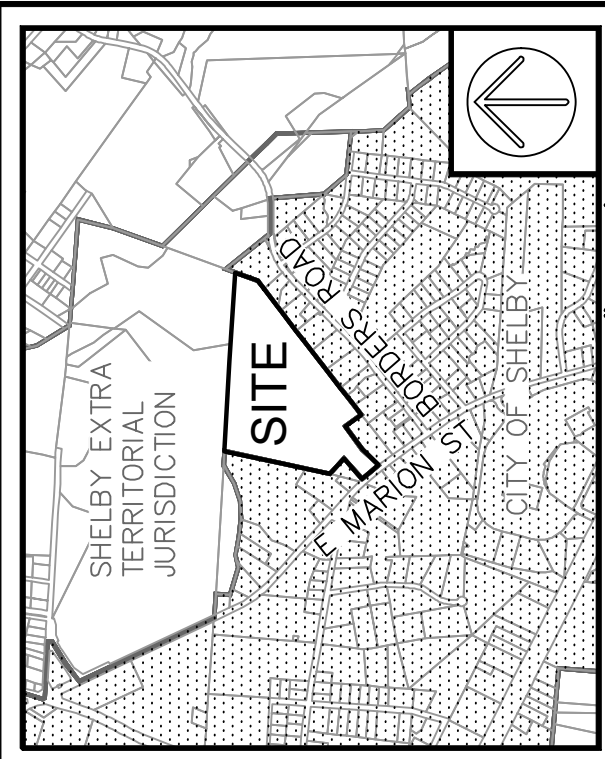
My Commission Expires: _____



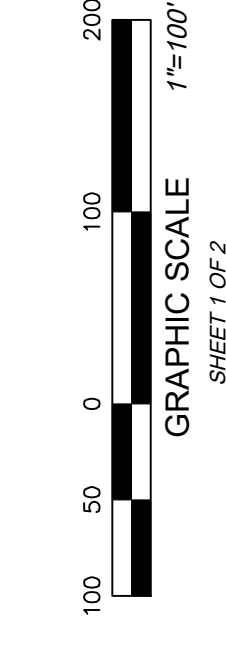
City of Shelby

CONTIGUOUS ANNEXATION CHECKLIST Requirements for filing an application

- 1. One (1) completed **checklist** (this form).
- 2. One (1) completed **application**, signed by the applicant.
- 3. Application fee of **\$500.00**. Make checks payable to "City of Shelby".
The check is in the mail
- 4. One (1) copy of a **metes and bounds description** or a reference to the location within a recorded subdivision plat of the specific property for which annexation is requested.
- 5. One (1) copy of information as to the location of a **recorded document** by which undersigned owner(s) acquired ownership of the property in question (i.e. Record Book 1106, Page 923 or File No. 91 E 296, and/or any other source).
- 6. Three (3) copies of an **annexation plat**, no larger than 24" by 36" and drawn to scale, that shows metes and bounds. **Must be sealed by a registered engineer, surveyor, architect, or landscape architect licensed to practice in the State of North Carolina.*
- 7. One (1) copy of the **Cleveland County Tax Map**, at 8.5" by 11", showing the location of the subject property.
- 8. One (1) copy or PDF version, at 8.5" by 11", of the **metes and bounds, annexation plat, tax map, and any additional information** submitted for review.
- 9. **Contact person/Appointed Agent** (See Appointment of Agent Application) identified. This person will be contacted to provide additional information and will receive the written Decision Letter.



- LEGEND**
- ▲ CALCULATED POINT
 - IRON REBAR FOUND
 - TOP OF PIPE FOUND
 - AXLE FOUND
 - IRON ROD FOUND
 - ▲ ANGLE IRON FOUND
 - CONC. MONUMENT FOUND
 - IRON REBAR SET
 - PROPERTY LINE
 - CITY LIMITS



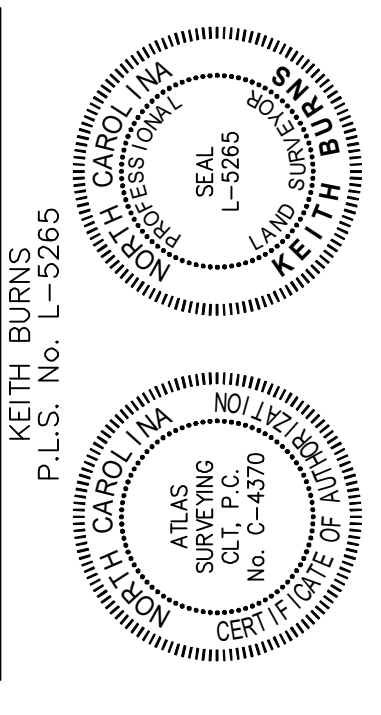
AN ANNEXATION PLAT PREPARED FOR:
WEEKS DEVELOPMENT GROUP

PARCEL ID No. 2556946968
1853 E MARION STREET
CLEVELAND COUNTY, NORTH CAROLINA
CURRENT OWNER OF RECORD:
ROSE IRIS B
LEIGH MARY B ETALS

FIELD WORK:
RJB
RM
08-27-2023
SCALE:
1"=100'
PROJECT No.:
CLT-23089
FILE:
CLT-23099 TOPO/DWG

I, KEITH BURNS, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (SEE LISTED REFERENCES); THAT THE BOUNDARIES NOT SURVEYED ARE INDICATED AS DRAWN FROM INFORMATION IN LISTED REFERENCES; THAT THE RATIO OF PRECISION OR POSITIONAL ACCURACY IS GREATER THAN 1:10,000; AND THAT THIS MAP WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED.

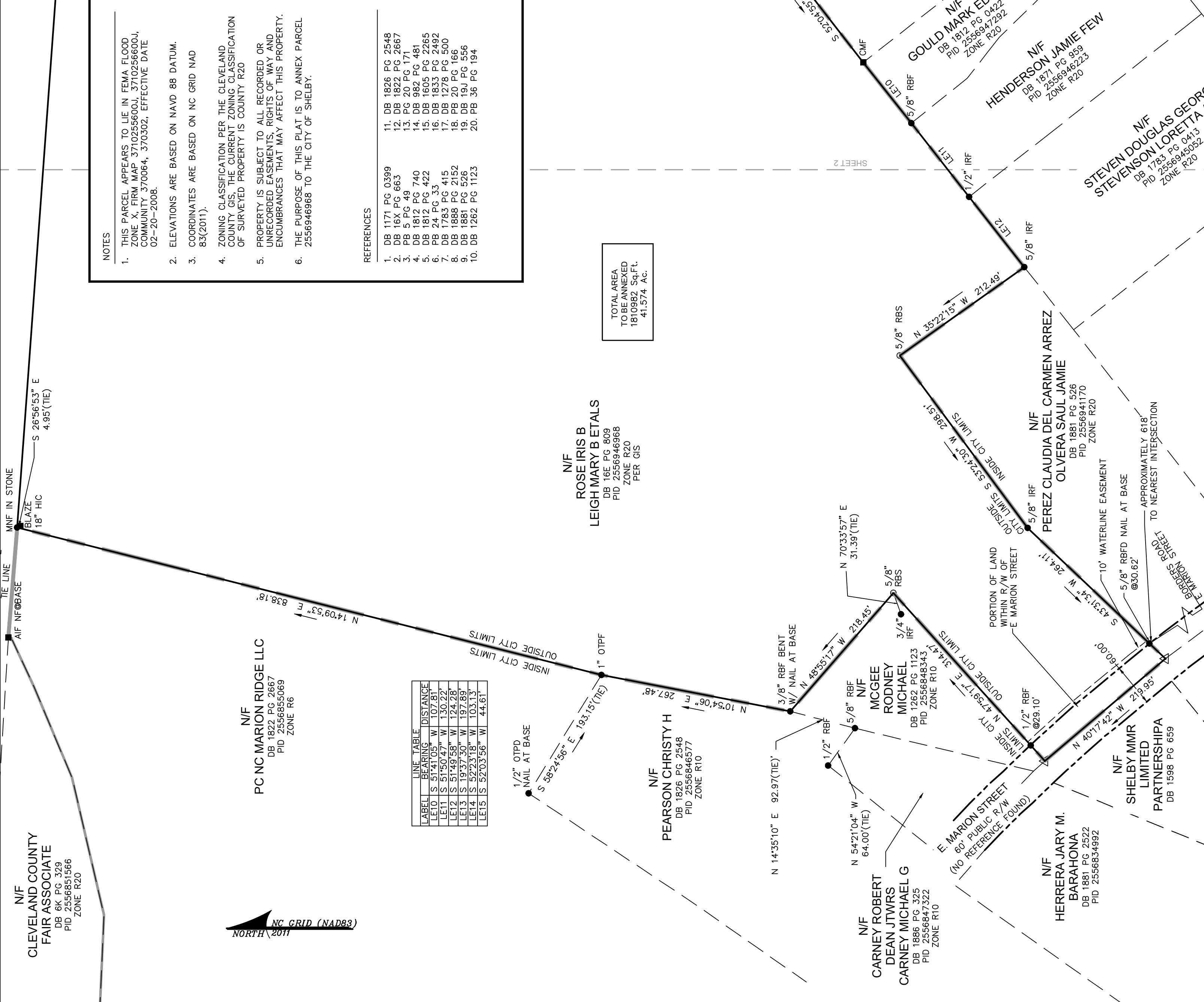
FOR REVIEW ONLY



ATLAS SURVEYING, INC.
13331 YORK CENTER DRIVE, SUITE E
CHARLOTTE, NC 28273
PHONE: (980) 949-8475
WEBSITE: WWW.ATLASSURVEYING.COM

- NOTES**
- THIS PARCEL APPEARS TO LIE IN FEMA FLOOD ZONE X, FIRM MAP 3710256600J, 3710256600J, COMMUNITY 370064, 370302, EFFECTIVE DATE 02-20-2008.
 - ELEVATIONS ARE BASED ON NAVD 88 DATUM.
 - COORDINATES ARE BASED ON NC GRID NAD 83(2011).
 - ZONING CLASSIFICATION PER THE CLEVELAND COUNTY GIS, THE CURRENT ZONING CLASSIFICATION OF SURVEYED PROPERTY IS COUNTY R20
 - PROPERTY IS SUBJECT TO ALL RECORDED OR UNRECORDED EASEMENTS, RIGHTS OF WAY AND ENCUMBRANCES THAT MAY AFFECT THIS PROPERTY.
 - THE PURPOSE OF THIS PLAT IS TO ANNEX PARCEL 2556946968 TO THE CITY OF SHELBY.
- REFERENCES**
- DB 1171 PG 0399
 - DB 1822 PG 2548
 - DB 16E PG 809
 - PB 5 PG 49
 - DB 1812 PG 740
 - DB 1812 PG 422
 - DB 24 PG 33
 - DB 1833 PG 2265
 - DB 1833 PG 2492
 - DB 1783 PG 415
 - DB 1888 PG 2152
 - DB 1881 PG 526
 - DB 1262 PG 1123
 - DB 1826 PG 2548
 - DB 1822 PG 2667
 - DB 20 PG 171
 - DB 982 PG 481
 - DB 1605 PG 2265
 - DB 1833 PG 500
 - DB 1278 PG 166
 - DB 20 PG 166
 - DB 19J PG 556
 - DB 36 PG 194

TOTAL AREA TO BE ANNEXED
1810962 Sq.Ft.
41.574 AC.



| LABEL | BEARING | DISTANCE |
|-------|---------------|----------|
| LE10 | S 51°41'05" W | 107.81 |
| LE11 | S 51°50'47" W | 130.22 |
| LE12 | S 51°49'58" W | 124.28 |
| LE13 | S 19°37'30" W | 197.89 |
| LE14 | S 52°23'18" W | 103.13 |
| LE15 | S 52°03'56" W | 44.61 |

REVIEW OFFICER CERTIFICATION
STATE OF NORTH CAROLINA, COUNTY OF CLEVELAND
REVIEW OFFICER _____ DATE _____
CERTIFICATE OF OWNERSHIP
I (WE) HEREBY CERTIFY THAT I AM (WE ARE) THE OWNER(S) OF THE PROPERTY DESCRIBED HEREON, WHICH PROPERTY IS WITHIN THE SUBDIVISION REGULATION JURISDICTION OF THE CITY OF SHELBY, AND THAT I (WE) FREELY ADOPT THIS PLAN OF SUBDIVISION. I (WE) FURTHER CERTIFY THAT THE RESIDUAL TRACT ON THIS PLAN CANNOT BE FURTHER SUBDIVIDED USING THE MINOR SUBDIVISION PLAT APPROVAL PROCESS WITHIN TWO YEARS OF THE DATE OF RECORDATION.

REVIEW OFFICER _____ DATE _____
CERTIFICATE OF MINOR PLAT APPROVAL
I HEREBY CERTIFY THAT THE MINOR SUBDIVISION SHOWN ON THIS PLAT DOES NOT INVOLVE THE CREATION OF NEW PUBLIC STREETS OR ANY CHANGE IN EXISTING PUBLIC STREETS THAT THE SUBDIVISION SHOWN IS IN ALL RESPECTS IN COMPLIANCE WITH THE SHELBY UNIFIED DEVELOPMENT ORDINANCE AND THAT THEREFORE THIS PLAT HAS BEEN APPROVED BY THE SHELBY CITY ADMINISTRATOR, SUBJECT TO ITS BEING RECORDED IN OFFICE OF THE REGISTER OF DEEDS WITHIN THIRTY DAYS OF THE DATE BELOW.
UDO ADMINISTRATOR _____ DATE _____

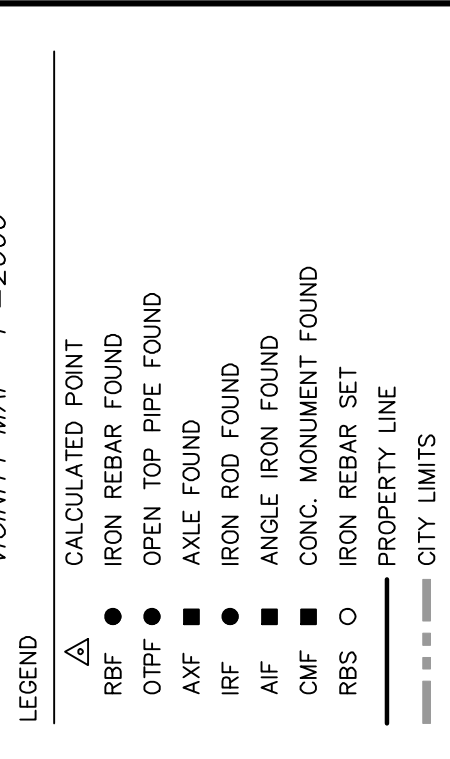
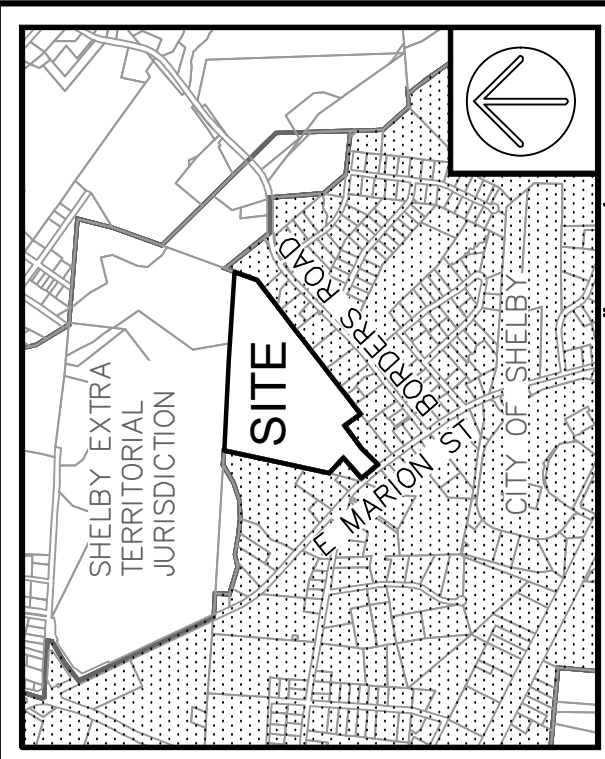
I, KEITH BURNS, REGISTERED LAND SURVEYOR NO. L-5265, CERTIFY TO ONE OR MORE OF THE FOLLOWING AS INDICATED THIS: OR :
 A. THAT THIS PLAT IS OF A SURVEY THAT CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.
 B. THAT THIS PLAT IS OF A SURVEY THAT IS LOCATED IN SUCH PORTION OF A COUNTY OR MUNICIPALITY THAT IS UNREGULATED AS TO AN ORDINANCE THAT REGULATES PARCELS OF LAND.
 C. THAT THIS PLAT IS OF A SURVEY OF AN EXISTING PARCEL OR PARCELS OF LAND.
 D. THAT THIS PLAT IS OF A SURVEY OF ANOTHER CATEGORY, SUCH AS THE RECOMBINATION OF EXISTING PARCELS; A COURT-ORDERED SURVEY OR OTHER EXCEPTION TO THE DEFINITION OF SUBDIVISION.
 E. THAT THE INFORMATION AVAILABLE TO THIS SURVEYOR IS SUCH THAT I AM UNABLE TO MAKE A DETERMINATION TO THE BEST OF MY PROFESSIONAL ABILITY AS TO PROVISIONS CONTAINED IN (A) THROUGH (D) ABOVE.

FOR REVIEW ONLY

KEITH BURNS
P.L.S. No. L-5265
I, KEITH BURNS, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL GPS SURVEY MADE UNDER MY SUPERVISION AND THE FOLLOWING INFORMATION WAS USED TO PERFORM THIS SURVEY:
CLASS OF SURVEY: AA
POSITIONAL ACCURACY: H:0.05 V:0.07
GPS PROCEDURE: REAL-TIME KINEMATIC
DATE OF SURVEY: 11/03/2023
DATUM/EPOCH: NAD83/2011
PUBLISHED/FIXED CONTROL USE: DQ2953
GEOID MODEL: 18
COMBINED GRID FACTOR: 0.99984130
UNITS: US SURVEY FEET

FOR REVIEW ONLY

KEITH BURNS
P.L.S. No. L-5265

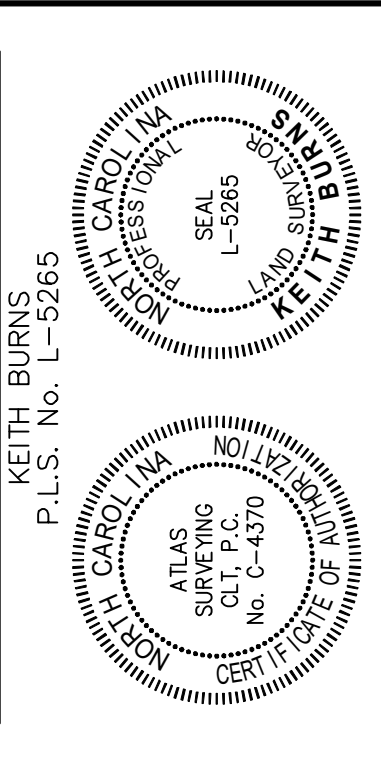


AN ANNEXATION PLAT PREPARED FOR:
WEEKS DEVELOPMENT GROUP
 PARCEL ID No. 2556946968
1853 E MARION STREET
 CLEVELAND COUNTY, NORTH CAROLINA
 CURRENT OWNER OF RECORD:
ROSE IRIS B
LEIGH MARY B ETALS

FIELD WORK:
 RJC
 FIELD CHECK:
 RM
 DRAWN BY:
 08.27.2011
 SCALE:
 1"=100'
 PROJECT No.:
 CLT-23089
 FILE:
 CLT-23098 TOP/DWG

I, KEITH BURNS, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (SEE LISTED REFERENCES). THAT THE BOUNDARIES NOT SURVEYED ARE INDICATED AS DRAWN FROM INFORMATION IN LISTED REFERENCES; THAT THE RATIO OF PRECISION OR POSITIONAL ACCURACY IS GREATER THAN 1:10,000; AND THAT THIS MAP WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED.

FOR REVIEW ONLY



ATLAS SURVEYING, INC.
 13331 YORK CENTER DRIVE, SUITE E
 CHARLOTTE, NC 28273
 PHONE: (980) 949-8475
 WEBSITE: WWW.ATLASSURVEYING.COM

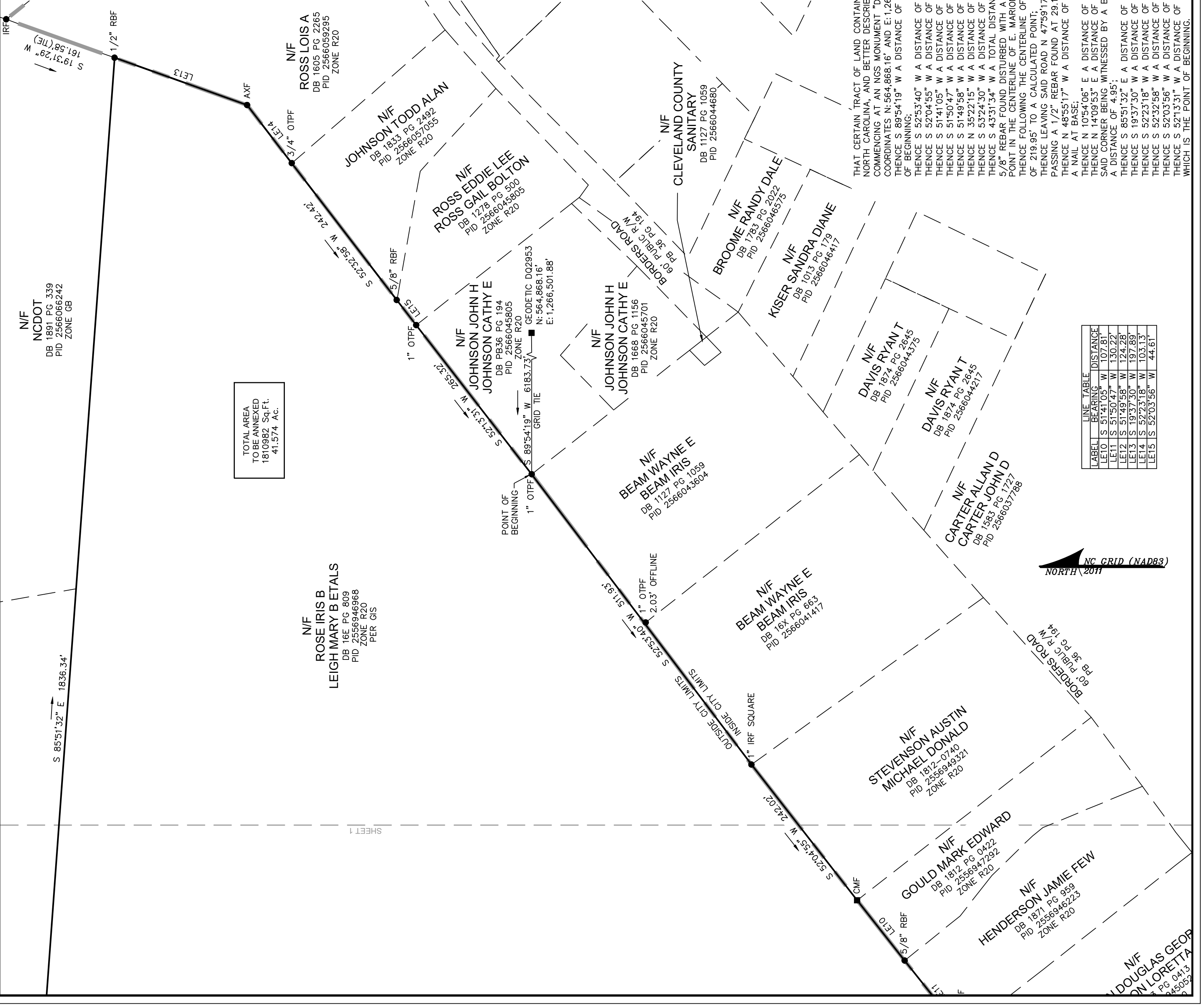
- NOTES**
- THIS PARCEL APPEARS TO LIE IN FEMA FLOOD ZONE X, FIRM MAP 3710256600J, 3710256600J, COMMUNITY 370064, 370302, EFFECTIVE DATE 02-20-2008.
 - ELEVATIONS ARE BASED ON NAVD 88 DATUM.
 - COORDINATES ARE BASED ON NC GRID NAD 83(2011).
 - ZONING CLASSIFICATION PER THE CLEVELAND COUNTY GIS, THE CURRENT ZONING CLASSIFICATION OF SURVEYED PROPERTY IS COUNTY R20
 - PROPERTY IS SUBJECT TO ALL RECORDED OR UNRECORDED EASEMENTS, RIGHTS OF WAY AND ENCUMBRANCES THAT MAY AFFECT THIS PROPERTY.
 - THE PURPOSE OF THIS PLAT IS TO ANNEX PARCEL 2556946968 TO THE CITY OF SHELBY.

- REFERENCES**
- DB 1171 PG 0389
 - DB 16X PG 663
 - PG 5 PG 49
 - DB 1812 PG 740
 - DB 1812 PG 422
 - PG 24 PG 33
 - DB 1783 PG 415
 - DB 1888 PG 2152
 - DB 1881 PG 526
 - DB 1262 PG 1123
 - DB 1826 PG 2548
 - DB 1822 PG 2667
 - PG 20 PG 171
 - DB 982 PG 481
 - DB 1605 PG 2265
 - DB 1833 PG 2492
 - DB 1278 PG 500
 - DB 1881 PG 166
 - DB 19J PG 556
 - PG 36 PG 194

REVIEW OFFICER CERTIFICATION
 STATE OF NORTH CAROLINA, COUNTY OF CLEVELAND

REVIEW OFFICER OF CLEVELAND COUNTY CERTIFY THAT MAP OR PLAT TO WHICH THIS CERTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING.

REVIEW OFFICER _____ DATE _____



TOTAL AREA TO BE ANNEXED
 181098.2 Sq.Ft.
 41,574 Ac.

THAT CERTAIN TRACT OF LAND CONTAINING 41.574 ACRES, LOCATED IN CLEVELAND COUNTY NORTH CAROLINA, AND BETTER DESCRIBED AS FOLLOWS:
 COMMENCING AT AN NGS MONUMENT "DQ2953" LOCATED WITH NORTH CAROLINA STATE PLANE COORDINATES N:564,868.16' AND E:1,266,501.88';
 THENCE S 89°54'19" W A DISTANCE OF 6183.73' TO A 1" OPEN TOP PIPE, WHICH IS THE POINT OF BEGINNING;
 THENCE S 52°53'40" W A DISTANCE OF 511.93' TO A 1" SQUARE IRON ROD FOUND;
 THENCE S 52°04'55" W A DISTANCE OF 242.02' TO A CONCRETE MONUMENT FOUND;
 THENCE S 51°41'05" W A DISTANCE OF 107.81' TO A 5/8" REBAR FOUND;
 THENCE S 51°50'42" W A DISTANCE OF 130.22' TO A 1/2" IRON ROD FOUND;
 THENCE S 51°49'58" W A DISTANCE OF 124.28' TO A 5/8" IRON ROD FOUND;
 THENCE S 35°22'15" W A DISTANCE OF 212.49' TO A 5/8" REBAR SET;
 THENCE S 53°24'30" W A DISTANCE OF 298.51' TO A 5/8" IRON ROD FOUND;
 THENCE S 43°31'34" W A TOTAL DISTANCE OF 264.11', PASSING THROUGH A 5/8" REBAR FOUND DISTURBED WITH A NAIL FOUND AT BASE AT 233.49', TO A CALCULATED POINT IN THE CENTERLINE OF E. MARION STREET;
 THENCE FOLLOWING THE CENTERLINE OF SAID ROAD N 4017'42" W A DISTANCE OF 219.95' TO A CALCULATED POINT;
 THENCE LEAVING SAID ROAD N 47°59'17" E A TOTAL DISTANCE OF 314.47', PASSING A 1/2" REBAR FOUND AT 29.10', TO A 5/8" REBAR SET;
 THENCE N 46°55'17" W A DISTANCE OF 218.45' TO A 1/2" REBAR FOUND BENT WITH A NAIL AT BASE;
 THENCE N 10°34'06" E A DISTANCE OF 267.48' TO A 1" OPEN TOP PIPE FOUND;
 THENCE N 14°09'53" E A DISTANCE OF 838.18' TO A MAG NAIL FOUND IN A STONE SAID CORNER BEING WITNESSED BY A BLAZE IN A 18" HICKORY LOCATED S 26°56'53" E A DISTANCE OF 4.95';
 THENCE S 85°51'32" E A DISTANCE OF 197.89' TO AN AXLE FOUND;
 THENCE S 19°37'30" W A DISTANCE OF 103.13' TO A 3/4" OPEN TOP PIPE FOUND;
 THENCE S 52°32'58" W A DISTANCE OF 242.42' TO A 5/8" REBAR FOUND;
 THENCE S 52°32'58" W A DISTANCE OF 44.61' TO A 1" OPEN TOP PIPE FOUND;
 THENCE S 52°03'56" W A DISTANCE OF 265.32' TO A 1" OPEN TOP PIPE FOUND;
 THENCE S 52°13'31" W A DISTANCE OF 265.32' TO A 1" OPEN TOP PIPE FOUND;
 WHICH IS THE POINT OF BEGINNING.

| LABEL | BEARING | DISTANCE |
|-------|---------------|----------|
| LE10 | S 51°41'05" W | 107.81 |
| LE11 | S 51°50'42" W | 130.22 |
| LE12 | S 51°49'58" W | 124.28 |
| LE13 | S 19°37'30" W | 103.13 |
| LE14 | S 52°32'58" W | 242.42 |
| LE15 | S 52°03'56" W | 44.61 |



RESOLUTION NO. 51-2024

**A RESOLUTION DIRECTING THE CITY CLERK TO DETERMINE
SUFFICIENCY OF A VOLUNTARY ANNEXATION PETITION FROM
WAYNE & IRIS BEAM**

WHEREAS, the City of Shelby has received a petition for voluntary annexation from Wayne & Iris Beam; and,

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

WHEREAS, the subject property, on Borders Rd. and Marion Rd., having Cleveland County parcel numbers 22186, 22301, and 22284, and as further identified within the petition, meets the standards set forth in the above referenced statute; and,

WHEREAS, North Carolina General Statute 160A-58.2 set forth standards allowing for a public hearing to annex contiguous property; and,

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

Section 1. The City Clerk is hereby directed to investigate this petition and to certify the results of such investigation in writing to City Council at the regular meeting on August 19, 2024.

Section 2. That upon receipt of a favorable report as to the sufficiency of the petition from the City Clerk a public hearing is hereby scheduled to receive public comment on said petition in accordance to GS 160A-58.2 on August 19, 2024.

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

Adopted and approved this the 5th day of August 2024.

O. Stanhope Anthony
Mayor

ATTEST:

Carol Williams, City Clerk

Agenda Item: B-3

- 3) Adoption of a budget ordinance amendment for the City of Shelby's First Broad Outfall Sewer Improvement Project: Ordinance No. 50-2024

Consent Agenda Item: (Brian Wilson, Director of Water Resources)

Summary of Available Information:

- Memorandum dated July 25, 2024, from Brian Wilson, Director of Water Resources to Beth Beam, Finance Director and Ben Yarboro, Assistant City Manager
- Supporting Documents
- Ordinance No. 50-2024

City Manager's Recommendation / Comments

Ordinance No. 50-2024 is presented for City Council consideration at this time via the Consent Agenda as a matter of routine business. If approved this ordinance simply recognizes additional grant funding in the amount of \$186,923 and allocates it toward the construction of this project.

The City was previously awarded a grant in the amount of \$12,461,500 in March of 2023 for the replacement of approximately 8,000 linear feet of sewer gravity outfall along the First Broad River. These are funds that the City requested during the state budget process. Senator Alexander was extremely helpful in securing them. In April 2024 the City was informed that the granting agency (Division of Water Infrastructure) would be charging a 3% administrative fee reducing the grant funding available. The 3% applied to all DWI grants statewide and was intended to provide funding to allow them to hire additional staff to administer the program. This was brought to the attention of the General Assembly by a number of affected grantees including the City of Shelby.

On July 22, 2024, the City received an email along with a revised Letter of Intent to Fund from DWI informing the City that funding had increased due to S.L. 2024-1 reducing the DWI administrative fee from 3% to 1.5%. The funding was increased by \$186,923 bringing the total funding to \$12,274,578.

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



Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: Beth Beam, Finance Director

CC: Ben Yarboro, Assistant City Manager

From: Brian Wilson, Director of Water Resources

Date: 7/25/24

**Subject: Project Budget Ordinance Amendment
Appropriations Act Directed Project – First Broad River Outfall
Improvements**

Background

In March of 2023 the City of Shelby submitted an application to the Division of Water Infrastructure to secure funding for the First Broad River Sewer Outfall in the amount of \$12,461,500. This outfall, installed in the 1950's, was selected due to the deteriorating conditions of the outfall and the growing importance of the outfall due to the development of the West Side of Shelby. Through sewer modeling, it was determined that replacing roughly 8,000 LF of sewer line and increasing the sewer size to 36-inches would be a good first step to address the sewer needs of the West Side of Shelby while expanding capacity for the current outfall.

Review

In April of 2024 the City received a Letter of Intent to Fund from DWI in the amount of \$12,087,655 through S.L. 2023-134 Appropriations Act. At the time of the funding request, there was an assessed NCDEQ-DWI Administrative Fee of 3% which totaled \$373,845. On July 22, 2024 the City received an email along with a revised Letter of Intent to Fund from DWI informing the City that funding had increased due to S.L. 2024-1 reducing the DWI administrative fee from 3% to 1.5%. The funding was increased by \$186,923 bringing the total funding to \$12,274,578.

Recommendation

Water Resources staff recommends amendment of project budget ordinance 23-2024 for the First Broad River Outfall Sewer Improvement Project to increase the Construction Appropriation to include the increased funding in the Letter of Intent to Fund from DWI.

Sewer Fund Capital Projects:

| | | |
|------------------------|----------------------|----------------------|
| Revenues: | | S.L. 2023-134 |
| State Grant | 62106000-34501-62883 | \$12,087,655 |
| | | |
| Requested Amendment | 62106000-34501-62883 | \$186,923 |
| | | |
| Appropriation: | | |
| Engineering | 621726-42004-62883 | \$1,593,600 |
| Construction | 621726-53000-62883 | \$10,494,055 |
| | | |
| Construction Amendment | 621726-53000-62883 | \$10,680,978 |

Please let me know if additional information is needed.

Attachments:

Revised Letter of Intent to Fund for S.L. 20223-134 Appropriations Act Directed Project First Broad River Outfall Improvements (DWI Project No. SRP-W-134-0096)

ROY COOPER
Governor
ELIZABETH S. BISER
Secretary
SHADI ESKAF
Director



July 22, 2024

Rick Howell, City Manager
City of Shelby
300 S. Washington Street
Shelby, NC 28150

Subject: REVISED Letter of Intent to Fund
S.L. 2023-134 Appropriations Act Directed Project
First Broad River Outfall Improvements
DWI Project No.: SRP-W-134-0096

Dear Mr. Howell:

The Division of Water Infrastructure (Division) has received your *Request for Funding* for the aforementioned project for up to \$12,274,578 from the Drinking Water/Wastewater State Reserve as established in Session Law (S.L.) 2023-134 and amended in S.L. 2024-1 (hereinafter referred to simply as S.L. 2023-134). Projects funded from the State Reserve must meet applicable State laws and guidance for expenditure of these funds. The following table shows total S.L. 2023-134 appropriations for your local government excluding the Department’s administrative fee as amended in S.L. 2024-1, awarded projects and their funding amounts identified to date, and any remaining unobligated appropriations at the time of this letter.

S.L. 2023-134 Appropriations Act Approved Projects

| S.L. 2023-134 Approved Projects for S.L. 2023-134 Section 12.2.(e) Line # 166 Appropriation | | |
|--|-----------------------|-------------------------------|
| Appropriated Funds Available for Projects (excluding administrative costs) | | \$12,274,578 |
| Project Name | Project Number | Maximum Funding Amount |
| First Broad River Outfall Improvements | SRP-W-134-0096 | \$12,274,578 |
| Total Appropriations requested | | \$12,274,578 |
| Total Appropriations remaining | | \$0 |



The first milestone for this project is the submittal of a bid-and-design package by **April 1, 2025**. Please note that this intent to fund is contingent on meeting all the following milestones:

| Milestone | Milestone Date* |
|--|------------------------|
| Apply for all Necessary Permits** | ASAP |
| Bid-and-Design/Permit Package Submittal | April 1, 2025 |
| Bid-and-Design Package Approval | August 1, 2025 |
| Advertise Project, Receive Bids, Submit Bid Information, <u>and</u> Receive Authority to Award | December 1, 2025 |
| Execute Construction Contract(s) | January 31, 2026 |

* Milestone dates only apply to the S.L. 2023-134 portion of funding.

**An engineering alternatives analysis (EAA) may be required on certain projects. See: <https://deq.nc.gov/about/divisions/water-resources/water-quality-permitting/npdes-wastewater/permitting-process>

The Division will consider milestone timeline modification including extensions provided that appropriate justification for granting extension is provided.

Environmental Review Requirements

The State Environmental Policy Act exempts projects funded by the State Reserve (such as this project) from state-mandated environmental review. Federal requirements may still apply. [North Carolina General Statute (NC G.S.) 113A-12.(2).(h)]

Permitting

The NC Department of Environmental Quality (DEQ) is committed to providing efficient permit processing for your S.L. 2023-134 project(s). To better serve you, we would appreciate your assistance in telling us the type of DEQ permit(s) you will need and the timeframe of permit application(s) submittal. Please complete the online form at the following link:

<https://app.smartsheet.com/b/form/bb0d7d19b4024a548b8d1c97cdad0cd8>.

When applying for a permit(s), attach a copy of this letter to your permit application(s) and denote your DWI assigned project number on the permit application if asked. If you do not know the type of permit(s) your project may require, we offer a free permit assistance service to address any questions you may have about potential permitting requirements, pitfalls, fees, and timelines. If interested, please complete our online form at <https://deq.nc.gov/permits-rules/permit-assistance-and-guidance/permit-assistance-request-form>.

Disbursement of Funds:


These funds will be disbursed to the local government unit after relevant costs are incurred by the local government and invoices are submitted to the Division. Up to 15% of the funds available for the project may be disbursed after costs are incurred during the pre-construction stage to cover design and planning costs. The remainder will be disbursed as invoices for incurred pre-construction and construction costs are submitted by the local government during construction, which may be submitted prior to or after paying the contractors for the incurred costs. Only costs eligible under NC G.S. 159G may be covered by these funds. Projects must be administered in accordance with all applicable federal law and guidance, as well as North Carolina statutes.

Electronic Document Submittal:

Recipients should submit all project documents via the supporting documentation submittal form located at <https://edocs.deq.nc.gov/Forms/DW-Document-Upload-Form>. The use of this form provides more seamless document tracking, processing, filing, accessibility, and security via our electronic document repository, Laserfiche. The link and a list of frequently asked questions can also be accessed from the Division's I Have Funding page, <https://www.deq.nc.gov/about/divisions/water-infrastructure/i-have-funding>.

Upon detailed review of the project during the funding process, it may be determined that portions of your project are not eligible for funding. If you have any questions concerning this matter or require general assistance, please contact the Division's project manager assigned to your project: Trupti Desai, P.E., either by telephone at 919.707.9166 or by e-mail at trupti.desai@deq.nc.gov.

Sincerely,

DocuSigned by:

6300A872077B4C5...
Shadi Eskaf, Director
Division of Water Infrastructure

cc: Rick Howell, City Manager, City of Shelby (rick.howell@cityofshelby.com)
Brian Wilson, City of Shelby (brian.wilson@cityofshelby.com)
R.J. Mozeley, P.E., McGill Associates (rj.mozeley@mcgillassociates.com)
Trupti Desai, P.E. (DWI, via DocuSign)
Mark Hubbard, P.E. (DWI, via DocuSign)
Administrative Unit (DWI, via DocuSign)
LF Project File (COM – LOIF)
DWI Agreement ID: 2000075769



NORTH CAROLINA
Environmental Quality

ROY COOPER

Governor

ELIZABETH S. BISER

Secretary

SHADI ESKAF

Director

July 22, 2024

Rick Howell, City Manager
City of Shelby
300 S. Washington Street
Shelby, NC 28150

SUBJECT: Funding Offer
Project No. SRP-W-134-0096
First Broad River Outfall Improvements

Dear Mr. Howell:

The City of Shelby has been approved for funding assistance according to the subject funding offer. This offer is made subject to the Assurances and Conditions attached to this document.

Upon your acceptance, please submit the following items to the Division, via email at DEQ.DWI.FundingOffer@deq.nc.gov:

1. One (1) copy of the original Offer and Acceptance Document executed by the Authorized Representative for the project, along with the Conditions and Assurances. **Retain the other copy for your files.**
2. A resolution adopted by the governing body accepting the funding offer and making the applicable Conditions and Assurances contained therein. (Sample copy attached)
3. Federal Identification Number and Unique Entity ID Number of the Recipient (UEID required for federally funded projects)
4. Sales-Tax Certification (attached)

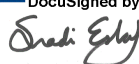
The Site Certification and a Capital Project Ordinance (or budget ordinance covering the project) are due before disbursements begin.

Disbursement requests are to be submitted via Laserfiche at the following link: <https://edocs.deq.nc.gov/Forms/DW-Document-Upload-Form>. A reference copy of the Disbursement Request Form (also found on the DWI website) has been enclosed for your convenience.



On behalf of the Department of Environmental Quality, I am pleased to make this funding offer. Should you have any questions concerning this offer of funding, or any of the stipulations outlined in this offer package, please contact David Smith at david.smith@deq.nc.gov or (919) 707-3885.

Sincerely,

DocuSigned by:


6300A872077B4C5...

Shadi Eskaf, Director

Division of Water Infrastructure, NCDEQ

Enclosures: Offer and Acceptance Document
Assurances & Conditions
Federal ID and UEID Number Request Memo
Resolution to Accept Funding Offer (suggested format)
Sales-Tax Certification Form
Disbursement Request Form
Guidance Document (North Carolina Wastewater Funding Programs Overview)
Site Certification
Capital Project Ordinance (Sample)

cc: Rick Howell, City Manager, City of Shelby (rick.howell@cityofshelby.com)
Brian Wilson, City of Shelby (brian.wilson@cityofshelby.com)
R.J. Mozeley, P.E., McGill Associates (rj.mozeley@mcgillassociates.com)
Mark Hubbard (Via DocuSign)
David Smith (Via DocuSign)
DWI Administrative Unit (Via DocuSign)
Carrie Shortt (Via DocuSign)
Teresa Tripp (Via DocuSign)
DEQ.DWI.FundingOffer@deq.nc.gov
FILE: SRP-134 Project File (**COM_LOX**)
Agreement ID#: 2000075769



ORDINANCE NO. 50-2024
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY’S FIRST BROAD
 OUTFALL SEWER IMPROVEMENT PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to revise and amend its capital project ordinance and budgets for the City of Shelby’s First Broad Outfall Sewer Improvement 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. 23-2024, the City’s First Broad Outfall Sewer Improvement Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

First Broad Sewer Outfall Improvement Project

(1) The following Sewer Fund Cap. Project Revenues are amended by the City:

| | | |
|-------------|----------------------|-----------|
| State Grant | 62106000-34501-62883 | \$186,923 |
|-------------|----------------------|-----------|

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

| | | |
|--------------|--------------------|-----------|
| Construction | 621726-53000-62883 | \$186,923 |
|--------------|--------------------|-----------|

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

First Broad Sewer Outfall Improvement Project

| | <u>Current Budget</u> | <u>Amendment No. 1</u> |
|---------------------|-----------------------|------------------------|
| Revenues | | |
| State Grant | \$12,087,655 | \$12,274,578 |
| | | |
| Expenditures | | |
| Engineering | \$ 1,593,600 | \$ 1,593,600 |
| Construction | \$10,494,055 | \$10,680,978 |

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.

Ordinance No. 50-2024
August 5, 2024
Page 2

Adopted and Approved this the 5th day of August, 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Agenda Item: B-4

4) Management Reports

a) Monthly Financial Summary – June 2024

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Monthly Financial Summary – June 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.

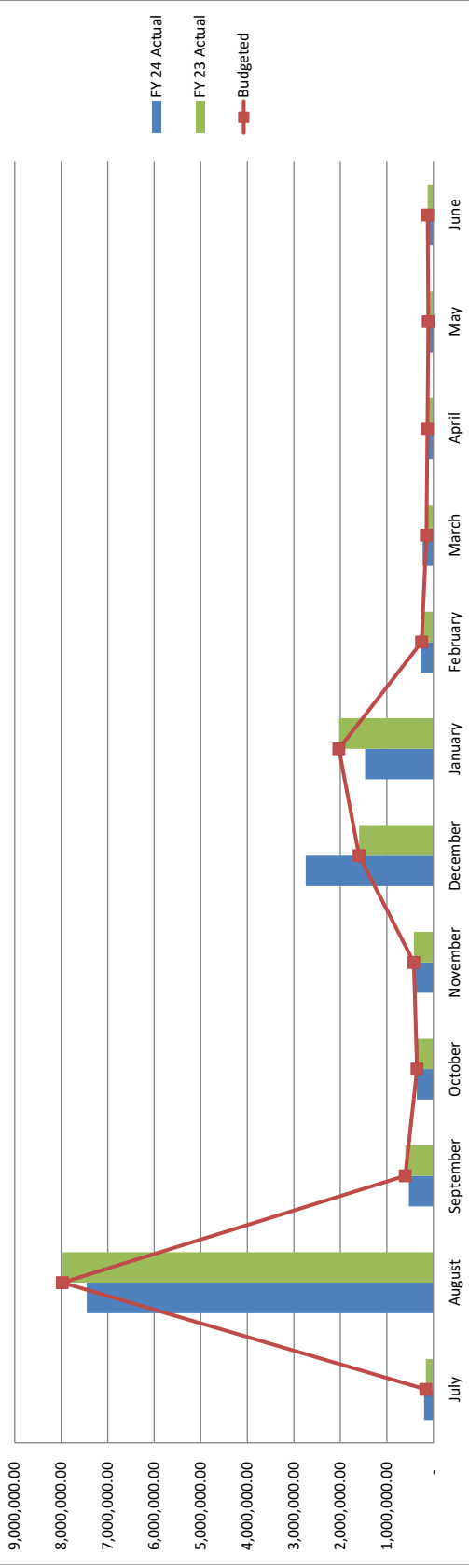


**Monthly Financial Summary
June 2024**

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 | 115,250.88 | 14,074,290.39 |
| % of Budget | 1.45% | 53.58% | 3.79% | 2.55% | 3.15% | 19.73% | 10.55% | 1.93% | 1.65% | 1.08% | 0.95% | 0.83% | 101.25% |
| 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 | (6,031.06) | 174,290.39 |

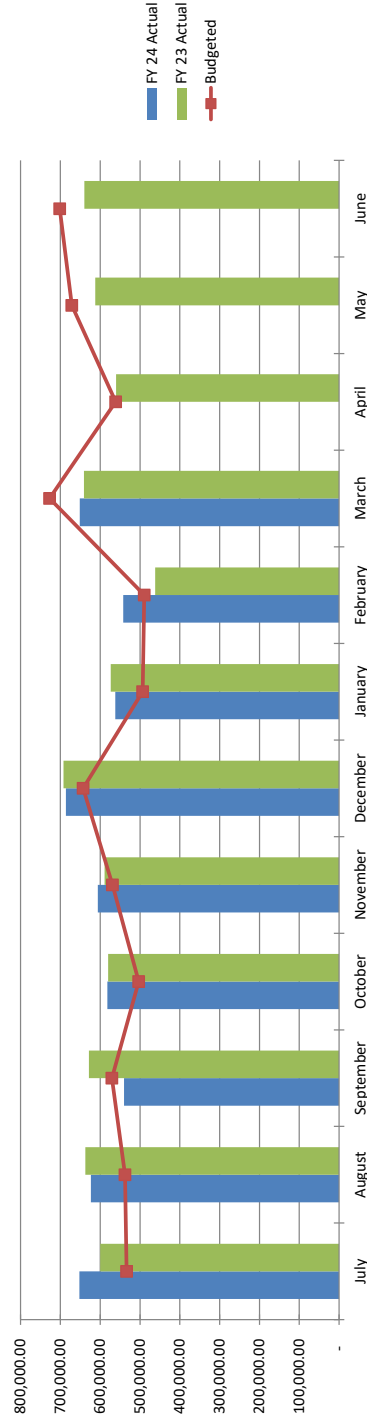
Current Property Tax Collections Budgeted and Collected



City of Shelby
Sales Tax Collections
FY 2024

| | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|-------------|------------|------------|-------------|------------|------------|------------|------------|------------|-------------|--------------|--------------|--------------|----------------|
| Budget | 533,422.75 | 537,608.51 | 570,286.63 | 503,355.20 | 568,990.67 | 642,691.03 | 493,303.21 | 489,313.30 | 727,152.85 | 561,084.49 | 671,026.81 | 701,764.55 | 7,000,000.00 |
| FY 2023 | 599,746.02 | 637,258.67 | 628,199.97 | 579,827.53 | 588,994.10 | 691,881.93 | 573,374.28 | 461,766.04 | 640,874.83 | 560,282.24 | 612,400.86 | 639,711.05 | 7,214,317.52 |
| FY 2024 | 651,996.59 | 623,223.01 | 540,272.34 | 581,949.88 | 606,142.68 | 686,031.77 | 562,282.87 | 542,204.88 | 651,199.11 | | | | 5,445,303.13 |
| % of Budget | 9.31% | 8.90% | 7.72% | 8.31% | 8.66% | 9.80% | 8.03% | 7.75% | 9.30% | 0.00% | 0.00% | 0.00% | 77.79% |
| 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 | (75,953.74) | (561,084.49) | (671,026.81) | (701,764.55) | (1,554,696.87) |

Sales Tax Collections Budgeted and Collected

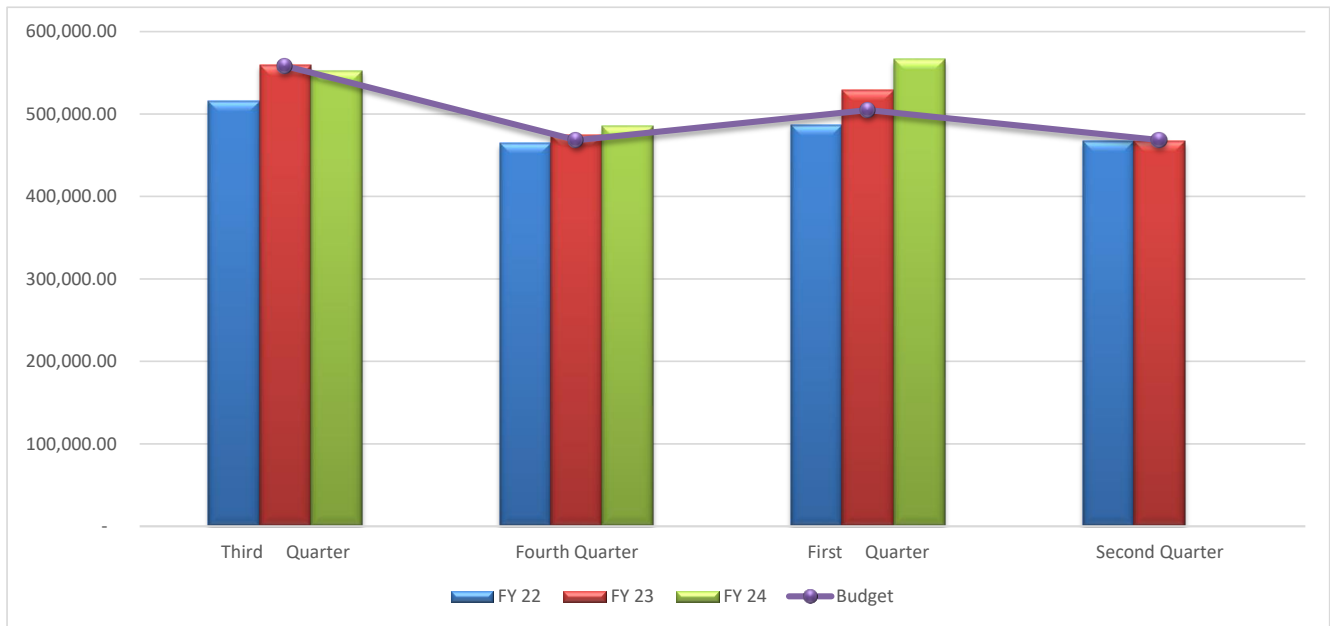


Notes:
Sales Tax Expansion to include Service Contracts: NCGS §105-164.4(a)(11), effective January 2014, has expanded the NC Sales and Use Tax to include "the sales price of a service contract".
A link to the NCDOR directive on this change is embedded here: <http://www.dor.state.nc.us/practitioner/sales/directives/SD-13-5.pdf>

Sales Tax Distribution Method: A link to a description of the individual articles of Sales Tax is embedded here: http://www.dor.state.nc.us/publications/sales/distribution_articles.pdf

City of Shelby
 Utility Sales Tax Distribution (Formerly Utility Franchise Tax)
 Last Three Years

| | Third Quarter | Fourth Quarter | First Quarter | Second Quarter | Totals |
|--------------------|------------------|----------------|------------------|-------------------|--------------|
| Collection Period: | (July-Sept.) | (Oct.-Dec.) | (Jan.-Mar.) | (Apr.-June) | |
| Received in: | December | March | June | September | |
| FY 22 | 515,722.31 | 464,401.65 | 486,627.19 | 466,918.19 | 1,933,669.34 |
| FY 23 | 559,313.87 | 474,142.33 | 529,125.92 | 466,640.75 | 2,029,222.87 |
| FY 24 | 551,849.28 | 484,885.74 | 566,199.32 | | |
| Budget | 558,185.58 | 468,321.94 | 504,905.73 | 468,586.74 | 2,000,000.00 |
| % of Budget | 27.59% | 24.24% | 28.31% | 0.00% | 80.15% |

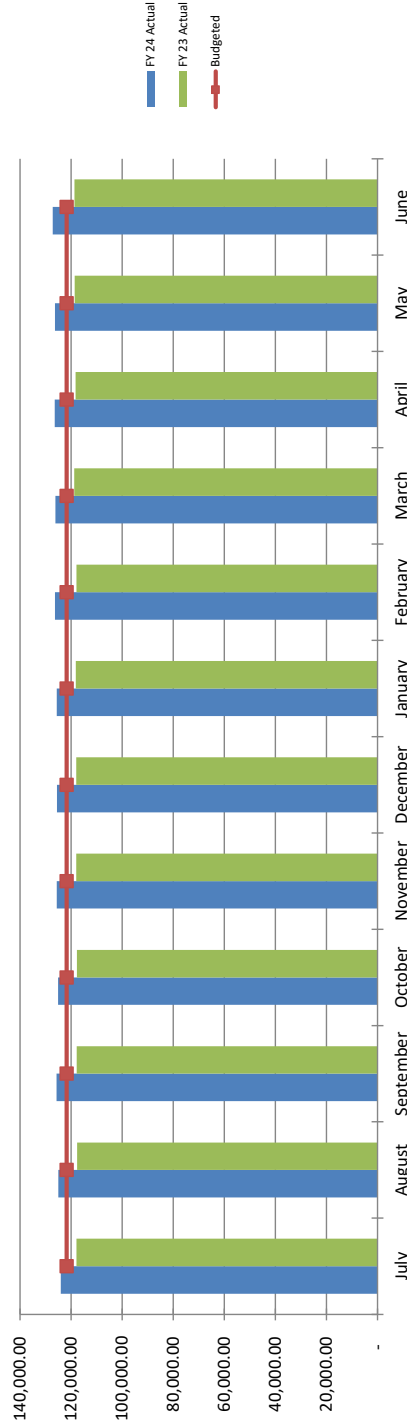


Notes:
 Effective July 2014, utility franchise tax was eliminated on sales of electricity and piped natural gas. A "hold harmless" provision will keep local distribution levels at the amounts received during the 2013-14 Fiscal Year.

City of Shelby
Solid Waste Fees
FY 2024

| | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Budget | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 121,750.00 | 1,461,000.00 |
| FY 2023 | 117,913.85 | 117,612.75 | 117,828.07 | 117,733.50 | 118,009.65 | 117,968.28 | 118,156.30 | 117,897.94 | 118,773.55 | 118,224.04 | 118,590.37 | 118,670.51 | 1,417,378.81 |
| FY 2024 | 124,060.37 | 124,970.54 | 125,700.19 | 125,132.33 | 125,651.51 | 125,574.18 | 125,577.70 | 126,316.56 | 126,112.41 | 126,424.87 | 126,317.84 | 127,208.48 | 1,509,046.98 |
| % of Budget | 8.49% | 8.55% | 8.60% | 8.56% | 8.60% | 8.60% | 8.60% | 8.65% | 8.63% | 8.65% | 8.65% | 8.71% | 103.29% |
| 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 | 5,458.48 | 48,046.98 |
| Res. Accts: | 7,782 | 7,846 | 7,880 | 7,849 | 7,878 | 7,878 | 7,886 | 7,926 | 7,909 | 7,931 | 7,917 | 7,977 | 7,977 |
| Comm. Accts: | 680 | 680 | 686 | 682 | 688 | 687 | 682 | 688 | 689 | 689 | 694 | 697 | 697 |

Solid Waste Fees Budgeted and Collected



DEBT SERVICE - GENERAL FUND

| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|--|------------|------------|------------|------------|------------|------------|------------|
|--|------------|------------|------------|------------|------------|------------|------------|

General Obligation BondsStreet & Sidewalk GO Bond (\$6mm) - 2.70%

| | | | | | | | |
|----------------------|------------|------------|------------|------------|------------|------------|------------|
| Principal | 400,000.00 | 400,000.00 | 400,000.00 | 400,000.00 | 400,000.00 | 400,000.00 | 400,000.00 |
| 2.70% Interest | 151,200.00 | 140,400.00 | 129,600.00 | 118,800.00 | 108,000.00 | 97,200.00 | 86,400.00 |
| Debt Retired In 2037 | 551,200.00 | 540,400.00 | 529,600.00 | 518,800.00 | 508,000.00 | 497,200.00 | 486,400.00 |

Installment Purchase ContractsHanna Park Recreation Complex - 2.83%

| | | | | | | | |
|----------------------------|------------|------------|------------|------------|------------|------------|------------|
| 2.83% Debt Retired In 2032 | 644,079.33 | 629,552.00 | 615,024.66 | 600,497.33 | 585,970.00 | 571,442.66 | 556,915.33 |
|----------------------------|------------|------------|------------|------------|------------|------------|------------|

Electric Loan to GF - Firetruck - 4.75%

| | | | | | | | |
|--------------------------------|--|------------|------------|------------|------------|------------|--|
| 4.75% Debt Retired in 15 years | | 257,871.10 | 250,718.48 | 243,565.85 | 236,413.22 | 229,260.59 | |
|--------------------------------|--|------------|------------|------------|------------|------------|--|

Shell #4 - Interlocal - 2.39%

| | | | | | | | |
|----------------------|------------|------------|------------|------------|------------|------------|------------|
| Principal | 427,000.00 | 427,000.00 | 427,000.00 | 427,000.00 | 427,000.00 | 426,500.00 | 426,500.00 |
| 2.39% Interest | 91,799.90 | 81,594.60 | 71,389.30 | 61,184.00 | 50,978.70 | 40,773.40 | 30,580.05 |
| Debt Retired in 2032 | 518,799.90 | 508,594.60 | 498,389.30 | 488,184.00 | 477,978.70 | 467,273.40 | 457,080.05 |

FY 19 Installment Purchase

| | | | | | | | |
|----------------------|------------|---|---|---|---|---|---|
| Debt Retired In 2024 | 104,354.77 | - | - | - | - | - | - |
|----------------------|------------|---|---|---|---|---|---|

FY 20 Installment Purchase

| | | | | | | | |
|----------------------|------------|------------|---|---|---|---|---|
| Debt Retired In 2025 | 189,692.00 | 176,873.83 | - | - | - | - | - |
|----------------------|------------|------------|---|---|---|---|---|

FY 21 Installment Purchase

| | | | | | | | |
|----------------------|------------|------------|------------|---|---|---|---|
| Debt Retired In 2026 | 128,617.50 | 128,617.50 | 127,738.36 | - | - | - | - |
|----------------------|------------|------------|------------|---|---|---|---|

FY 22 Installment Purchase

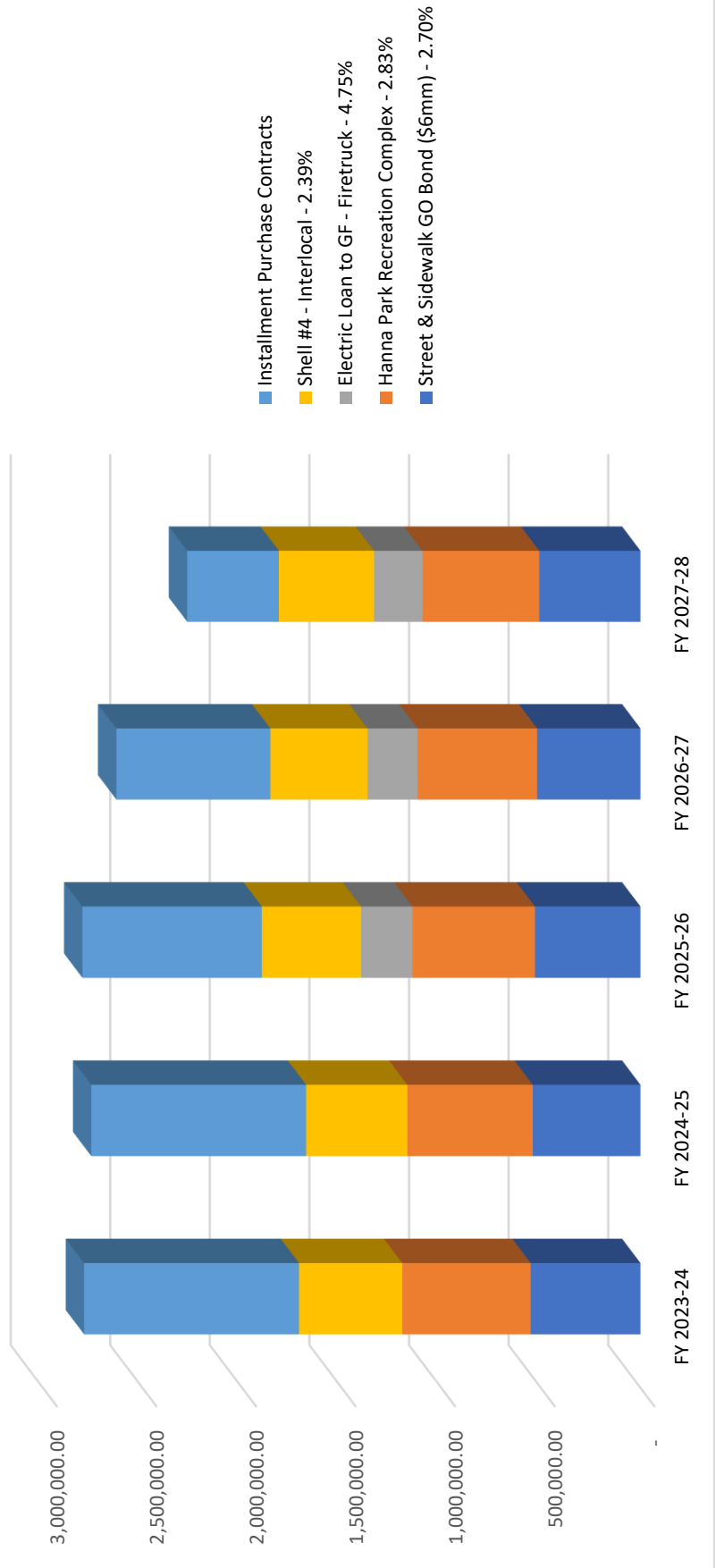
| | | | | | | | |
|----------------------|------------|------------|------------|------------|---|---|---|
| Debt Retired In 2027 | 313,080.27 | 313,080.27 | 313,080.27 | 313,080.27 | - | - | - |
|----------------------|------------|------------|------------|------------|---|---|---|

FY 23 Installment Purchase - Radios

| | | | | | | | |
|----------------------|------------|------------|------------|------------|------------|------------|------------|
| Debt Retired in 2028 | 158,235.00 | 274,873.35 | 274,873.35 | 274,873.35 | 274,873.35 | 274,873.35 | 274,873.35 |
|----------------------|------------|------------|------------|------------|------------|------------|------------|

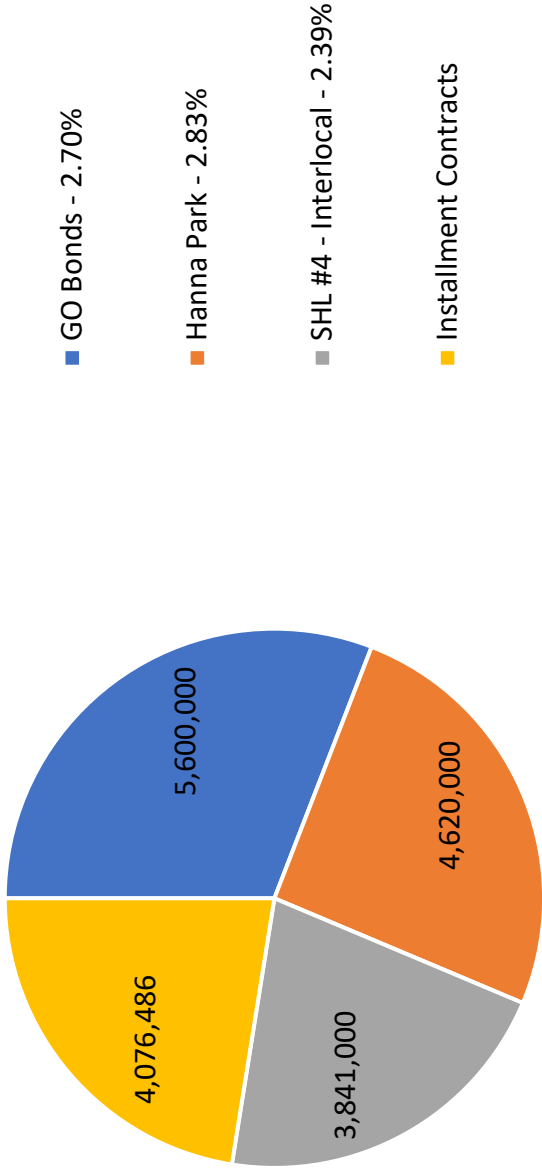
| | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| FY 23 Installment Purchase | 185,002.10 | 185,002.10 | 185,002.10 | 185,002.10 | 185,002.10 | 185,002.08 |
| Debt Retired in 2028 | 1,078,981.63 |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

General Fund Debt Service - next 5 years



* The County debt for Shell #4 will be deleted once the building is sold.

6/30/2023 Outstanding Debt Principal - General



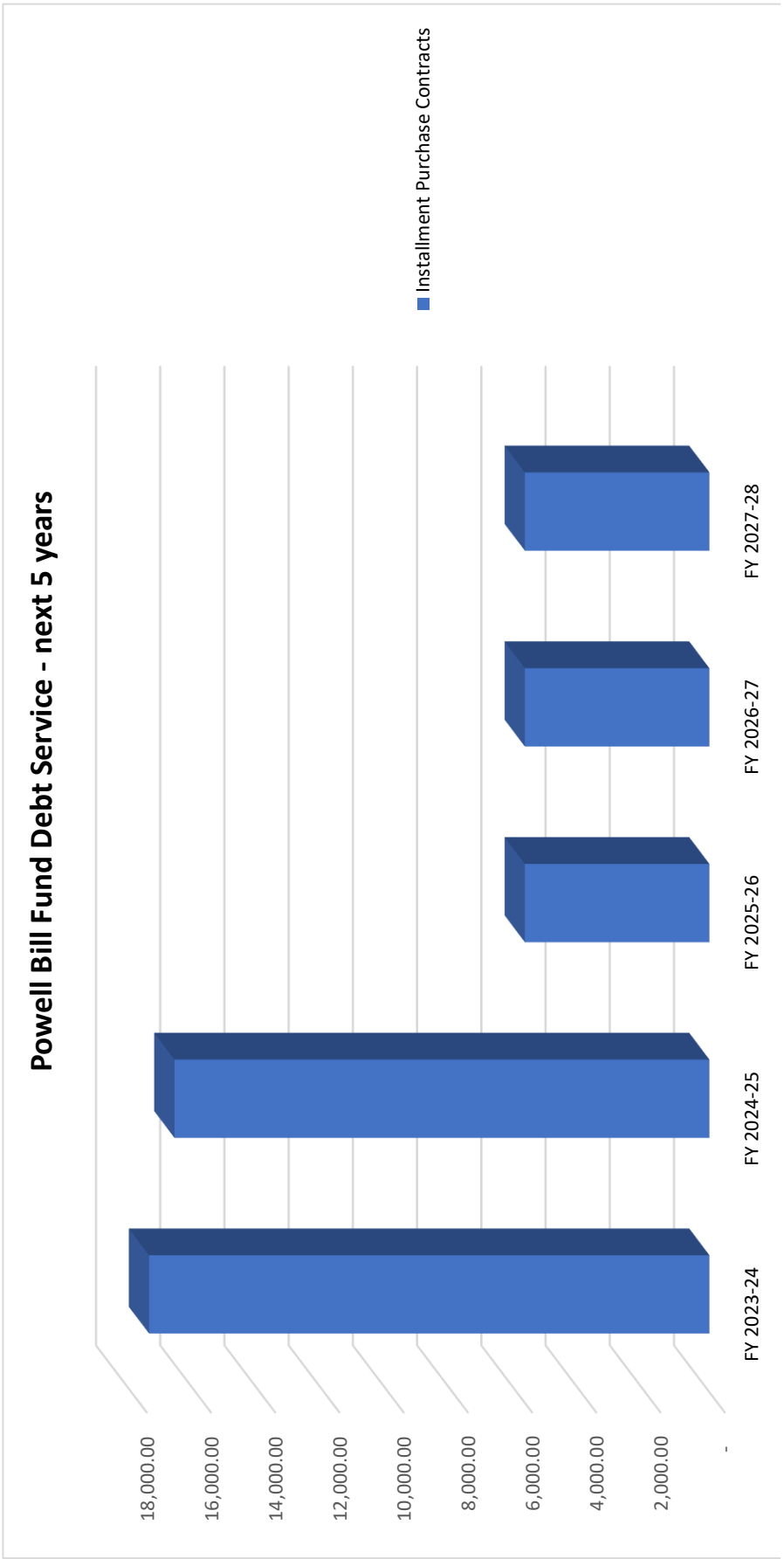
City of Shelby
 For FY24 - June 2024 (100% of Fiscal Year)
 General Fund Expenditures by Division

| <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 | 74,652.21 | 0.00 | 6,775 | 91.70 % |
| Total 110412 ADMINISTRATION | 793,199 | 840,154 | 585,639.77 | 0.00 | 254,514 | 69.70 % |
| Total 110413 FINANCE | 838,107 | 841,841 | 756,714.53 | 0.00 | 85,126 | 89.90 % |
| Total 110414 PURCHASING | 124,387 | 125,812 | 87,454.64 | 30,488.28 | 7,869 | 93.70 % |
| Total 110416 HUMAN RESOURCES | 466,973 | 468,993 | 396,269.04 | 0.00 | 72,724 | 84.50 % |
| Total 110419 CUSTOMER SERVICE | 83,044 | 89,822 | 50,327.19 | 0.00 | 39,495 | 56.00 % |
| Total 110420 INFORMATION SERVICES | 516,007 | 532,367 | 433,779.06 | 21,888.80 | 76,699 | 85.60 % |
| Total 110421 METER SERVICE | 921 | 50,558 | 32,003.35 | 0.00 | 18,554 | 63.30 % |
| Total 110425 GARAGE | 924,726 | 925,898 | 788,438.53 | 0.00 | 137,459 | 85.20 % |
| Total 110427 CITY HALL | 113,000 | 122,892 | 109,113.31 | 12,920.00 | 858 | 99.30 % |
| Total 110431 POLICE | 9,103,400 | 9,440,815 | 8,821,156.70 | 215,219.61 | 404,438 | 95.70 % |
| Total 110433 COMMUNICATION | 964,800 | 967,704 | 829,196.25 | 0.00 | 138,508 | 85.70 % |
| Total 110434 FIRE | 7,563,440 | 6,555,213 | 6,032,966.62 | 89,271.18 | 432,976 | 93.40 % |
| Total 110435 BUILDING INSPECTIONS | 543,850 | 551,492 | 462,804.65 | 0.00 | 88,687 | 83.90 % |
| Total 110451 STREETS | 1,447,150 | 1,499,264 | 1,279,536.29 | 0.00 | 219,728 | 85.30 % |
| Total 110453 AIRPORT | 517,225 | 574,537 | 549,714.11 | 5,407.25 | 19,416 | 96.60 % |
| Total 110471 SOLID WASTE | 2,232,160 | 2,429,486 | 2,299,259.48 | 10,300.00 | 119,927 | 95.10 % |
| Total 110491 GIS | 127,089 | 126,609 | 113,225.25 | 0.00 | 13,384 | 89.40 % |
| Total 110493 PLANNING SERVICES | 629,050 | 715,691 | 663,151.15 | 0.00 | 52,540 | 92.70 % |
| Total 110495 SPECIAL APPROPRIATIONS | 3,725,800 | 6,416,127 | 6,137,044.93 | 0.00 | 279,082 | 95.70 % |
| Total 110612 PARKS & RECREATION | 2,185,025 | 1,978,460 | 1,850,861.41 | 5,872.80 | 121,726 | 93.80 % |
| Total 110613 MAINTENANCE GROUNDS & | 1,784,200 | 1,844,606 | 1,669,234.21 | 31,238.82 | 144,133 | 92.20 % |
| Total 110 GENERAL FUND | <u>34,764,753</u> | <u>37,179,767</u> | <u>34,022,542.68</u> | <u>422,606.74</u> | <u>2,734,617</u> | <u>92.60 %</u> |

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 | - |

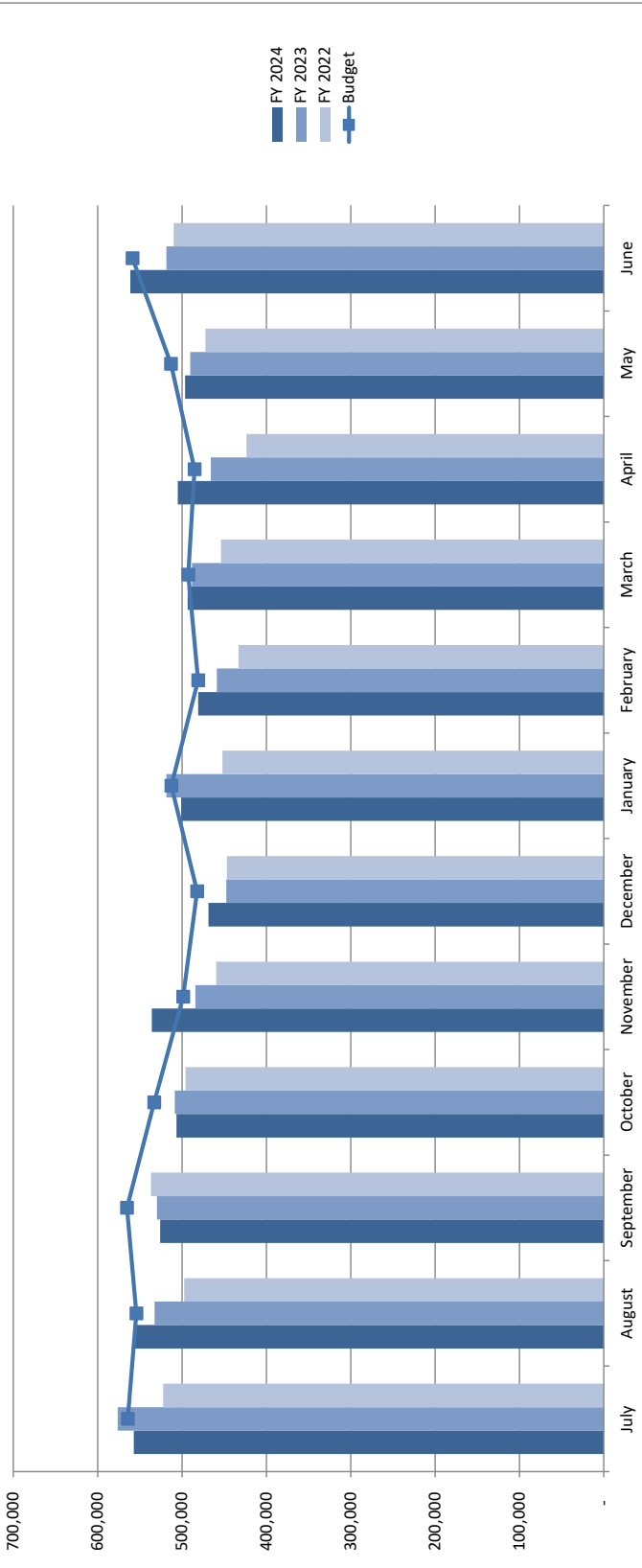


City of Shelby
Water Revenue Budget to Actual
FY 2024

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 | 60,770.67 | 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 | 145,652 | 1,520,766 |
| Dollars | 495,811 | 493,700 | 463,854 | 447,994 | 472,585 | 418,793 | 448,392 | 429,922 | 446,525 | 451,424 | 446,054 | 505,668 | 5,520,720.64 |
| 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 | 13,270 | 160,019 |
| Dollars | 61,249 | 63,405 | 61,988 | 58,499 | 63,219 | 49,829 | 52,639 | 50,839 | 46,825 | 53,507 | 50,186 | 55,562 | 667,746 |
| Totals | | | | | | | | | | | | | |
| Usage | 156,338 | 155,553 | 141,926 | 133,978 | 145,116 | 121,610 | 136,165 | 127,534 | 133,818 | 137,241 | 132,584 | 158,922 | 1,680,785 |
| Dollars | 557,060 | 557,105 | 525,841 | 506,492 | 535,804 | 468,622 | 501,031 | 480,762 | 493,350 | 504,930 | 496,240 | 561,230 | 6,188,466.39 |
| 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) | 2,934 | (25,249) |
| 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) | 7,700.82 | (40,603.27) |
| Outside Water | | | | | | | | | | | | | |
| Usage | 28 | 17 | (82) | 235 | 3,555 | (799) | (36) | (889) | (1,027) | 472 | (2,619) | (1,628) | (2,773) |
| 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) | (5,139.77) | (10,930) |
| Totals | | | | | | | | | | | | | |
| Usage | (1,631) | 1,882 | (19,717) | (11,519) | 11,429 | (5,967) | (5,246) | (79) | 522 | 7,205 | (6,206) | 1,306 | (28,022) |
| 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) | 2,561.05 | (51,533.61) |

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 |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

FY 19 Installment Purchase

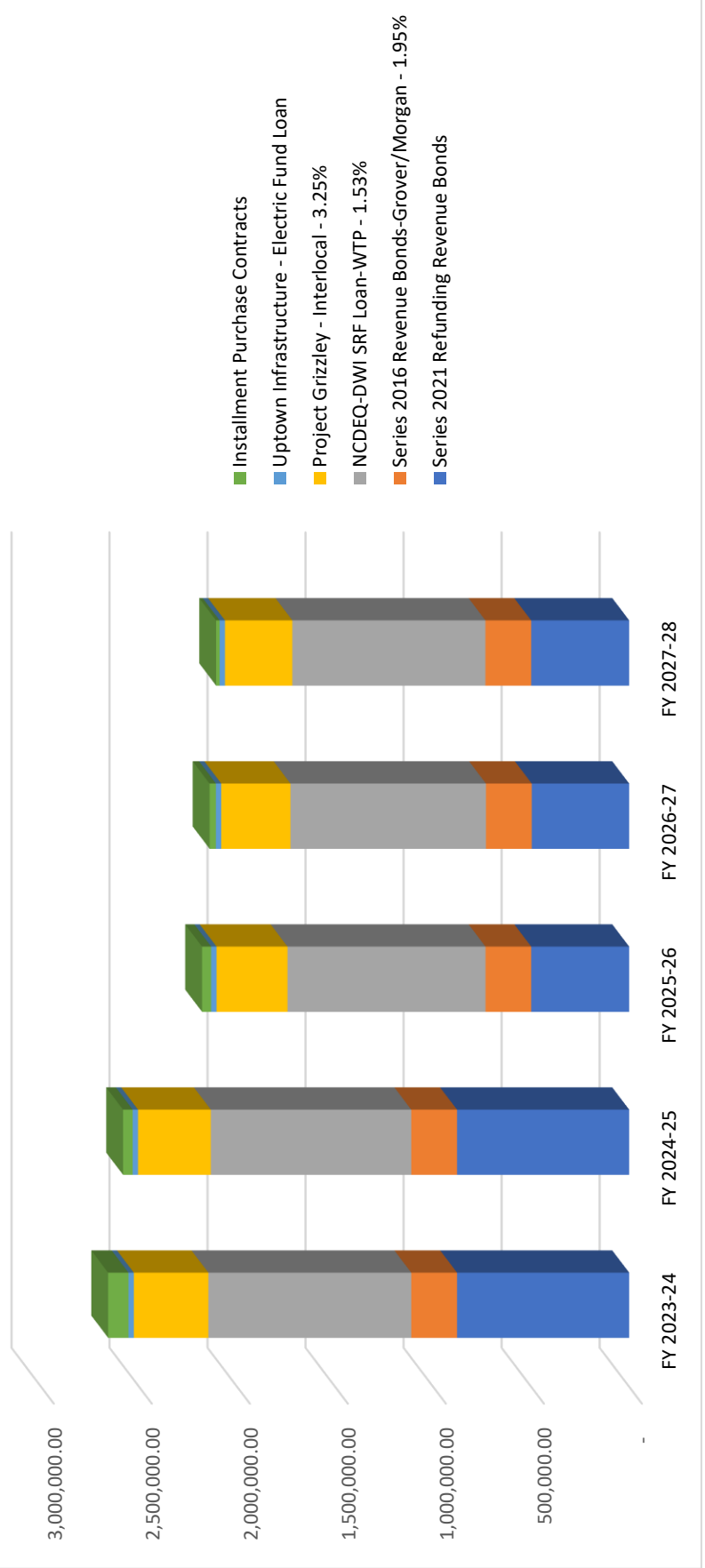
Debt Retired In 2024

54,380.79

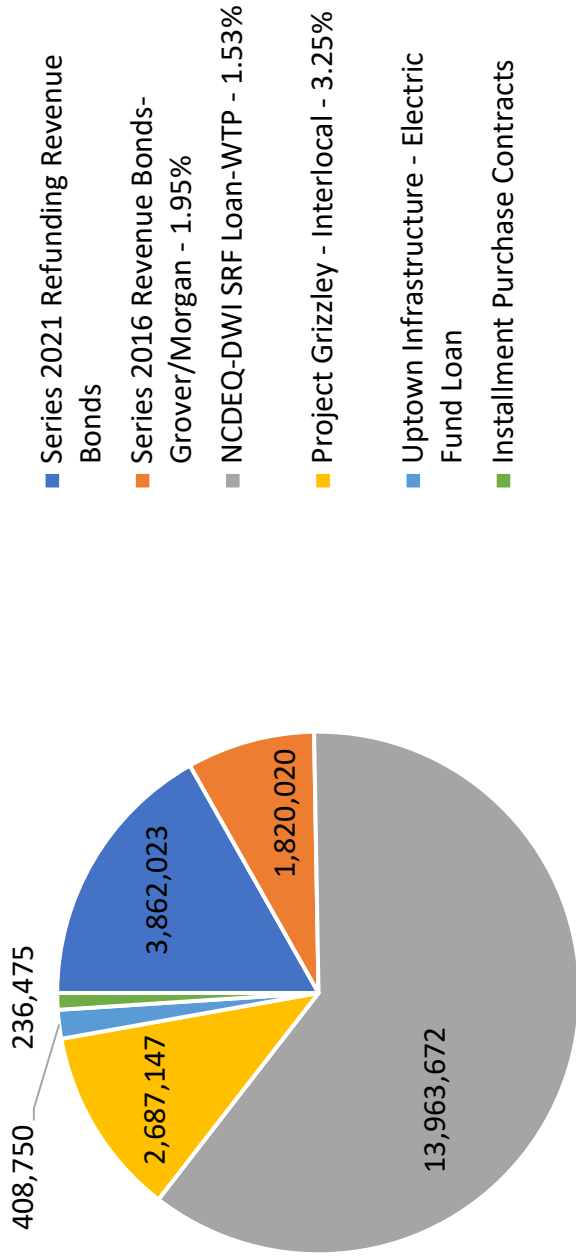
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| | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------|---|
| FY 20 Installment Purchase | | | | | | | | | |
| Debt Retired In 2025 | 2,561.50 | 2,388.41 | - | - | - | - | - | - | - |
| FY 21 Installment Purchase | | | | | | | | | |
| Debt Retired In 2026 | 14,465.00 | 14,465.00 | 14,366.13 | - | - | - | - | - | - |
| FY 22 Installment Purchase | | | | | | | | | |
| Debt Retired In 2027 | 14,628.58 | 14,628.58 | 14,628.58 | 14,628.58 | - | - | - | - | - |
| FY 23 Installment Purchase | | | | | | | | | |
| Debt Retired in 2028 | 17,676.21 | 17,676.21 | 17,676.21 | 17,676.21 | 17,676.21 | 17,676.21 | 17,676.21 | 17,676.21 | - |
| Total Installment Debt | 103,712.07 | 49,158.19 | 46,670.91 | 32,304.78 | 17,676.21 | 17,676.21 | 17,676.21 | 17,676.21 | |
| Total Debt Service - Water Fund | 2,657,560.47 | 2,581,587.86 | 2,178,803.86 | 2,140,302.43 | 2,106,939.59 | 2,066,678.19 | 1,736,242.78 | | |

Water Fund Debt Service - next 5 years



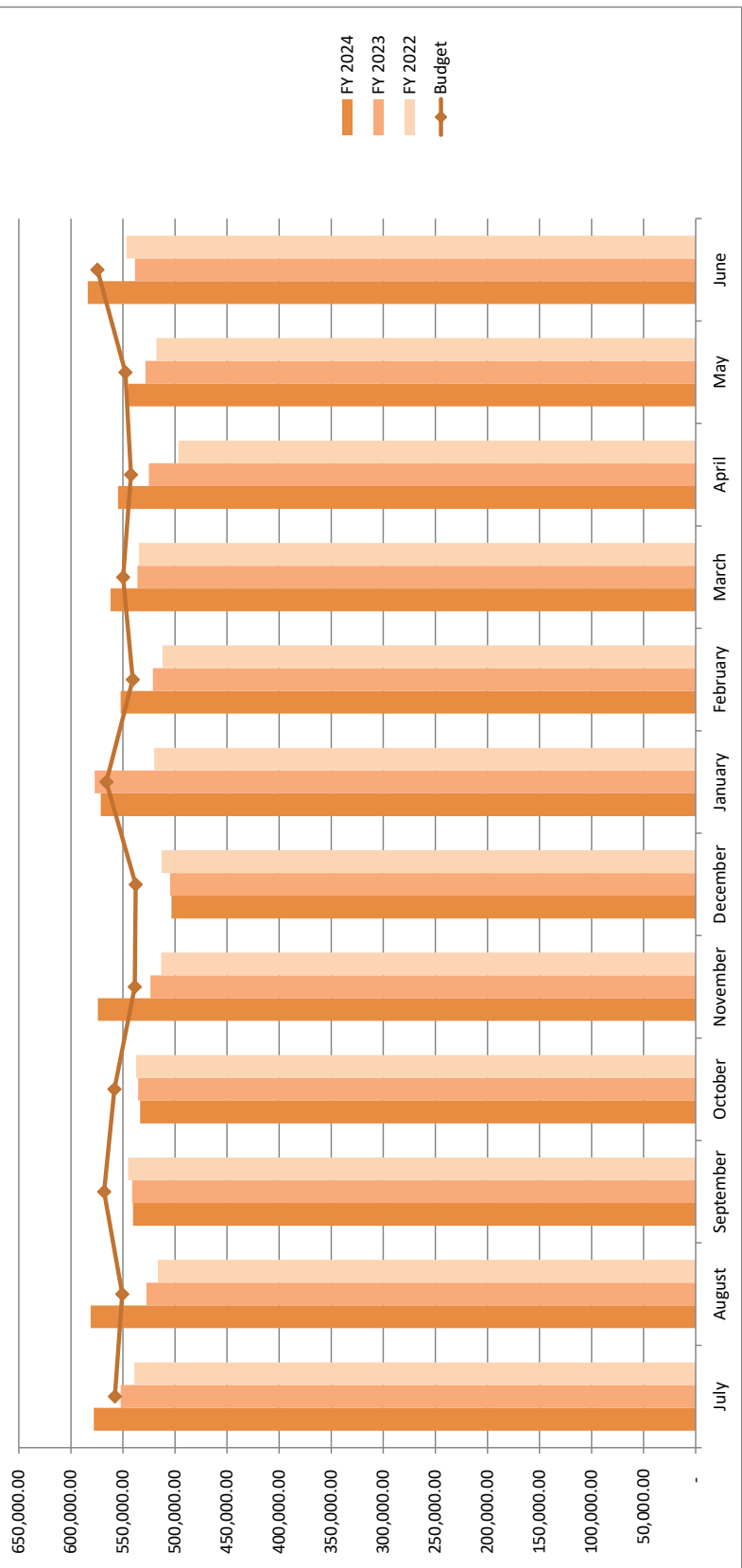
6/30/2023 Outstanding Debt Principal - Water



City of Shelby
Sewer Revenue Budget to Actual
FY 2024

| | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|-----------------------|------------|------------|-------------|-------------|------------|-------------|------------|------------|------------|------------|------------|------------|--------------|
| FY 2024 Budget | | | | | | | | | | | | | |
| Inside Sewer | | | | | | | | | | | | | |
| Useage | 74,985 | 73,529 | 53,846 | 72,732 | 69,675 | 68,967 | 76,473 | 69,621 | 72,374 | 68,969 | 70,110 | 77,240 | 848,522 |
| Dollars | 519,453.28 | 512,329.41 | 525,830.10 | 513,414.01 | 494,883.42 | 493,310.48 | 520,087.93 | 496,415.06 | 503,970.41 | 493,522.38 | 499,802.31 | 527,410.04 | 6,099,428.81 |
| Outside Sewer | | | | | | | | | | | | | |
| Useage | 2,711 | 2,672 | 3,205 | 3,524 | 3,405 | 3,525 | 3,652 | 3,563 | 3,662 | 3,648 | 3,527 | 3,406 | 40,500 |
| Dollars | 38,354.51 | 38,280.19 | 42,242.38 | 44,771.59 | 43,767.83 | 44,441.15 | 45,832.64 | 45,076.15 | 45,894.00 | 48,675.97 | 47,929.54 | 47,074.23 | 532,340.19 |
| Totals | | | | | | | | | | | | | |
| Useage | 77,696 | 76,201 | 57,051 | 76,257 | 73,080 | 72,492 | 80,125 | 73,184 | 76,036 | 72,617 | 73,637 | 80,646 | 889,022 |
| Dollars | 557,807.79 | 550,609.60 | 568,072.48 | 558,185.60 | 538,651.25 | 537,751.63 | 565,920.57 | 540,491.21 | 549,864.41 | 542,198.35 | 547,731.85 | 574,484.26 | 6,631,769.00 |
| FY 2024 Actual | | | | | | | | | | | | | |
| Inside Sewer | | | | | | | | | | | | | |
| Useage | 78,990 | 79,272 | 66,902 | 66,238 | 75,363 | 60,868 | 75,171 | 70,647 | 74,730 | 70,460 | 69,306 | 78,666 | 866,613 |
| 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 | 530,628.93 | 6,065,741.88 |
| 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 | 4,309 | 47,855 |
| 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 | 53,198.84 | 613,079.47 |
| Totals | | | | | | | | | | | | | |
| Useage | 82,410 | 82,517 | 71,110 | 70,166 | 79,106 | 64,549 | 79,867 | 75,278 | 78,758 | 74,699 | 73,033 | 82,975 | 914,468 |
| 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 | 583,827.77 | 6,678,821.35 |
| 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) | 1,426 | 18,091.00 |
| 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) | 3,218.89 | (33,686.93) |
| Outside Sewer | | | | | | | | | | | | | |
| Useage | 709 | 573 | 1,003 | 404 | 338 | 156 | 1,044 | 1,068 | 366 | 591 | 200 | 903 | 7,355.00 |
| 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 | 6,124.61 | 80,739.28 |
| Totals | | | | | | | | | | | | | |
| Useage | 4,714 | 6,316 | 14,059 | (6,091) | 6,026 | (7,943) | (258) | 2,094 | 2,722 | 2,082 | (604) | 2,329 | 25,446.00 |
| 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) | 9,343.51 | 47,052.35 |

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



DEBT SERVICE - SEWER FUND FY 2023-24 FY 2024-25 FY 2025-26 FY 2026-27 FY 2027-28 FY 2028-29 FY 2029-30

General Obligation Bonds

Revenue Bonds

Series 2021 Refunding Revenue Bonds

| | | | | | | |
|----------------------|------------|------------|------------|------------|------------|-----------|
| Principal | 419,301.32 | 424,434.90 | 277,664.01 | 279,862.62 | 283,510.18 | 96,815.67 |
| Interest | 23,472.47 | 17,582.87 | 12,157.65 | 8,263.12 | 4,332.28 | 1,017.03 |
| Debt Retired In 2031 | 442,773.79 | 442,017.77 | 289,821.66 | 288,125.74 | 287,842.46 | 97,832.70 |

NC DENR-DWI SRF Loan-Mall Lift Station - 0%

0% Debt Retired in 2034

| | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| | 36,300.10 | 36,300.10 | 36,300.10 | 36,300.10 | 36,300.10 | 36,300.10 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|

NC DENR-DWI SRF Loan-Outfall Project - 0%

0% Debt Retired in 2035

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| | 156,521.90 | 156,521.90 | 156,521.90 | 156,521.90 | 156,521.90 | 156,521.90 |
|--|------------|------------|------------|------------|------------|------------|

NC DENR-DWI SRF Loan-WWTP Upgrades - 0%

0% Debt Retired in 2036

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| | 469,832.90 | 469,832.90 | 469,832.90 | 469,832.90 | 469,832.90 | 469,832.90 |
|--|------------|------------|------------|------------|------------|------------|

NC DENR-DWI SRF Loan-Biosolids - 0%

0% Debt Retired in 2041

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| | 967,046.85 | 967,046.85 | 967,046.85 | 967,046.85 | 967,046.85 | 967,046.85 |
|--|------------|------------|------------|------------|------------|------------|

Project Grizzley - Inter/Local - 3.25%

| | | | | | | |
|----------------------|------------|------------|------------|------------|------------|------------|
| Principal | 407,155.35 | 407,155.35 | 407,155.35 | 407,155.35 | 407,155.35 | 407,155.35 |
| 3.25% Interest | 111,153.37 | 98,803.00 | 86,452.62 | 74,102.25 | 61,751.87 | 49,401.50 |
| Debt Retired in 2032 | 518,308.72 | 505,958.34 | 493,607.97 | 481,257.59 | 468,907.22 | 444,206.47 |

Installment Purchase Contracts

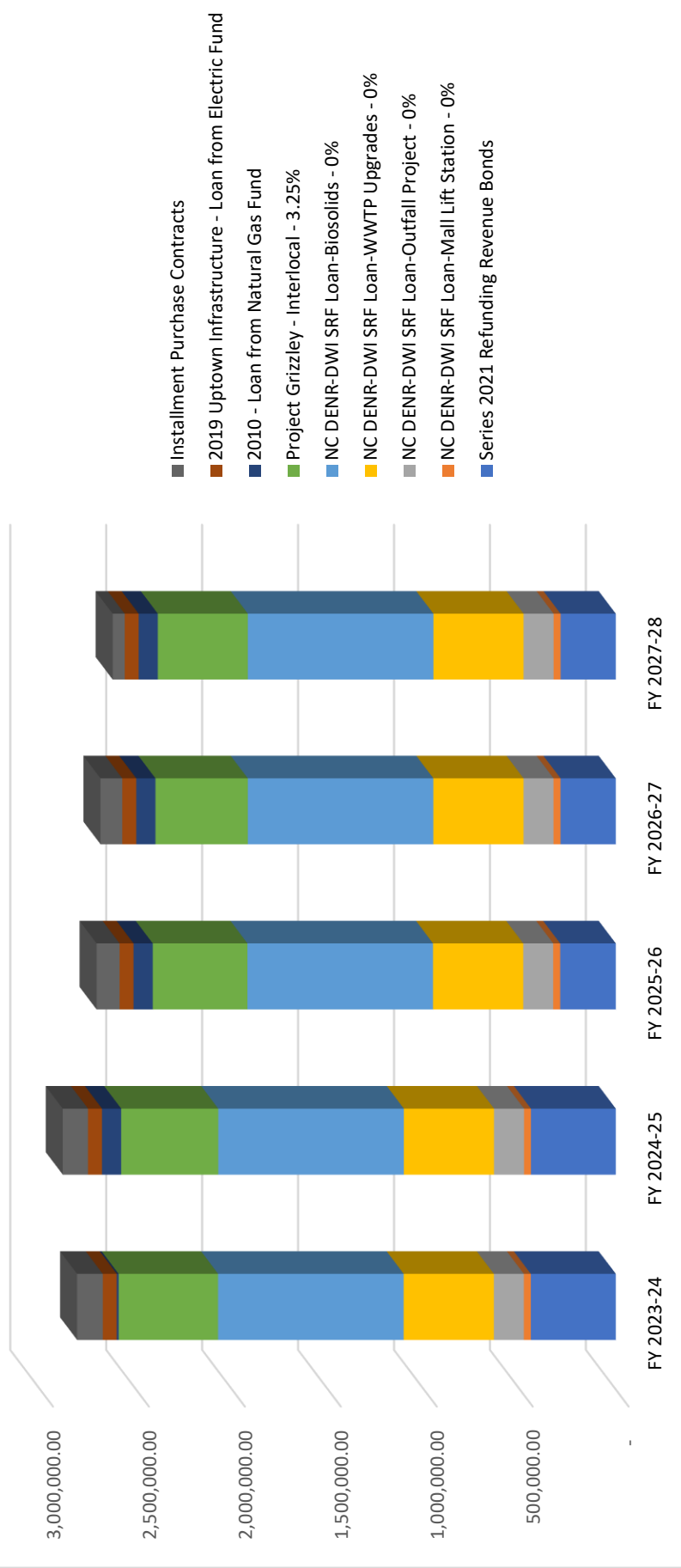
2060 - Loan from Natural Gas Fund

0% Debt Retired in 2064

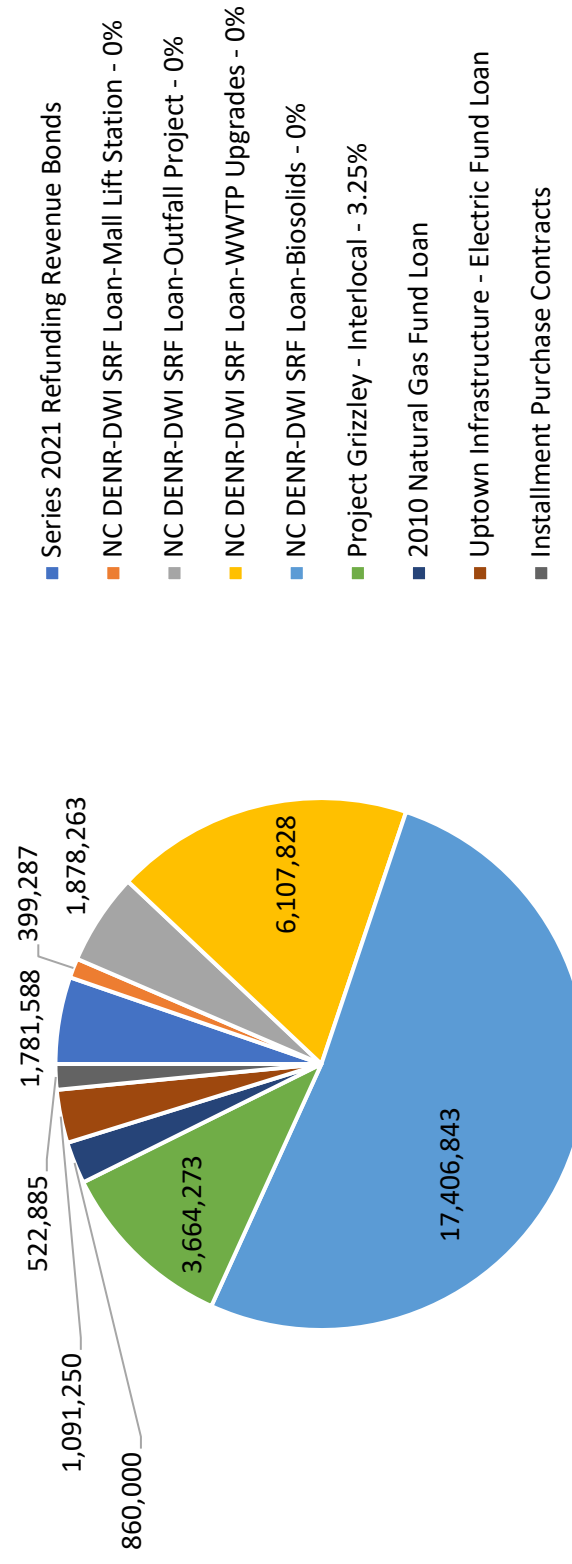
| | | | | | | |
|--|-----------|------------|------------|------------|------------|------------|
| | 10,000.00 | 100,000.00 | 100,000.00 | 100,000.00 | 100,000.00 | 100,000.00 |
|--|-----------|------------|------------|------------|------------|------------|

| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2019 Uptown Infrastructure - Loan from Electric | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 | 72,750.00 |
| 0% Debt Retired in 2038 | | | | | | | | | | |
| FY 19 Installment Purchase | 1,408.74 | - | - | - | - | - | - | - | - | - |
| Debt Retired In 2024 | | | | | | | | | | |
| FY 20 Installment Purchase | 12,525.50 | 11,679.11 | - | - | - | - | - | - | - | - |
| Debt Retired In 2025 | | | | | | | | | | |
| FY 21 Installment Purchase | 6,215.00 | 6,215.00 | 6,172.52 | - | - | - | - | - | - | - |
| Debt Retired In 2026 | | | | | | | | | | |
| FY 22 Installment Purchase | 50,913.19 | 50,913.19 | 50,913.19 | 50,913.19 | - | - | - | - | - | - |
| Debt Retired In 2027 | | | | | | | | | | |
| FY 23 Installment Purchase | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 | 62,697.37 |
| Debt Retired in 2028 | | | | | | | | | | |
| Total Installment Debt | 133,759.80 | 131,504.67 | 119,783.08 | 113,610.56 | 62,697.37 | 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 | 2,621,898.80 | 2,621,898.80 | 2,621,898.80 |

Sewer Fund Debt Service - next 5 years



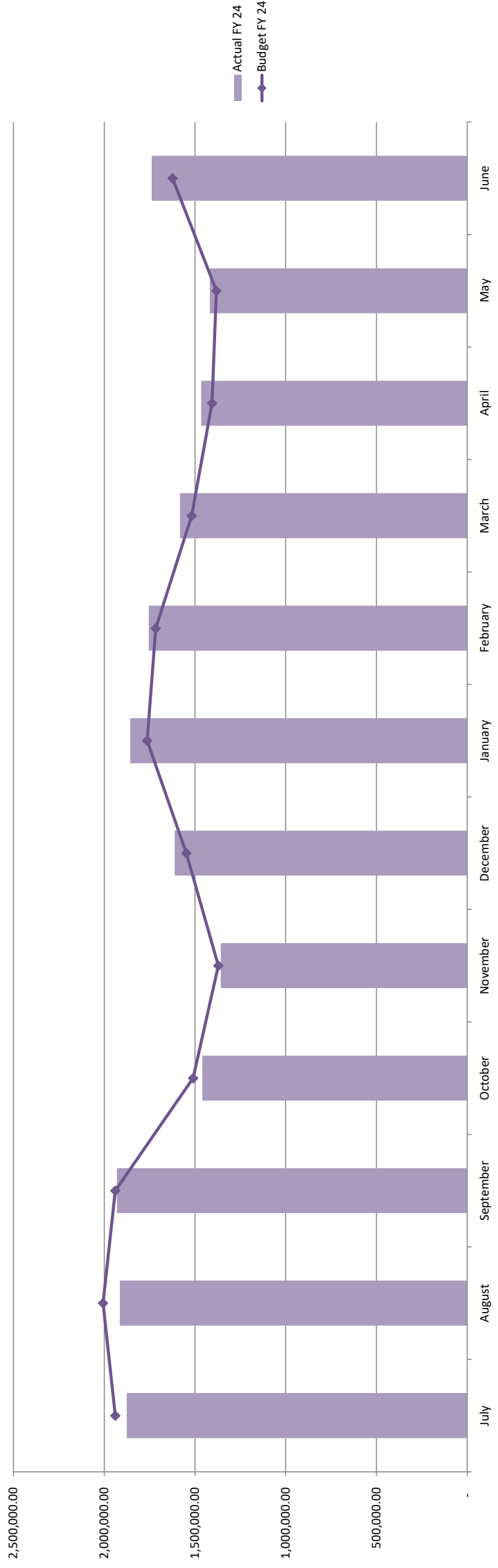
6/30/2023 Outstanding Debt Principal - Sewer



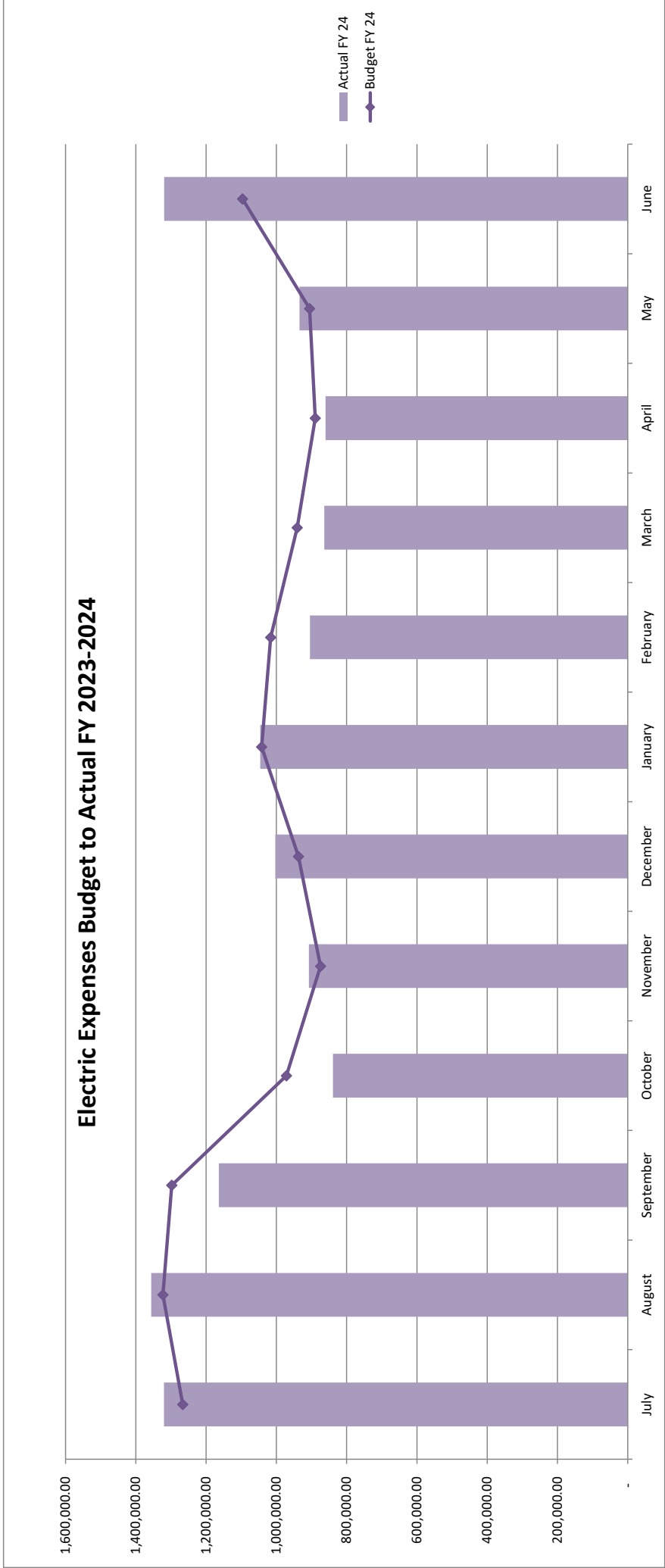
City of Shelby
Electric Revenues Budget to Actual
FY 2024

| Revenues Budget FY 24 | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Residential | 842,034.31 | 879,692.87 | 803,933.91 | 578,725.58 | 561,164.39 | 730,908.28 | 889,838.54 | 868,869.84 | 692,862.45 | 592,070.28 | 552,593.28 | 680,086.24 | 8,672,779.97 |
| Commercial/Industrial | 1,096,914.00 | 1,126,752.06 | 1,135,371.43 | 931,853.59 | 810,180.97 | 816,740.53 | 873,605.06 | 847,469.64 | 825,900.03 | 814,200.77 | 829,437.55 | 943,794.40 | 11,052,220.03 |
| Totals | 1,938,948.30 | 2,006,444.93 | 1,939,305.34 | 1,510,579.17 | 1,371,345.36 | 1,547,648.81 | 1,763,443.61 | 1,716,339.49 | 1,518,762.47 | 1,406,271.05 | 1,382,030.83 | 1,623,880.64 | 19,725,000.00 |
| 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 | 719,788.25 | 8,745,531.97 |
| 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 | 1,018,309.75 | 11,219,376.98 |
| 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 | 1,738,098.00 | 19,964,908.95 |
| Revenue Variance | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
| Residential | (38,503.66) | (72,788.49) | 7,403.36 | (29,628.56) | (15,796.36) | 20,833.81 | 76,360.83 | 2,287.01 | 32,304.60 | 36,991.56 | 13,585.89 | 39,702.01 | 72,752.00 |
| Commercial/Industrial | (24,278.17) | (19,527.11) | (16,797.82) | (21,142.45) | 2,143.92 | 43,703.47 | 17,082.38 | 35,515.70 | 31,269.18 | 22,160.74 | 22,511.76 | 74,515.35 | 167,156.95 |
| | (62,781.82) | (92,315.60) | (9,394.46) | (50,771.01) | (13,652.44) | 64,537.28 | 93,443.20 | 37,802.70 | 63,573.79 | 59,152.30 | 36,097.65 | 114,217.36 | 239,908.95 |

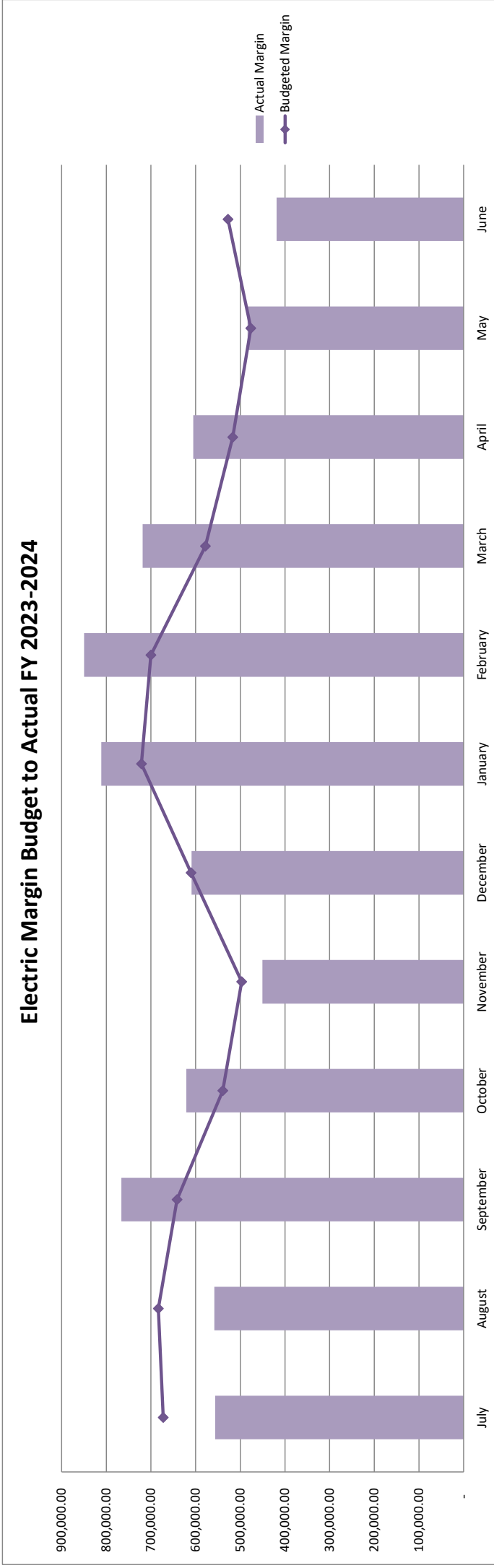
Electric Revenues Budget to Actual FY 2023-2024



| Expenses | | | | | | | | | | | | | |
|-------------------------|---------------------|---------------------|---------------------|-------------------|--------------------|---------------------|---------------------|---------------------|-------------------|-------------------|--------------------|---------------------|----------------------|
| Budget FY 24 | | | | | | | | | | | | | |
| | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
| NCMPA1 | 1,221,369.64 | 1,277,116.22 | 1,255,270.31 | 938,249.32 | 842,318.24 | 903,371.45 | 1,007,249.33 | 979,687.72 | 907,080.54 | 857,389.15 | 873,930.16 | 1,057,522.92 | 12,120,555.00 |
| 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 | 1,266,378.32 | 1,322,868.65 | 1,297,922.27 | 971,360.66 | 874,420.01 | 937,333.04 | 1,042,106.25 | 1,016,082.12 | 940,539.24 | 889,387.65 | 905,726.87 | 1,096,429.93 | 12,560,555.00 |
| 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 | 1,285,328.83 | 12,081,643.82 |
| 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 | 34,076.36 | 435,384.03 |
| 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 | 1,319,405.19 | 12,517,027.85 |
| Expense Variance | | | | | | | | | | | | | |
| NCMPA1 | (64,127.38) | (42,191.14) | 127,631.74 | 136,753.63 | (26,069.44) | (61,822.76) | 2,470.68 | 109,845.59 | 80,764.11 | 29,580.44 | (26,118.38) | (227,805.91) | 38,911.18 |
| 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) | 4,830.65 | 4,615.97 |
| Totals | (53,501.63) | (33,220.05) | 134,287.02 | 132,251.88 | (32,972.25) | (65,776.23) | (3,747.08) | 111,667.67 | 76,803.62 | 29,358.19 | (28,648.72) | (222,975.26) | 43,527.15 |



| Margin | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Budgeted Revenues | 1,938,948.30 | 2,006,444.93 | 1,939,305.34 | 1,510,579.17 | 1,371,345.36 | 1,547,648.81 | 1,763,443.61 | 1,716,339.49 | 1,518,762.47 | 1,406,271.05 | 1,382,030.83 | 1,623,880.64 | 19,725,000.00 |
| Budgeted Expenses | (1,266,378.32) | (1,322,868.65) | (1,297,922.27) | (971,360.66) | (874,420.01) | (937,333.04) | (1,042,106.25) | (1,016,082.12) | (940,539.24) | (889,387.65) | (905,726.87) | (1,096,429.93) | (12,560,555.00) |
| Budgeted Margin | 672,569.99 | 683,576.28 | 641,383.07 | 539,218.51 | 496,925.35 | 610,315.77 | 721,337.35 | 700,257.36 | 578,223.23 | 516,883.40 | 476,303.96 | 527,450.72 | 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 | 1,738,098.00 | 19,964,908.95 |
| 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) | (1,319,405.19) | (12,517,027.85) |
| 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 | 418,692.81 | 7,447,881.10 |
| Margin Variance | (116,283.46) | (125,535.65) | 124,892.56 | 81,480.87 | (46,624.69) | (1,238.95) | 89,696.13 | 149,470.38 | 140,377.41 | 88,510.49 | 7,448.93 | (108,757.91) | 283,436.10 |



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

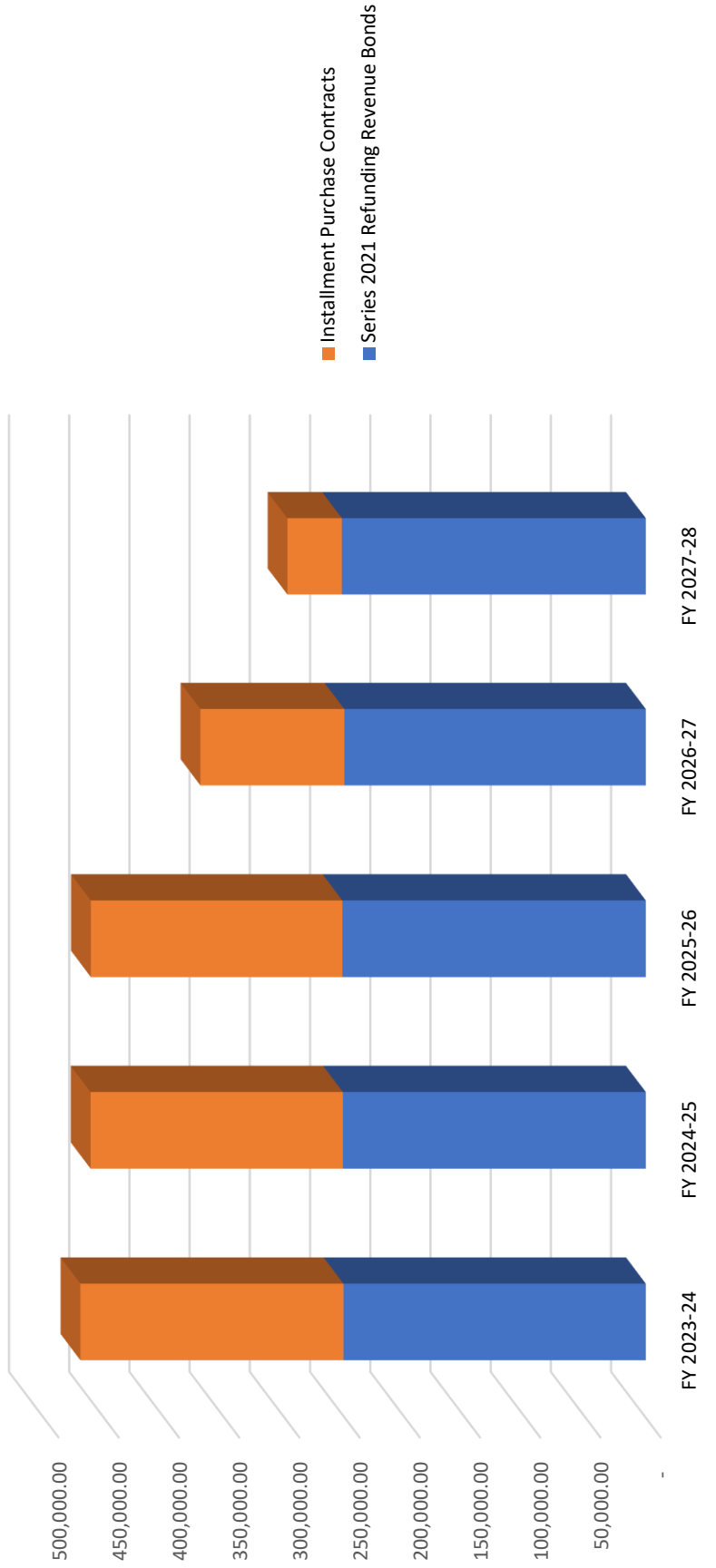
Series 2021 Refunding Revenue Bonds

| | | | | | | | |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---|
| 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 | |

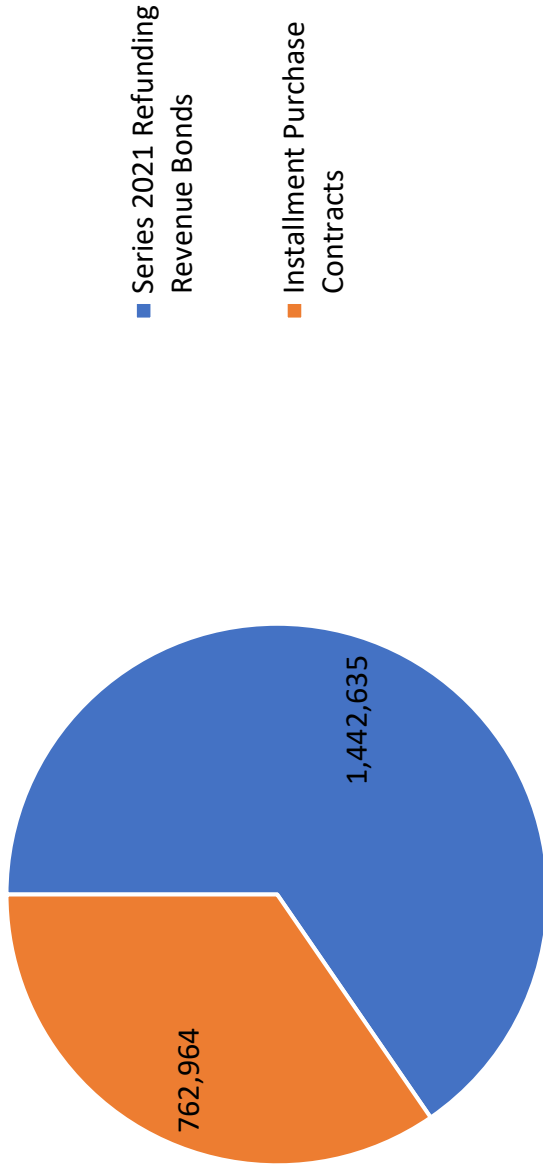
Installment Purchase Contracts

| | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------|
| 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

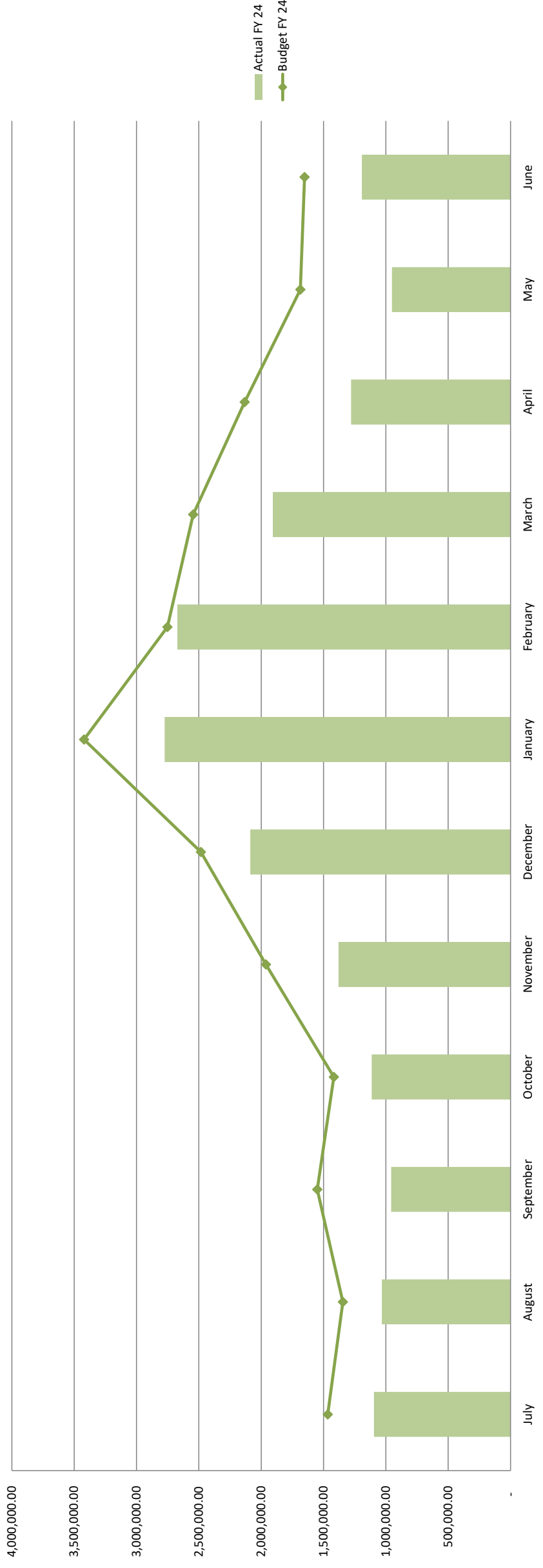
| Revenues Budget FY 24 | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| 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 | 133,029.16 | 4,088,007.89 |
| 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 | 164,591.25 | 4,092,928.40 |
| 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 | 17,650.07 | 228,319.57 |
| 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 | 49,508.13 | 753,536.09 |
| 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 | 828,451.62 | 9,283,124.84 |
| 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 | 1,193,230.23 | 18,445,916.79 |

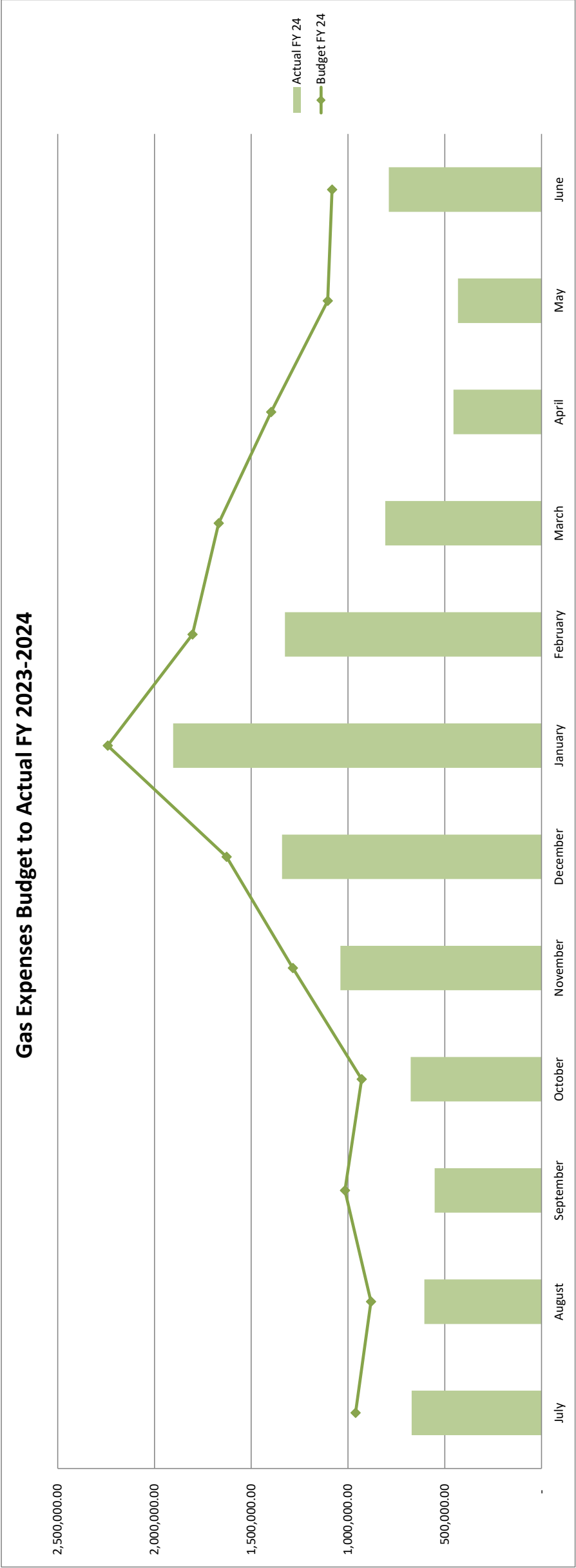
| Revenue Variance | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|-------------------------|-------------|---------------|------------------|----------------|-----------------|-----------------|----------------|-----------------|--------------|--------------|-------------|-------------|----------------|
| 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) | (34,826.40) | (632,026.42) |
| 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) | (49,191.85) | (1,141,369.67) |
| 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) | (50,984.59) | (410,918.52) |

| | | | | | | | | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|----------------|
| 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) | (39,836.01) | (351,996.49) |
| 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) | (284,401.47) | (3,434,734.11) |
| 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) | (459,240.32) | (5,971,045.21) |

Gas Revenues Budget to Actual FY 2023-2024

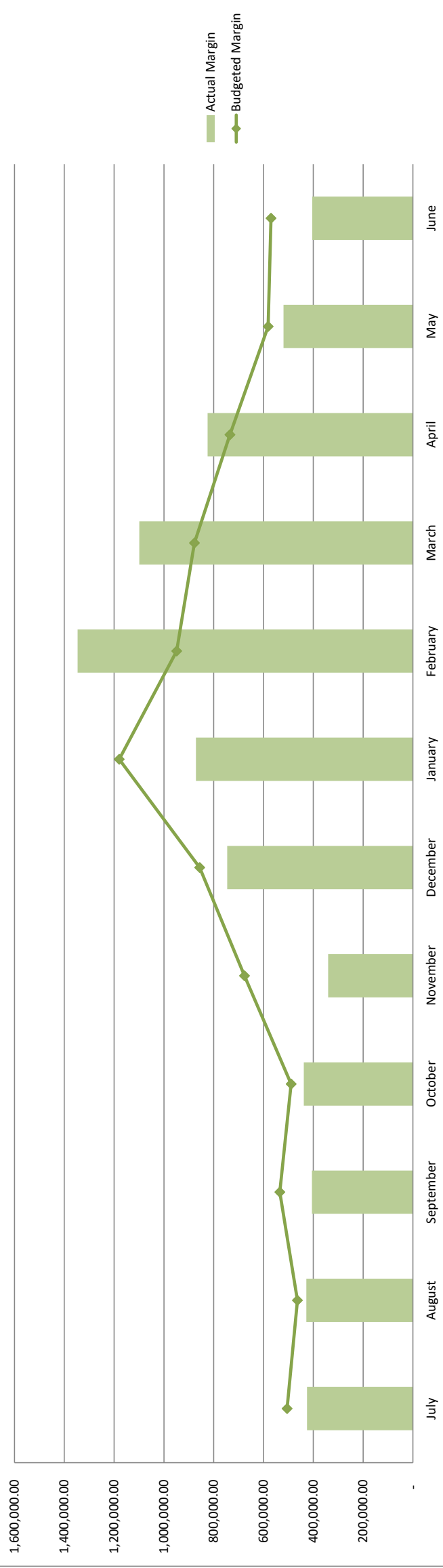


| Expenses | July | August | September | October | November | December | January | February | March | April | May | June | Totals |
|-------------------------|------------|------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Budget FY 24 | 961,093.37 | 881,426.65 | 1,015,868.93 | 929,148.62 | 1,285,520.95 | 1,627,365.10 | 2,242,002.20 | 1,803,859.48 | 1,668,493.26 | 1,397,537.42 | 1,104,849.52 | 1,082,834.50 | 16,000,000.00 |
| Actual FY 24 | 670,914.51 | 605,246.61 | 552,368.38 | 676,065.61 | 1,039,073.00 | 1,340,830.60 | 1,903,641.34 | 1,325,823.89 | 807,713.12 | 454,918.90 | 431,985.57 | 788,975.98 | 10,597,557.51 |
| 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 | 293,858.52 | 5,402,442.49 |



| 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 | 1,193,230.23 | 18,445,916.79 |
| 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 | 788,975.98 | 10,597,557.51 |
| 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 | 404,254.25 | 7,848,359.28 |
| 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) | (165,381.80) | (568,602.72) |

Gas Margin Budget to Actual FY 2023-2024



DEBT SERVICE - GAS FUND

FY 2023-24

FY 2024-25

FY 2025-26

FY 2026-27

FY 2027-28

FY 2028-29

FY 2029-30

General Obligation Bonds

Revenue Bonds

Series 2021 Refunding Revenue Bonds

| | | | | | | |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Principal | 173,115.26 | 175,424.02 | 134,680.29 | 135,703.98 | 137,967.78 | 82,862.43 |
| Interest | 11,149.72 | 8,717.88 | 6,405.23 | 4,516.52 | 2,608.73 | 870.45 |
| Debt Retired In 2031 | 184,264.98 | 184,141.90 | 141,085.52 | 140,220.50 | 140,576.51 | 83,732.88 |

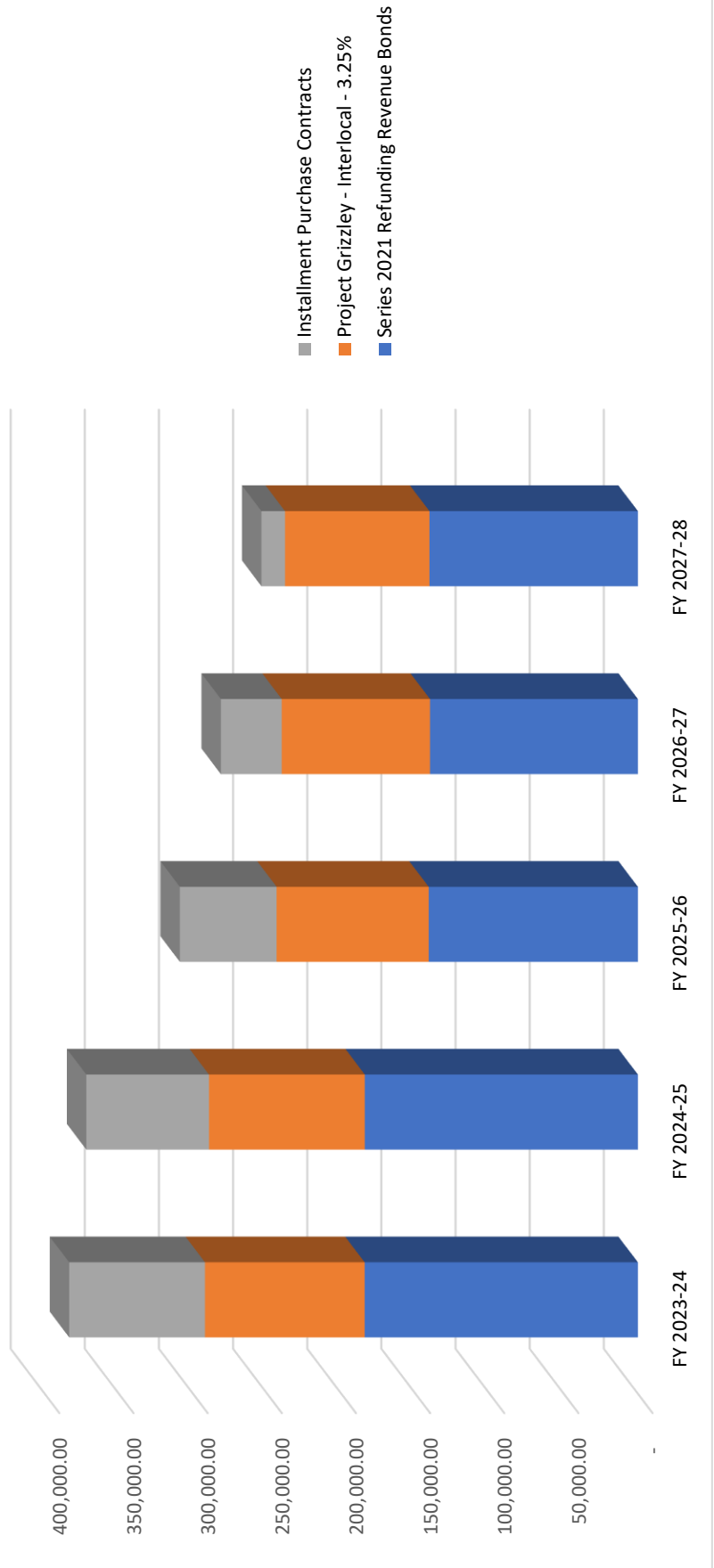
Project Grizzley - Interlocal - 3.25%

| | | | | | | |
|-----------------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| Principal | 84,560.60 | 84,560.60 | 84,560.60 | 84,560.60 | 84,560.60 | 84,560.60 |
| 3.25% Interest | 23,085.04 | 20,520.03 | 17,955.03 | 15,390.02 | 12,825.02 | 7,695.01 |
| Debt Retired in 2032 | 107,645.64 | 105,080.63 | 102,515.63 | 99,950.62 | 97,385.62 | 92,255.61 |

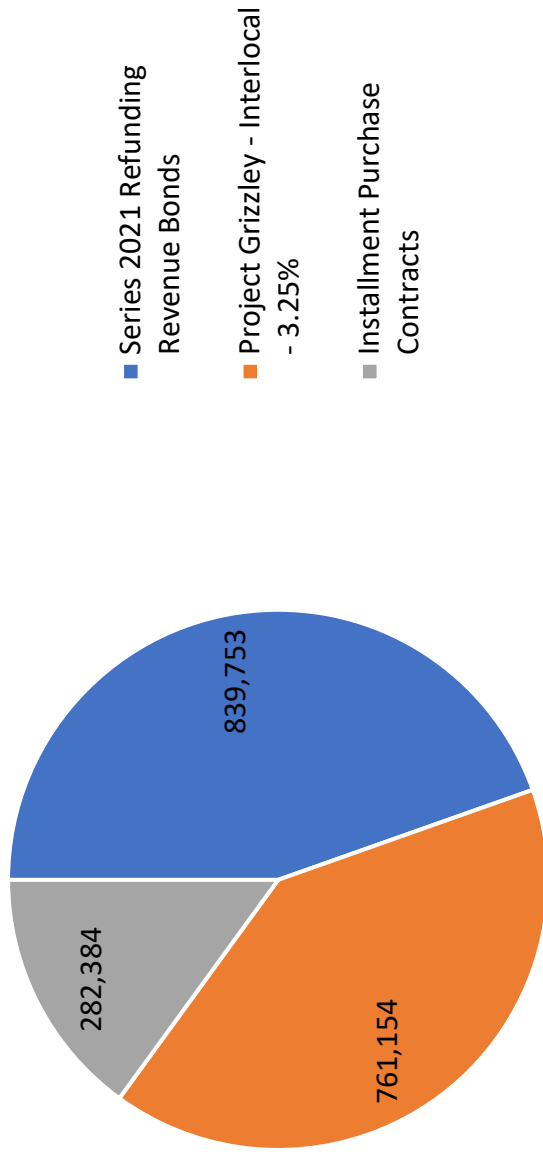
Installment Purchase Contracts

| | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| FY 19 Installment Purchase | | | | | | |
| Debt Retired In 2024 | 7,621.62 | | | | | |
| FY 20 Installment Purchase | | | | | | |
| Debt Retired In 2025 | 18,518.00 | 17,266.67 | | | | |
| FY 21 Installment Purchase | | | | | | |
| Debt Retired In 2026 | 24,392.50 | 24,392.50 | 24,225.77 | | | |
| FY 22 Installment Purchase | | | | | | |
| Debt Retired In 2027 | 25,145.86 | 25,145.86 | 25,145.86 | 25,145.86 | | |
| FY 23 Installment Purchase | | | | | | |
| Debt Retired In 2028 | 15,882.00 | 15,882.00 | 15,882.00 | 15,882.00 | 15,882.02 | |
| 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

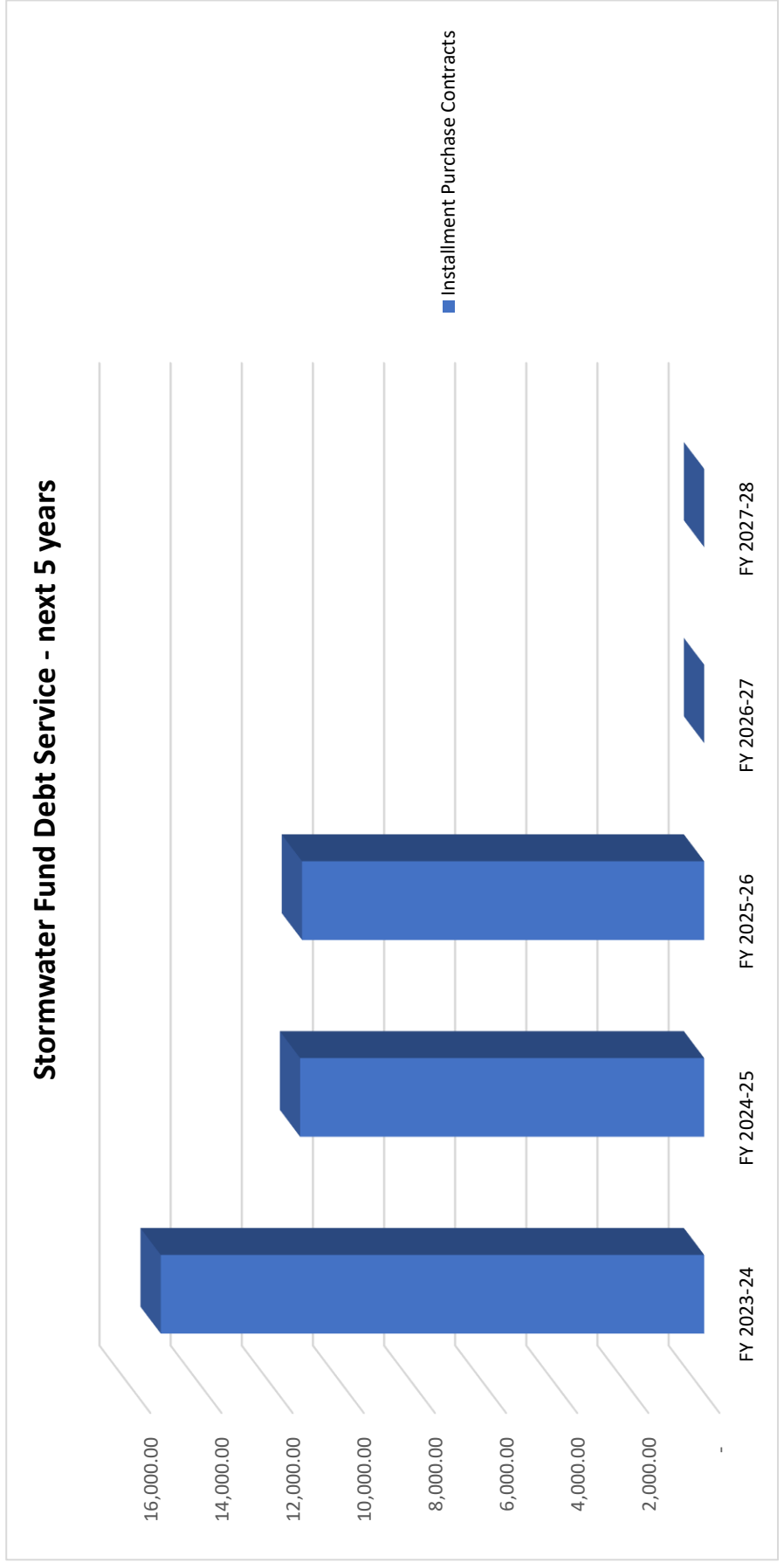


6/30/2023 Outstanding Debt Principal - Gas

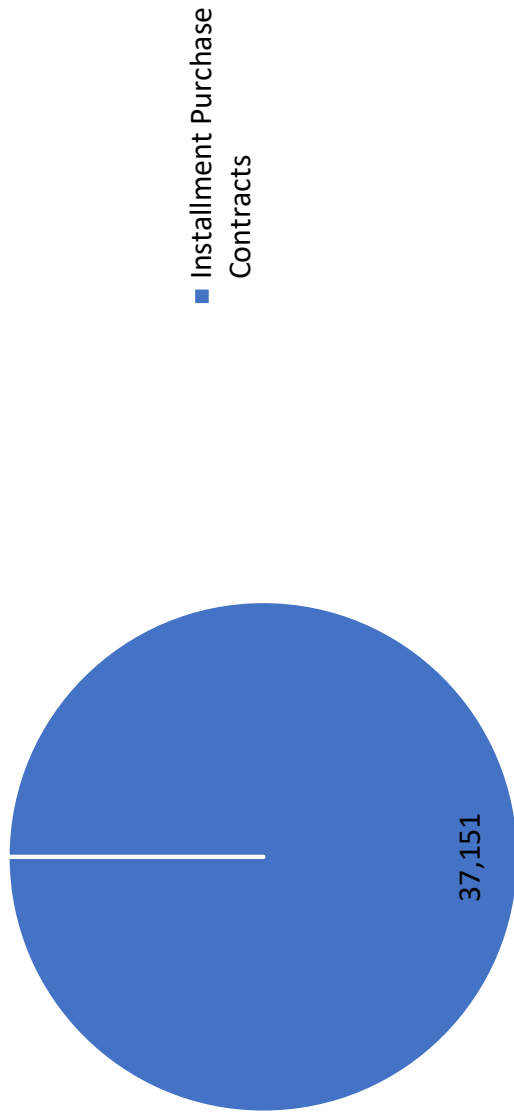


Installment Purchase Contracts

| | | | | | | | |
|---|------------------|------------------|------------------|----------|----------|----------|----------|
| 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 | - | - | - | - |



6/30/2023 Outstanding Debt Principal - Stormwater



City of Shelby
 For FY24 - June 2024 (100% 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 | 4,369,455 | 3,854,341.61 | 4,415.94 | 510,698 | 88.30 % |
| Total 610713 WATER LINES OPERATIONS | 937,390 | 1,112,648 | 1,068,066.80 | 9,165.54 | 35,415 | 96.80 % |
| Total 610714 WATER PLANT OPERATIONS | 2,342,416 | 2,408,726 | 2,037,528.85 | 221,888.88 | 149,308 | 93.80 % |
| Total 610 WATER FUND | 6,656,332 | 7,890,829 | 6,959,937.26 | 235,470.36 | 695,421 | 91.20 % |
| | | | | | | |
| Total 620721 SEWER ADMINISTRATION | 3,121,474 | 4,508,278 | 3,900,459.19 | 7,830.67 | 599,988 | 86.70 % |
| Total 620723 SEWER LINES OPERATIONS | 1,108,930 | 1,270,577 | 976,110.87 | 22,694.06 | 271,772 | 78.60 % |
| Total 620724 SEWER PLANT OPERATIONS | 2,758,365 | 2,843,861 | 2,454,985.93 | 277,891.90 | 110,983 | 96.10 % |
| Total 620 SEWER FUND | 6,988,769 | 8,622,716 | 7,331,555.99 | 308,416.63 | 982,744 | 88.60 % |
| | | | | | | |
| Total 630731 ELECTRIC ADMINISTRATIO | 3,918,825 | 9,474,575 | 9,079,543.75 | 68,928.75 | 326,103 | 96.60 % |
| Total 630732 ELECTRIC PURCHASE | 13,760,555 | 14,060,555 | 12,470,078.65 | 0.00 | 1,590,476 | 88.70 % |
| Total 630733 ELECTRIC LINES | 3,582,620 | 4,916,868 | 3,838,065.94 | 703,762.25 | 375,040 | 92.40 % |
| Total 630 ELECTRIC FUND | 21,262,000 | 28,451,999 | 25,387,688.34 | 772,691.00 | 2,291,619 | 91.90 % |
| | | | | | | |
| Total 640741 NATURAL GAS ADMINISTRA | 5,135,252 | 6,467,136 | 5,540,511.26 | 33,828.79 | 892,795 | 86.20 % |
| Total 640742 NATUTRAL GAS PURCHASE | 17,010,000 | 17,010,000 | 10,449,977.04 | 0.00 | 6,560,023 | 61.40 % |
| Total 640743 NATURAL GAS LINES | 2,999,210 | 3,237,452 | 2,871,451.13 | 258,268.82 | 107,732 | 96.70 % |
| Total 640 NATURAL GAS FUND | 25,144,462 | 26,714,587 | 18,861,939.43 | 292,097.61 | 7,560,550 | 71.70 % |
| | | | | | | |
| Total 650751 STORMWATER ADMINISTRAT | 919,527 | 1,783,188 | 1,182,279.76 | 543,200.16 | 57,708 | 96.80 % |
| Total 650 STORMWATER FUND | 919,527 | 1,783,188 | 1,182,279.76 | 543,200.16 | 57,708 | 96.80 % |

City of Shelby
Weather Variances
Fiscal Year to Date at June 30, 2024

| Month | Average Rain* | Actual Rain | Variance | Average CDD** | Actual CDD | Variance | Average HDD** | Actual HDD | Variance |
|---------------|---------------|--------------|-------------|---------------|--------------|------------|---------------|--------------|--------------|
| July | 4.30 | 5.10 | 0.80 | 388 | 484 | 96 | 0 | 0 | 0 |
| August | 4.40 | 4.70 | 0.30 | 563 | 436 | -127 | 0 | 0 | 0 |
| September | 3.80 | 0.09 | (3.71) | 256 | 258 | 2 | 5 | 3 | -2 |
| October | 3.80 | 0.70 | (3.10) | 109 | 64 | -45 | 129 | 148 | 19 |
| November | 3.40 | 1.60 | (1.80) | 0 | 8 | 8 | 460 | 411 | -49 |
| December | 4.00 | 8.50 | 4.50 | 1 | 0 | -1 | 564 | 574 | 10 |
| January | 3.90 | 9.90 | 6.00 | 0 | 0 | 0 | 810 | 715 | -95 |
| February | 3.90 | 1.10 | (2.80) | 0 | 0 | 0 | 586 | 454 | -132 |
| March | 4.70 | 10.40 | 5.70 | 24 | 8 | -16 | 464 | 307 | -157 |
| April | 3.30 | 2.60 | (0.70) | 23 | 59 | 36 | 223 | 124 | -99 |
| May | 4.40 | 7.70 | 3.30 | 116 | 208 | 92 | 51 | 3 | -48 |
| June | 4.30 | 1.50 | (2.80) | 337 | 431 | 94 | 0 | 0 | 0 |
| Totals | 48.20 | 53.89 | 5.69 | 1,817 | 1,956 | 139 | 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

C. Unfinished Business:

Agenda Item: C-1

- 1) Approval of a resolution awarding the contract for the City of Shelby's South Morgan St and Market St Water and Sewer Rehabilitation Project to Father and Son Enterprises, LLC: Resolution No. 52-2024

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

Summary of Available Information:

- Memorandum dated July 29, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager and copied to Beth Beam, Finance Director and Brian Wilson, Director of Water Resources
- Memorandum dated July 24, 2024, from Brian Wilson, Director of Water Resources to Rick Howell, City Manager and Ben Yarboro, Assistant City Manager
- Ordinance No. 14-2023
- Bid Tabulation
- Project Area Map
- Resolution No. 52-2024

City Manager's Recommendation / Comments

Resolution No. 52-2024 is presented for City Council consideration at this time via the Unfinished Business. This item is an unfinished business item as Council has previously adopted a project budget ordinance and authorized the selection of an engineer. Funding is appropriated (ARP Project Fund – Ordinance No. 14-2023) within an existing water resources budget. If approved, Resolution No. 52-2024 would award a construction contract to Father and Son Enterprises, LLC for the construction and replacement of water and sewer lines in the vicinity of S. Morgan Street and Market Street in the amount of \$871,310. This project was bid in accordance with the requirements of the NC General Statutes and City Purchasing Policy. Responsive bids were received from two bidders. This bid is being awarded after the City did not receive the required three bids. State law requires under these circumstances that the project be rebid. If three bids are still not received, then City Council may award and proceed forward.

It is my recommendation that Resolution No. 52-2024 be adopted and approved by City Council at this time.

Memorandum

To: Rick Howell, City Manager

From: Ben Yarboro, Assistant City Manager

**CC: Beth Beam, Director of Finance
Brian Wilson, Director of Water Resources**

**RE: S. Morgan Street and Market Street Water and Sewer
Rehabilitation Project – Contract Award Recommendation**

Date: July 29, 2024

As noted in the detailed memo from Brian Wilson, Director of Water Resources, the City of Shelby received American Rescue Plan (ARPA) funding in 2022. On March 6, 2023, the Shelby City Council adopted Ordinance 14-2023 establishing a Project Budget for water and sewer projects utilizing the ARPA funding the City received.

City staff identified the water and sewer infrastructure on S. Morgan St. and Market St., between W. Graham St. and Gardner St. as a high priority replacement project due to the poor condition of the lines and the proposed development of the Depot Park Project and the Rail Trail multi-use path project. The sections of the water and sewer systems that are included in this proposed utility replacement project were installed in the 1950’s and as noted by Mr. Wilson, both utilities have experienced significant past failures and line breaks.

In June 2023, the City of Shelby selected Kimley-Horn and Associates, Inc. as the professional engineering firm to complete the design and bidding of this proposed replacement project. At the second public bid opening for this project on July 23, 2024, the City received the following two bids:

| Bidder | Base Bid | Final Contract Award |
|---------------------------------|----------------|----------------------|
| Father and Son Enterprises, LLC | \$999,282.00 | \$871,310.00 |
| Fuller & Co. Construction, LLC | \$1,692,932.00 | \$1,462,026 |

As shown above, the lowest bidder for this project was Father and Son Enterprises, LLC, with a base bid of \$999,282.00 and a recommended contract award of **\$871,310.00**. The reason for the higher base bid price was that sections of the sewer portion of this project were bid as two different material options, PVC and Ductile

Iron, and the cheaper PVC material will be utilized. The use of PVC on the sewer line on sections where it is feasible will result in a reduction in the quantity of Ductile Iron installed compared to what was included in the base bid. It should be noted that PVC is the standard material that is utilized for sewer lines and ductile iron is only used where there are issues with minimal cover or insufficient separation from other utilities.

If approved by City Council, this project is anticipated to begin in October 2024 and have a contract duration of 130 days. This proposed construction schedule has been coordinated with the anticipated schedule of the upcoming Depot Park construction project that is currently in the advertising/bidding process with a bid date of August 5, 2024.

City staff recommends award of the construction contract for the S. Morgan Street and Market Street Water and Sewer Rehabilitation Project to Father and Son Enterprises, LLC in the amount of \$871,310.00. As previously noted, funding for this project is available via Ordinance 14-2023 utilizing ARPA funding.

Please let me know if additional information is needed.

Attachments:

- Memo from Brian Wilson, Director of Water Resources
 - Ordinance 14-2023
 - Bid Tabulation
 - Project Area Map

Memorandum

To: Rick Howell, City Manager

From: Brian Wilson, Director of Water Resources

CC: Ben Yarboro, Assistant City Manager

RE: S. Morgan Street and Market Street Water and Sewer Rehabilitation Project – Contract Award Recommendation

Date: July 26, 2024

Background

The City of Shelby received American Rescue Plan Act (ARPA) funding in 2022 to fund repairs and rehabilitation of water and sewer infrastructure. Upon receiving ARPA funding, Ordinance 14-2023 established a Project Budget Ordinance for the funding of future projects. City staff began evaluating water and sewer infrastructure needs within the entire system and created a potential project list that the funds would be used for. One of the projects that made the potential project list was the rehabilitation of the water and sewer infrastructure on S. Morgan Street and Market Street, between W. Graham Street and Gardner Street. Both the water and sewer lines in this area were installed in the 1950's. The sewer lines and manholes have undergone severe deterioration, which has decreased flow in this area. The decreased flow increases the likelihood of future failure or collapses. The 8" water line in this area has experienced multiple line breaks, with a large line break that occurred in 2021 that was difficult to repair quickly because the older water valves would not completely close. With construction of Depot Park in the vicinity, this project is needed to increase the future reliability of the water and sewer infrastructure in this area.

The S. Morgan Street and Market Street Water and Sewer Rehabilitation Project will consist of the construction of approximately 1,720 LF of 8" ductile iron pipe water main, 210 LF of 6" ductile iron pipe water main, and 2,631 LF of 8" PVC

and/or ductile iron pipe gravity sewer with associated manhole replacements, and all associated appurtenances.

Review

City Staff selected Kimley-Horn and Associates, Inc. as the engineer for this project in June 2023. Design and bidding for this project has been completed.

On June 12, 2024, a bid advertisement was sent out to prospective bidders for the S. Morgan Street and Market Street Water and Sewer Rehabilitation Project. The bid opening was scheduled for July 8, 2024. At the public bid opening held on July 8, 2024, the City of Shelby received only one (1) bid. Due to the insufficient number of bids, the bid was returned to the prospective bidder unopened, and a rebid was scheduled for July 23, 2024. At the second public bid opening, there were two (2) bidders present. Bids were opened, then reviewed by Kimley-Horn and Associates, Inc. The lowest responsible bidder as recommended by Kimley-Horn and Associates, Inc. was Father and Son Enterprises, LLC in the amount of \$999,282.00. After further discussion with the engineer and City staff, it was decided that the final contract award would be based on the selection of PVC over Ductile Iron piping as the material for the sewer lines, as both were listed in the base bid.

The following tables shows the bids received for this project:

| Prime Bidder | Base Bid | Final Contract Award |
|---------------------------------|----------------|----------------------|
| Father and Son Enterprises, LLC | \$999,282.00 | \$871,310.00 |
| Fuller & Co. Construction, LLC | \$1,692,932.00 | \$1,462,026 |

This project will take approximately 130 days to complete. City Staff plan to begin this project in October 2024, with completion estimated to be in February 2025. Funding for this project is available through the ARPA Project Fund that was established with Ordinance 14-2023, approved by City Council in March 2023.

Recommendation

City staff recommend proceeding with the S. Morgan Street and Market Street Water and Sewer Rehabilitation Project. City Staff requests that City Council authorize the award of the construction contract to Father and Son Enterprise, LLC in the amount of \$871,310.00

Please let me know if additional information is needed.

Attachments:

- Ordinance 14-2023
- Bid Tabulation
- Project Area Map

ORDINANCE NO. 14-2023
 BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S AMERICAN RESCUE
 PLAN WATER AND SEWER 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 American Rescue Plan Water and Sewer 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. 45-2022, the City's American Rescue Plan Water and Sewer Project, is hereby amended as follows to provide for Budget Amendment No. 3 for said project:

Section 1. Appropriating Revenues:

| | | |
|------------------------------------|----------------|-------------|
| ARP Funds-Federal | 25002000-34550 | \$1,972,100 |
| Transfer to Water Capital Projects | 250550-49611 | \$ 906,600 |
| Transfer to Sewer Capital Projects | 250550-49621 | \$1,065,500 |

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

Water Fund Capital Projects:

| | | |
|---------------------------|----------------------|-----------|
| Revenues: | | |
| Transferred from ARP Fund | 61106000-39250-61842 | \$727,600 |
| Transferred from ARP Fund | 61106000-39250-61843 | \$179,000 |
| Appropriation: | | |
| Engineering | 611716-42004-61842 | \$ 86,600 |
| Construction | 611716-53000-61842 | \$641,000 |
| Construction | 611716-53000-61843 | \$179,000 |

Sewer Fund Capital Projects:

| | | |
|---------------------------|----------------------|-----------|
| Revenues: | | |
| Transferred from ARP Fund | 62106000-39250-62880 | \$925,500 |
| Transferred from ARP Fund | 62106000-39250-62881 | \$140,000 |
| Appropriation: | | |
| Engineering | 621726-42004-62881 | \$140,000 |
| Engineering | 621726-42004-62880 | \$ 47,500 |
| Construction | 621726-53000-62880 | \$878,000 |

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

American Rescue Plan Water Projects:

| | <u>Current Budget</u> | <u>Amendment No. 3</u> |
|------------------------|-----------------------|------------------------|
| Revenues | | |
| Transfer from ARP Fund | \$781,000 | \$1,687,600 |
| Expenditures | | |
| Engineering | \$200,000 | \$ 286,600 |
| Construction | \$581,000 | \$1,401,000 |

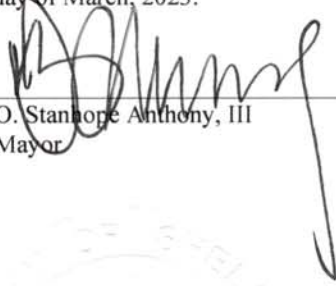
American Rescue Plan Sewer Projects:

| | <u>Current Budget</u> | <u>Amendment No. 3</u> |
|------------------------|-----------------------|------------------------|
| Revenues | | |
| Transfer from ARP Fund | \$571,750 | \$1,637,250 |
| Expenditures | | |
| Engineering | \$ -0- | \$ 187,500 |
| Construction | \$571,750 | \$1,449,750 |

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 6th day of March, 2023.



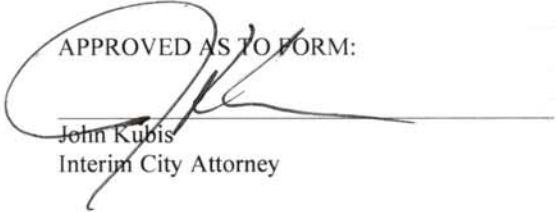
 O. Stanhope Anthony, III
 Mayor

ATTEST:



 Carol Williams
 City Clerk

APPROVED AS TO FORM:



 John Kubis
 Interim City Attorney

Cost Breakdown Using Full Ductile Iron

| Item | Father and Son | | Fuller and Co | |
|---|----------------|----------------------|---------------|------------------------|
| | Unit Price | Cost | Unit Price | Cost |
| 1.1 8" DIP Water Main Installation (NRJ) | \$ 140.00 | \$ 128,660.00 | \$ 162.00 | \$ 148,878.00 |
| 2.1 8" DIP Water Main Installation (RJ) | \$ 175.00 | \$ 140,175.00 | \$ 210.00 | \$ 168,210.00 |
| 2.2 6" DIP Water Main Installation (RJ) | \$ 155.00 | \$ 32,550.00 | \$ 127.00 | \$ 26,670.00 |
| 2.3 Water Service Reconnections | \$ 1,500.00 | \$ 4,500.00 | \$ 5,641.00 | \$ 16,923.00 |
| 3.1 8" PVC Sanitary Sewer Gravity Installation | \$ 92.00 | \$ 114,080.00 | \$ 166.00 | \$ 205,840.00 |
| 3.2 8" DIP Sanitary Sewer Gravity Installation | \$ 155.00 | \$ 215,605.00 | \$ 249.00 | \$ 346,359.00 |
| 3.3 Sewer Service Reconnections | \$ 800.00 | \$ 16,800.00 | \$ 4,563.00 | \$ 95,823.00 |
| 4.1 Manholes - 0-6' Depth | \$ 3,500.00 | \$ 17,500.00 | \$ 5,549.00 | \$ 27,745.00 |
| 4.2 Manholes - 6-12' Depth | \$ 4,000.00 | \$ 28,000.00 | \$ 8,191.00 | \$ 57,337.00 |
| 5.1 6" Gate Valve and Box | \$ 2,500.00 | \$ 10,000.00 | \$ 2,357.00 | \$ 9,428.00 |
| 5.2 8" Gate Valve and Box | \$ 3,200.00 | \$ 6,400.00 | \$ 3,330.00 | \$ 6,660.00 |
| 6.1 Ductile Iron Water Pipe Fittings | \$ 3.50 | \$ 13,440.00 | \$ 4.00 | \$ 15,360.00 |
| 7.1 6" Connection to Existing System (Water Main) | \$ 5,000.00 | \$ 10,000.00 | \$ 6,180.00 | \$ 12,360.00 |
| 7.2 8" Connection to Existing System (Water Main) | \$ 7,000.00 | \$ 28,000.00 | \$ 7,593.00 | \$ 30,372.00 |
| 7.3 12" Connection to Existing System (Water Main) | \$ 15,000.00 | \$ 15,000.00 | \$ 8,006.00 | \$ 8,006.00 |
| 8.1 Fire Hydrant Assembly | \$ 7,200.00 | \$ 21,600.00 | \$ 10,902.00 | \$ 32,706.00 |
| 9.1 Utility Trench - Pavement Patch | \$ 10.00 | \$ 42,500.00 | \$ 50.00 | \$ 212,500.00 |
| 10.1 Undercut Excavation/Backfill with Select Bedding | \$ 5.00 | \$ 250.00 | \$ 22.00 | \$ 1,100.00 |
| 11.1 Select Backfill | \$ 5.00 | \$ 100.00 | \$ 70.00 | \$ 1,400.00 |
| 12.1 Rock Excavation | \$ 5.00 | \$ 150.00 | \$ 20.00 | \$ 600.00 |
| 13.1 Maintenance of Traffic | \$ 1,000.00 | \$ 1,000.00 | \$ 2,500.00 | \$ 2,500.00 |
| 14.1 Mobilization (Not to Exceed 3% of Subtotal - Items 1-13) | \$ 25,000.00 | \$ 25,000.00 | \$ 35,249.00 | \$ 35,249.00 |
| Total | | \$ 871,310.00 | | \$ 1,462,026.00 |

| Father and Son | |
|------------------|---------------|
| Total Water cost | \$ 871,310.00 |
| Total Sewer cost | \$ 440,285.00 |

| Fuller and Co | |
|------------------|-----------------|
| Total Water cost | \$ 1,462,026.00 |
| Total Sewer cost | \$ 910,448.30 |

Morgan/Market Water and Sewer Rehabilitation Project



RESOLUTION NO 52 – 2024

**A RESOLUTION AWARDING THE CONTRACT FOR THE CITY OF SHELBY
S. MORGAN STREET AND MARKET STREET WATER AND SEWER REHABILITATION
PROJECT TO FATHER AND SON ENTERPRISES, LLC**

WHEREAS, the City of Shelby received funds from the American Rescue Plan Act (ARPA) in 2022; and,

WHEREAS, Ordinance No. 14-2023 appropriated ARPA funds to be utilized for water and sewer repair and rehabilitation projects; and,

WHEREAS, City of Shelby staff identified the need for the replacement and rehabilitation of the water and sewer lines located on S. Morgan Street and Market Street, between W. Graham Street and Gardner Street; and,

WHEREAS, the City of Shelby selected Kimley-Horn and Associates, Inc. through a publicly advertised qualifications based selection process, for professional engineering services for the S. Morgan Street and Market Street Water and Sewer Rehabilitation Project; and,

WHEREAS, Kimley-Horn and Associates, Inc. designed the project and held a competitive public bid opening on July 8, 2024, consistent with the applicable North Carolina General Statutes for formal bidding of public construction contracts; and,

WHEREAS, the City of Shelby received only one (1) bid at the public bid opening held on July 8, 2024 and was required to re-advertise the project with a second bid opening set for July 23, 2024; and,

WHEREAS, the City of Shelby received bids from two (2) qualified contractors at the second bid opening for the S. Morgan Street and Market Street Water and Sewer Rehabilitation Project; and,

WHEREAS, the City of Shelby and Kimley-Horn and Associates, Inc. have reviewed the bids and recommend awarding the construction contract for the work described to Father and Son Enterprises, LLC in the amount of \$871,310.00

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

Section 1. The City Council of the City of Shelby hereby awards the contract to Father and Son Enterprises, LLC in the amount of 871,310.00 for the construction of the S. Morgan Street and Market Street Water and Sewer Rehabilitation Project.

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

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

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

Adopted and Approved this the 5th day of August, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol S. Williams
City Clerk

D. New Business:

Agenda Item: D-1

- 1) Approval of a resolution authorizing selection of HDR Engineering, Inc. of the Carolinas for professional engineering services for the feasibility study with preliminary engineering report to extend utilities to the US-74 Bypass interchanges: Resolution No. 53-2024

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

Summary of Available Information:

- Memorandum dated July 29, 2024, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager
- Request for Qualifications (including maps)
- Request for Qualifications Scoring Sheets
- Presentation
- Resolution No. 53-2024

City Manager's Recommendation / Comments

Resolution No. 53-2024 is presented for your consideration via New Business at this time. If approved, this resolution would authorize the selection of HDR Engineering, Inc as the consulting engineer for engineering and planning services for this project. This resolution would authorize the selection of HDR but also the negotiation of a suitable contract for the specified scope of work. It should be noted that HDR Engineering has performed very well for the City for a number of years and assisted with the engineering and design of the biosolids facility at the WWTP. Based upon our positive experience and the staff recommendation from Mr. Yarboro, I believe it is in the City's best interest to select HDR Engineering, Inc.

As you know the US Hwy 74 Bypass is nearing completion with a portion already open to traffic. As development continues in our area and when the road completely opens it is likely to spur new development around the bypass interchanges. In some cases, the City already has one or more utilities in place in others City utilities would have to be extended if feasible and if it made economic sense. The whole purpose of the study is to make these determinations and develop a sensible plan for the future.

It is my recommendation that Resolution No. 53-2024 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: Recommendation to select HDR Engineering, Inc. of the Carolinas for the Professional Civil Engineering Services for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges

Date: July 29, 2024

Background

As noted in the detailed memo from Cameron Howell, Utilities Project Coordinator, in July 2013, the North Carolina Department of Transportation (NCDOT) began the construction of the 18.5-mile US-74 Bypass Project around the north side of Shelby. The project runs from East of Mooresboro to the West of Stoney Point Road at US-74 Business. The project is being completed in seven (7) different sections. The western portion of the US-74 Bypass Project from east of Mooresboro to the Polkville Road (NC-226) interchange has been completed and the section of the Bypass from Polkville Road to the NC-180/NC-150 interchange is scheduled to be opened to traffic in the next several months. The final sections of the Bypass project are under construction and scheduled to be completed by 2029.

At a past City Council planning workshop, a goal was established to have a professional engineering firm develop a Preliminary Engineering Report evaluating the feasibility of the City providing water, sewer, electric, and natural gas to the following Bypass interchanges (maps included in attachments to the memo from Mr. Howell):

- Washburn Switch Rd.
- Polkville Rd. (NC-226)
- Fallston Rd. (NC-18)
- Cherryville Rd, (NC-150) and N. Post Rd. (NC-180)

As required by North Carolina General Statutes, City staff advertised a Request for Qualifications for engineering firms interested in providing the services required for this Preliminary Engineering Report. Three (3) responses were received by the deadline on June 27, 2024 and the City's review committee unanimously

determined that HDR Engineering, Inc. of the Carolinas was the most qualified firm to complete this project.

The Preliminary Engineering Report that will be prepared following the evaluation of the City's water, sewer, electric, and natural gas systems at each of the interchanges will establish some of the following information:

- Utility availability
- Utility pressures/flows
- Utility extension routing and cost estimates
- Utility system limitations

The system models that exist for the City's utilities will be utilized to evaluate the impacts of various demands at the interchanges to ensure that utility service to these interchanges does not have negative impacts to the existing users on our systems.

Additionally, this Preliminary Engineering Report will be used extensively when working with developers around these interchanges to determine the utility extension requirements and capacities of our four utility systems.

Recommendation

City staff recommends that the Shelby City Council approve the resolution selecting HDR Engineering, Inc. of the Carolinas as the firm to perform the Professional Civil Engineering Services for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges. This resolution authorizes the City Manager to negotiate an agreement that establishes the scope of work and fees associated with the professional civil engineering services that are to be completed.

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

Attachments:

- Memo from Cameron Howell, Utilities Project Coordinator
 - RFQ Advertisement (includes maps)
 - RFQ Scoring Sheets



Memorandum

To: Ben Yarboro, Assistant City Manager

From: Cameron Howell, Utilities Project Coordinator

RE: Recommendation to Award Professional Civil Engineering Services for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges

Date: July 25, 2024

Background

In July 2013, the North Carolina Department of Transportation (NCDOT) began the construction of the 18.5-mile US-74 Bypass Project around Shelby. The project runs from East of Mooresboro to the West of Stoney Point Road at US-74 Business. The project has been intended to help improve the current high volume of traffic that currently runs on US-74 through Shelby. The project is being completed in seven (7) different sections. A portion of the US-74 Bypass Project has been completed and has been opened for operation from East of Mooresboro to the Polkville Road (NC-226) interchange, with plans to have the US-74 Bypass opened to the NC-180/NC-150 interchange in the near future.

The US-74 Bypass has already allowed for economic development around Shelby, which includes the Walmart Distribution Center, Clearwater Paper, and Greenheck Fan Corporation to name a few. The US-74 Bypass is still expected to bring more economic development to the area in the future as the different sections are completed. Not only will this bring in economic development, but it will also bring in potential new residential subdivisions to the City of Shelby.

Currently, the City of Shelby lacks the utility coverage needed in and around the new/proposed US-74 Bypass interchanges to meet demands of new industrial, commercial, and residential needs. City staff met and decided that a Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges would allow for utility planning needed to determine what will be needed to provide utility services to the properties surrounding these interchanges in the future.

Review

On May 28, 2024, City staff advertised an RFQ for Professional Civil Engineering Services for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges. Three (3) responses were received to this advertisement prior to the June 27, 2024, deadline. Responses were received from the following firms (listed in alphabetical order):

- HDR Engineering, Inc. of the Carolinas – Charlotte, NC
- Kimley-Horn and Associates, Inc. – Charlotte, NC
- Magnolia River of NC, PLLC – Shelby, NC

A review committee consisting of five (5) City staff members was established to complete independent reviews and score the three (3) responses that were received. After scoring was completed, the review committee discussed the results and determined that HDR Engineering, INC. of the Carolinas was the most qualified firm to perform the Professional Civil Engineering Services for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges.

Recommendation

City staff recommends that the Shelby City Council approve the resolution selecting HDR Engineering, INC. of the Carolinas as the firm to perform the Professional Civil Engineering Services for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges. This resolution authorizes the City Manager to negotiate an agreement that establishes the scope of work and fees associated with the professional civil engineering services that are to be completed.

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

Attachments:

- RFQ Advertisement
- RFQ Scoring Sheets

**REQUEST FOR QUALIFICATIONS STATEMENT FOR PROFESSIONAL
ENGINEERING SERVICES FOR THE FEASIBILITY STUDY WITH
PRELIMINARY ENGINEERING REPORT TO EXTEND UTILITIES TO THE
US-74 BYPASS INTERCHANGES IN SHELBY, NC**

Date: May 28, 2024

The City of Shelby is requesting Statements of Qualification from interested and qualified firms to engineering services related to the feasibility study with preliminary engineering report to extend utilities to the US-74 Bypass interchanges in Shelby, North Carolina.

PURPOSE

The purpose of this Request for Qualifications is to obtain engineering services for the City of Shelby for feasibility study with preliminary engineering report to extend utilities to the US-74 Bypass interchanges in Shelby, North Carolina. These interchanges may include, but are not limited to, Washburn Switch Rd and the new US-74 Bypass, Polkville Rd (NC-226) and the new US-74 Bypass, Fallston Road and the new US-74 Bypass, and Highway 150/180 and new US-74 Bypass. The utility planning is needed to determine what will be needed to provide utility services to the properties surrounding these interchanges.

SCOPE OF WORK

- 1) Utility Planning for each of the following utilities:
 - a. Water
 - b. Sewer
 - c. Electric
 - d. Natural Gas
- 2) Potential utility planning services include, but are not limited to:
 - a. Line extensions and new/upgraded facility requirements for each of the utilities.
 - b. Review of existing and proposed flows in the service areas
 - c. Review of the general operating conditions of current utility infrastructure and conduct tests as appropriate to determine capacities.
 - d. Right-of-Way acquisition
 - e. Utility easements
- 3) Make recommendations for improvements to the existing facilities as appropriate in order to provide continued reliable service.
- 4) Develop recommendations for long-term improvements in order to provide expanded service to the area and ensure the potential for future growth.
- 5) Develop preliminary layouts and preliminary cost estimates for each of the utilities.
- 6) Planning, field surveys and mapping, geotechnical investigations, utility location, design, and cost estimating.
- 7) Determine all necessary applications that will be needed to secure required permits and approvals for construction by NCDEQ, NCDOT, or any other necessary permitting agency.

- 8) Final scope of services are subject to change and will be determined with the firm selected through RFQ process.

REQUIREMENTS

The selected consultant will be required to enter into an agreement with the City of Shelby. The types of services and expertise required for this solicitation are described below. Consultants offering expertise in the services described below are encouraged to submit statements of qualifications.

PROPOSAL CONTENT AND EVALUATION

Five (5) copies of your proposal must be received no later than 2:00 PM, June 27, 2024. The proposals must be addressed to:

City of Shelby
Attn: Cameron Howell, Utilities Project Coordinator
824 W. Grover St.
Shelby, NC 28150

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

- 1) Project Approach:
 - a. Describe your team's approach to successfully delivering the project. Provide details on how each task will be completed. Include any recommendations for maximizing effectiveness and efficiency.
- 2) Relevant Project Experience:
 - a. Provide a summary of your experience with similar projects, including location and client contact information. Specify the services provided, the office location from which the work was performed, and staff members' responsibilities.
- 3) Project Team:
 - a. Provide an organizational chart identifying all staff assigned to the project, including any sub-contractors, defining roles, responsibilities, and task assignments for the duration of the project.
- 4) Qualifications of Personnel:
 - a. Provide relevant experience and qualifications of all personnel assigned to the project.
- 5) Scope of Work:
 - a. Provide an outline for keeping the project on schedule and within budget. Include projected workloads and staff availability, as well as a projected schedule for completion of significant milestones and the draft and final plan.
- 6) Insurance Certification:
 - a. Submit current insurance certificates for professional liability insurance, which indicates limits of liability. If selected, the successful firm shall provide certificates of insurance that also name City of Shelby as additional insured.
- 7) References:
 - a. Provide contact information for at least three (3) references for clients familiar with similar work by your firm.

Proposals shall be limited to a maximum of fifteen (15) pages, not including a cover page or cover letter.

DO NOT INCLUDE A PRICED PROPOSAL

INQUIRIES

Questions that arise shall be submitted via email to Mr. Cameron Howell at cameron.howell@cityofshelby.com by 2:00 PM, June 17, 2024. Questions and answers will 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.

QUALIFICATIONS

All firms responding to this request must meet the following minimum qualifications:

- 1) Services shall be performed under the direction and supervision of qualified personnel and if required by law a licensed engineer or architect duly licensed and authorized to conduct a practice in the State of North Carolina.
- 2) Firm must have at least ten (10) years of relevant experience in the design of similar projects.
- 3) Firm must demonstrate their ability and knowledge of construction standards and design standards for this type of project.
- 4) Firm must be able to demonstrate their ability through verifiable experience in the design, bidding, and construction of public projects of similar size, scope, and function.
- 5) Firm must show experience related to the product type and experience in working in North Carolina.

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 those to be considered are:

- 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, and
- 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) Technical Approach/Understanding of Project (20%)
- 2) Experience of Proposed Personnel (20%)
- 3) Availability of Staff and Resources (15%)
- 4) Familiarity with Local Development Requirements and Processes (15%)
- 5) Relevant Utility Planning, Preliminary Layout, and Cost Estimating Experience (20%)
- 6) Location of the Firm Relative to the Project (10%)

SELECTION

The City of Shelby will form a selection committee that will evaluate the submittals received. The City will review all requests, evaluate required criteria, select a consultant and enter into negotiations with the selected 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.

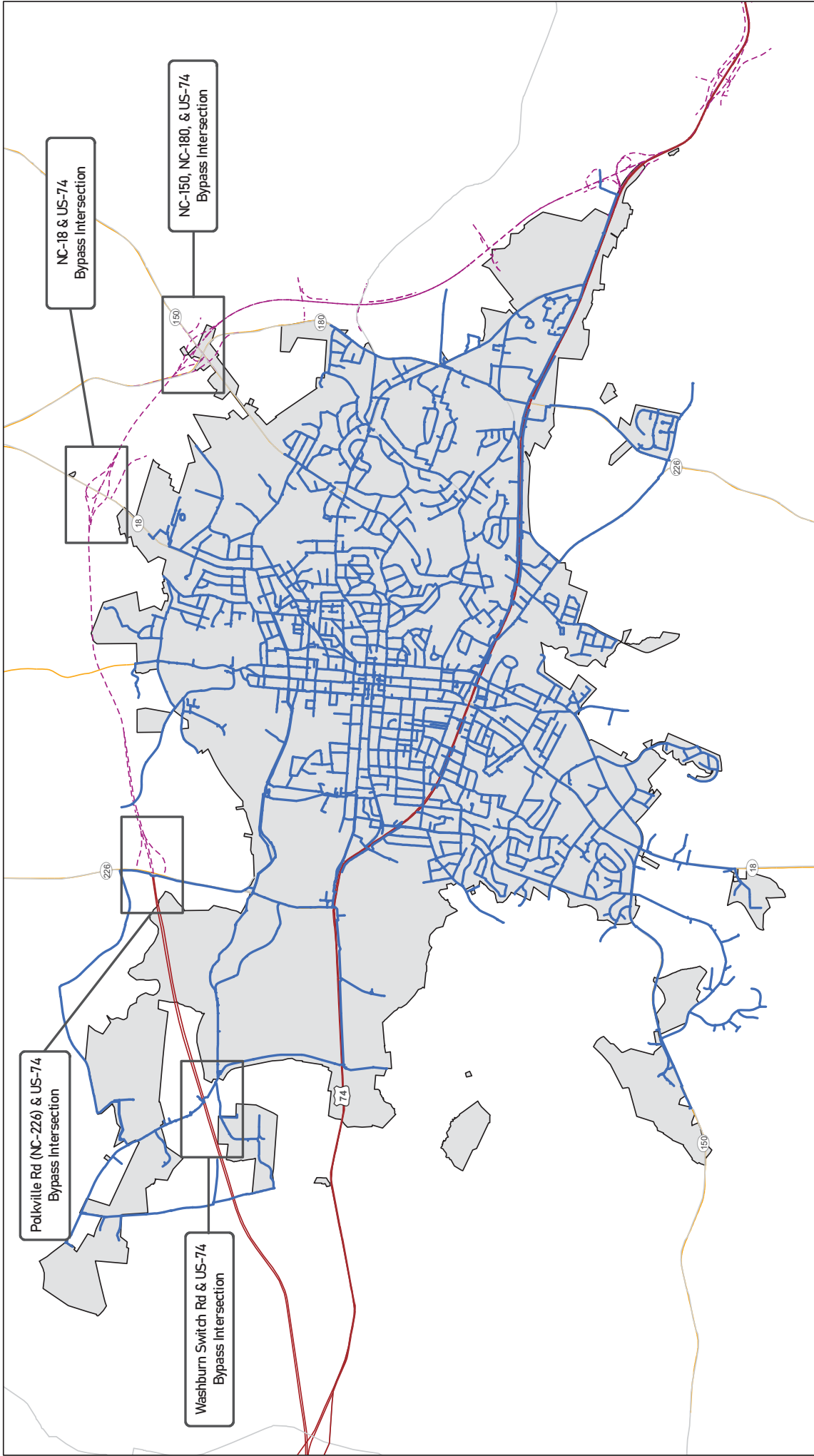
After selection of a consultant, a contract will be prepared based on a negotiated Scope of Services and final fee proposal. Should the negotiations be unsuccessful with the number one ranked firm, negotiations will cease with that firm, and negotiations will begin with the number two ranked firm. This 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 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.

NONDISCRIMINATION

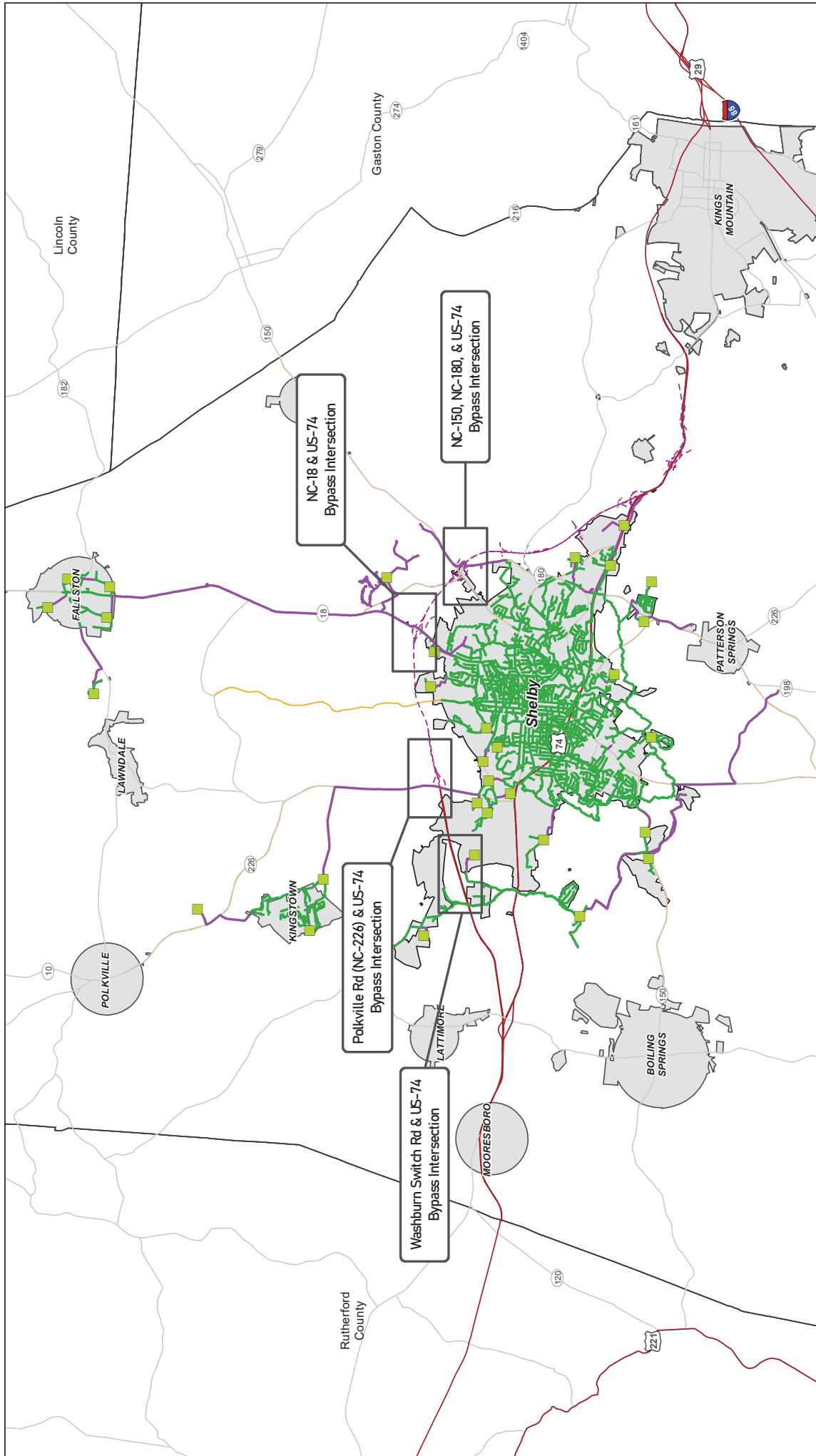
The City of Shelby complies with all civil rights provisions of federal statutes and related authorities that prohibit discrimination in programs and activities receiving federal and state financial assistance. Therefore, the City of Shelby does not discriminate on the basis of race, sex, color, age, national origin, religion or disability, in the admission, access to and treatment in the City's programs and activities.



Water Distribution System



— Water Main



94

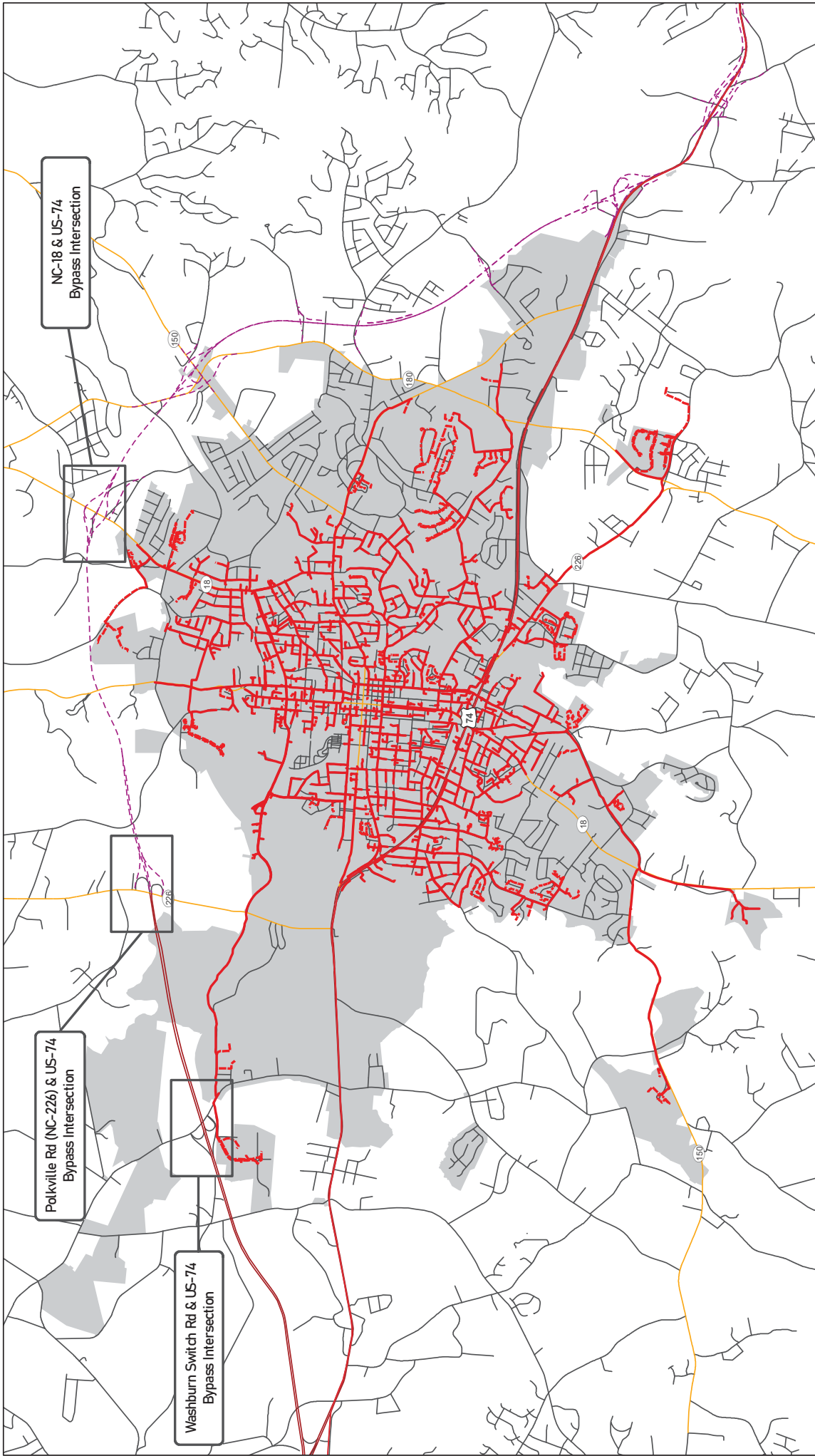
Gravity Sewer Mains
Force Sewer Mains
Lift Stations

Sewer Collection System

1 inch = 2 miles

0 2 4 8 Miles

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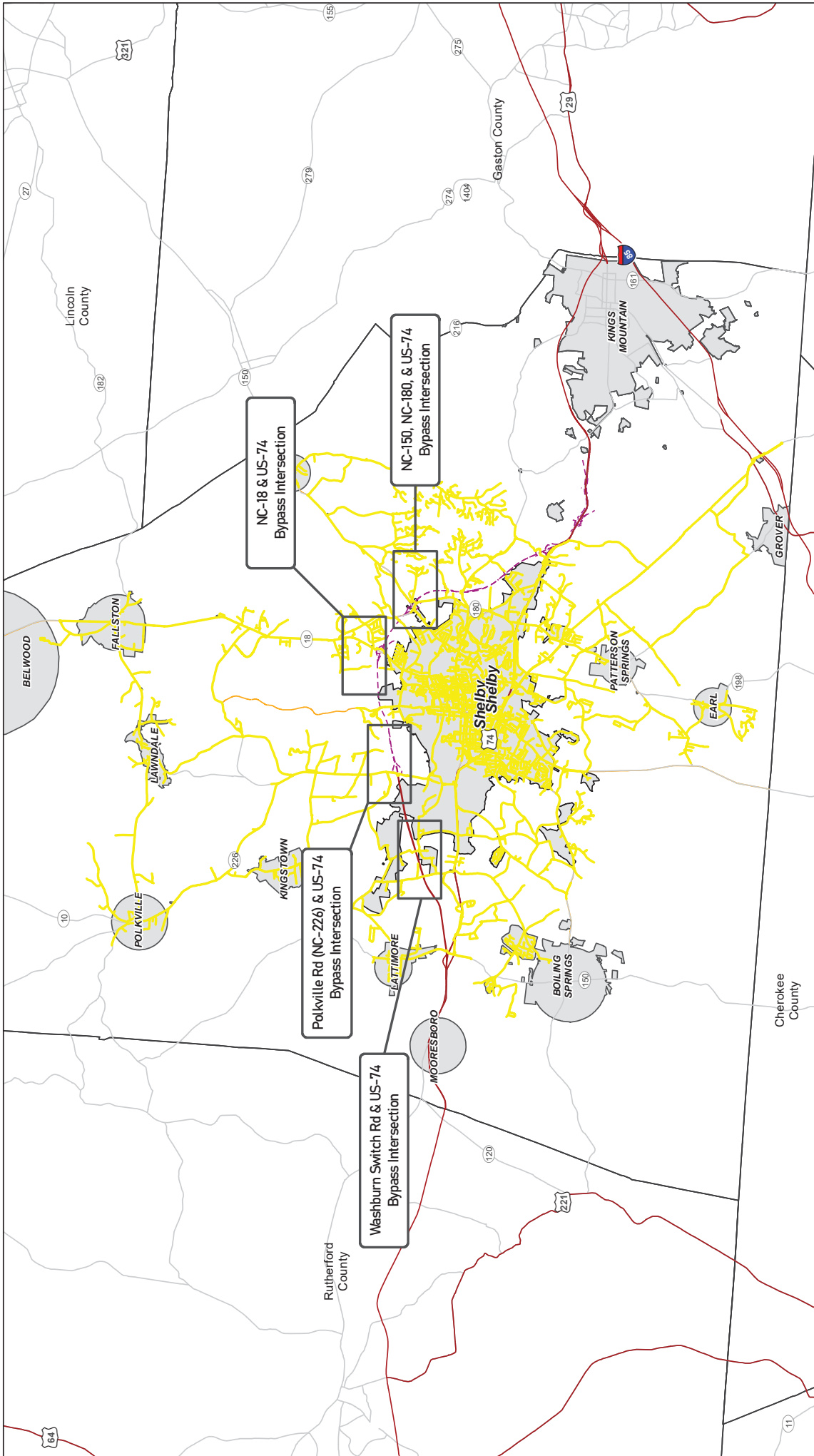


— Primary Overhead Electric Line Segment
- - - Primary Underground Electric Line Segment

Electric Distribution System

1 inch = 4,000 feet
 0 4,000 8,000 16,000 Feet





NC-18 & US-74
Bypass Intersection

NC-150, NC-180, & US-74
Bypass Intersection

Polkville Rd (NC-226) & US-74
Bypass Intersection

Washburn Switch Rd & US-74
Bypass Intersection



1 inch = 2 miles



Natural Gas Distribution System

Gas Line



REQUEST FOR QUALIFICATIONS STATEMENT FOR PROFESSIONAL ENGINEERING SERVICES
FOR THE FEASIBILITY STUDY WITH PRELIMINARY ENGINEERING REPORT
TO EXTEND UTILITIES TO THE US-74 BYPASS INTERCHANGES IN SHELBY, NC

| Firm | Committee Member #1 | Committee Member #2 | Committee Member #3 | Committee Member #4 | Committee Member #5 | Average Score | Notes |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|--|
| HDR Engineering, Inc. of the Carolinas | 89 | 92 | 88 | 100 | 92 | 92.2 | <ul style="list-style-type: none"> * Great project experience and included examples of each. * Provided multiple examples of modeling & planning projects. * Staff is available to take on the project. * Has worked with the City of Shelby on multiple projects. * Strong understanding of the technical approach with all utilities. |
| Kimley-Horn and Associates, Inc. | 88 | 90 | 83 | 80 | 81 | 84.4 | <ul style="list-style-type: none"> * Staff is available to take on the project. Has best availability out of the submittals received. * Lacked gas and electric in Technical Approach. * Has worked with the City of Shelby on multiple water & sewer projects. * All utilities would be handled by Kimley-Horn. |
| Magnolia River of NC, PLLC (Previously Heath & Associates, Inc.) | 49 | 56 | 29 | 35 | 55 | 44.8 | <ul style="list-style-type: none"> * Only submitted for the natural gas portion. Doesn't have subs or in house capacity for Water/Sewer/Electric. * Located in Shelby * Has completed multiple project designs for City of Shelby. |



**CITY OF SHELBY
UTILITY FEASIBILITY
STUDY FOR
US-74 BYPASS
INTERCHANGES**

Cameron Howell, Utilities Project Coordinator
August 5, 2024

BACKGROUND

- ❖ **NCDOT US-74 Bypass Project began in July 2013.**
 - ❖ **Started East of Mooresboro and will be finished West of Stoney Point Rd at US-74 Business.**
 - ❖ **East of Mooresboro to Polkville Rd (NC-226) has been opened.**
 - ❖ **Plans to have US-74 Bypass to NC-180/NC-150 opened by the end of 2024.**
- ❖ **The US-74 Bypass supports and promotes economic development around Shelby.**
 - ❖ **Walmart Distribution Center, Clearwater Paper, and Greenheck Fan Corporation to name a few.**
 - ❖ **More development is expected in the future as other sections are completed.**
 - ❖ **With this economic development growth new potential subdivisions could be brought to the area.**
- ❖ **Currently the City of Shelby lacks the utility coverage to meet these demands at the US-74 Bypass Interchanges and beyond.**
- ❖ **City staff met and decided that a Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges**
 - ❖ **Would allow for utility planning needed to determine the needs to provide utility services to this area.**

NCDOT US-74 BYPASS PROJECT TIMELINE

❖ **Section AA**
 ❖ Completed: September 2016

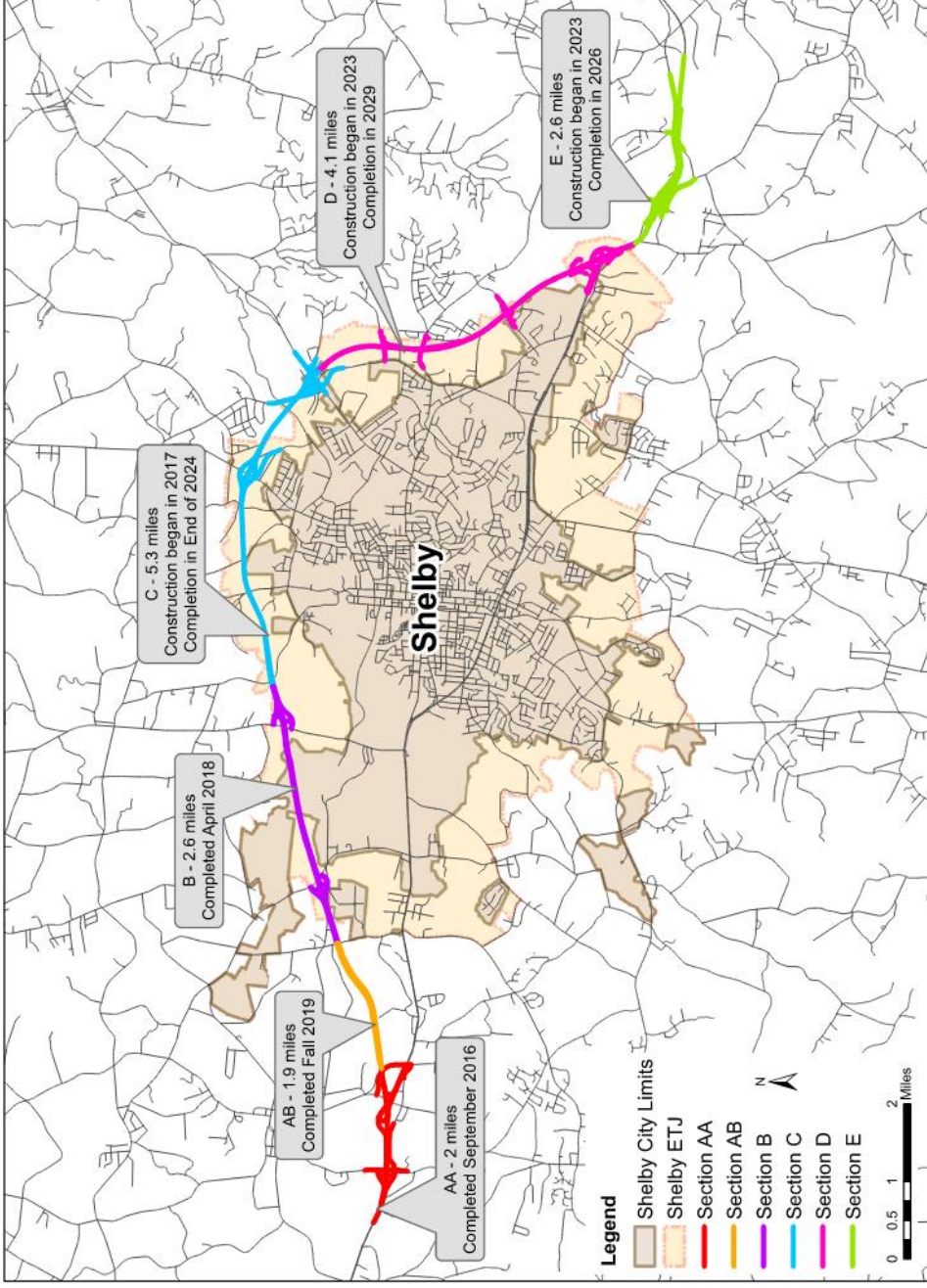
❖ **Section AB**
 ❖ Completed: Fall 2019

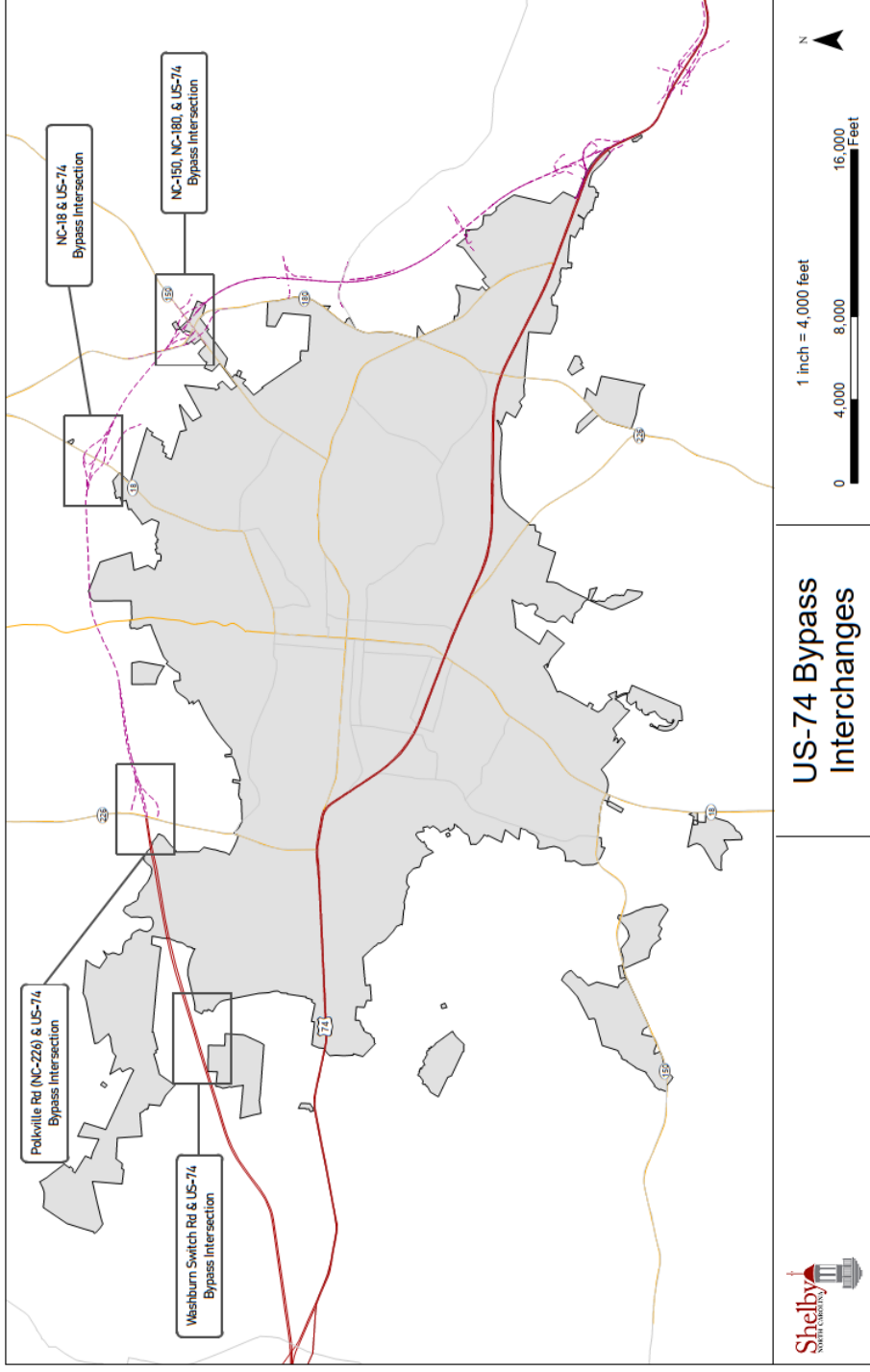
❖ **Section B**
 ❖ Completed: April 2018

❖ **Section C**
 ❖ Completion: End of 2024

❖ **Section D**
 ❖ Anticipated Completion: 2029

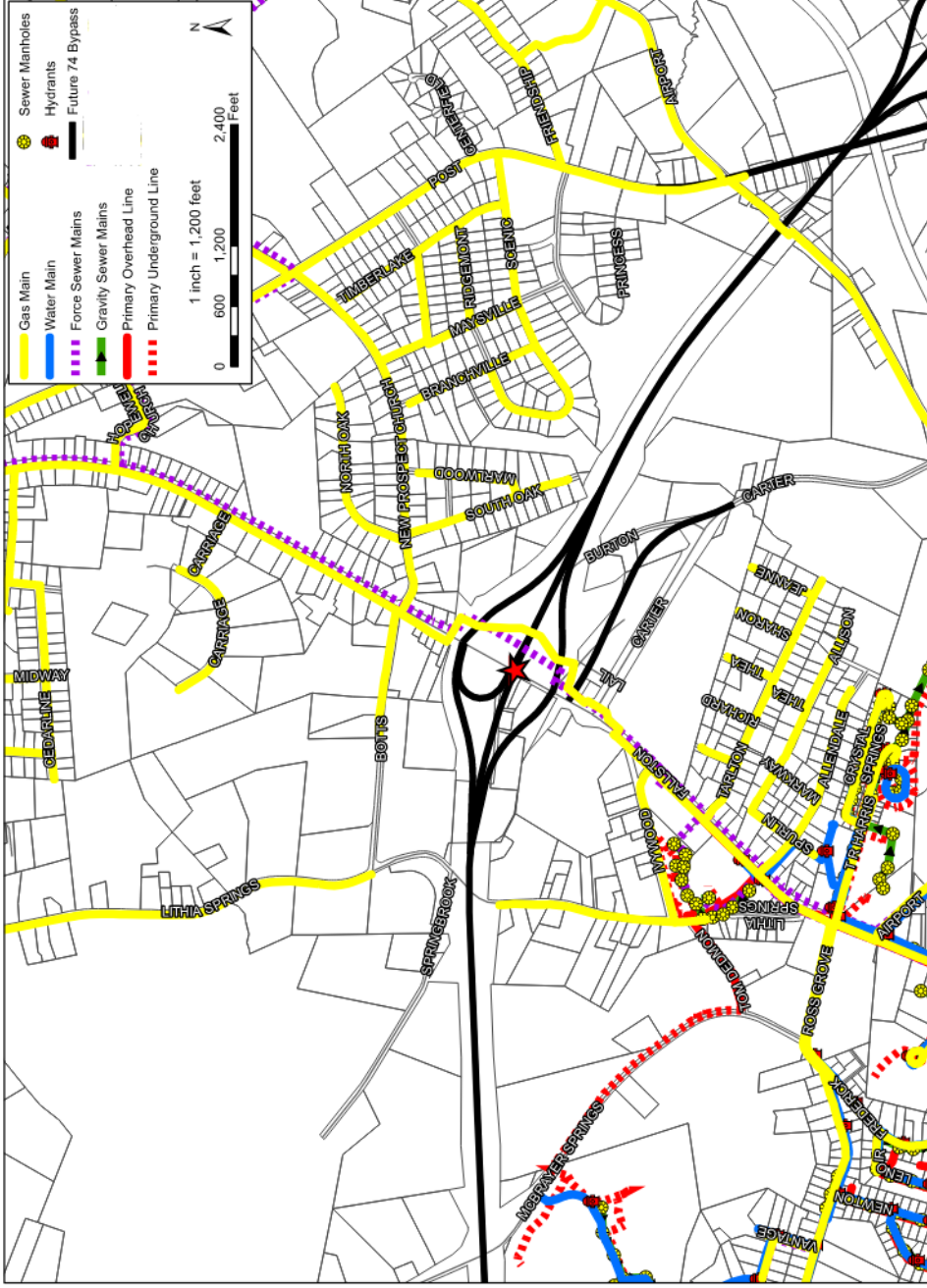
❖ **Section E**
 ❖ Anticipated Completion: 2029





- ❖ Washburn Switch Rd
- ❖ Polkville Rd
- ❖ Fallston Rd
- ❖ Highway 150/180

US-74 BYPASS INTERCHANGES INCLUDED IN THIS STUDY



EXAMPLE — FALLSTON RD INTERCHANGE

❖ Feasibility report would include:

- ❖ City of Shelby Water
 - ❖ Details of existing system in the area
 - ❖ Size
 - ❖ Material
 - ❖ Age/condition
 - ❖ Etc.
 - ❖ Water Modeling
 - ❖ Available Flows
 - ❖ Available Pressure
 - ❖ Available Capacity
 - ❖ Is looping feasible?
 - ❖ System extension layout and cost estimate
- ❖ Repeat the process shown above for all of the utilities:
- ❖ Water
 - ❖ Sewer
 - ❖ Electric
 - ❖ Natural Gas

FEASIBILITY STUDY & PRELIMINARY ENGINEERING REPORT — FINAL

- ❖ **Utility Planning**
 - ❖ **Line extensions and new/upgraded facility requirements for each utility.**
 - ❖ **Review of existing and proposed flows in the service area.**
 - ❖ **Review general operating conditions of current infrastructure and conduct tests as appropriate to determine capacities.**
 - ❖ **Right-of-Way acquisitions.**
 - ❖ **Utility Easements.**
- ❖ **Recommend long-term and short-term improvements to existing facilities.**
- ❖ **Preliminary layouts and cost estimates for each utility.**
- ❖ **Determine all necessary applications needed to secure required permits and approvals for construction by NCDEQ, NCDOT, and any other necessary permitting agency.**

UTILIZATION OF FINAL PLAN

❖ As developers inquire about projects at interchanges, we will be able to use this study for:

- ❖ Prioritization of Projects
- ❖ Budget Planning
- ❖ Schedule Projects
- ❖ Apply for Funding
- ❖ Etc.



RECOMMENDATION OF ENGINEER SELECTION

- ❖ **Staff Advertised Request for Qualification on May 28, 2024**
- ❖ **Three (3) Statement of Qualifications received on June 27, 2024**
- ❖ **Unanimous recommendation by staff review committee for selection of HDR Engineering, Inc. of the Carolinas to perform the Professional Engineering Services for this project**
 - ❖ **Subconsultants**
 - ❖ **Progressive Engineering Consultants, Inc. (Electrical)**
 - ❖ **Joel E. Wood & Associates (Geotechnical)**
 - ❖ **Bankhead Surveying, PA (Surveying)**
 - ❖ **Avioimage Mapping Services, Inc. (Aerial Survey)**

❖ **City Staff has prepared a resolution selecting HDR Engineering, Inc. of the Carolinas.**

RESOLUTION NO. 53 – 2024

**A RESOLUTION AUTHORIZING SELECTION OF
HDR ENGINEERING, INC. OF THE CAROLINAS
FOR PROFESSIONAL ENGINEERING SERVICES FOR THE FEASIBILITY
STUDY WITH PRELIMINARY ENGINEERING REPORT TO EXTEND UTILITIES
TO THE US-74 BYPASS INTERCHANGES**

WHEREAS, the City of Shelby desires to obtain expert professional engineering services related to the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges; and,

WHEREAS, the City of Shelby must contract with a professional civil engineering firm to provide the professional civil engineering services needed for the Feasibility Study with Preliminary Engineering Report to Extend Utilities to the US-74 Bypass Interchanges; and,

WHEREAS, City staff issued a Request for Qualifications on May 28, 2024, to obtain professional civil engineering services from interested firms related to this project in accordance with North Carolina General Statute 143-6.31; and,

WHEREAS, three (3) proposals were received on June 27, 2024, from professional civil engineering firms interested in performing the work associated with this project; and,

WHEREAS, City staff has reviewed the proposals and determined that HDR Engineering Inc. of the Carolinas is the most qualified firm to perform and provide the services as outlined in the Request for Qualifications.

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

Section 1. The City Council of the City of Shelby hereby desires for the City Manager to enter into negotiations with HDR Engineering Inc. of the Carolinas to negotiate a contract for the above referenced project.

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

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

Section 4. The City Manager and his designees are hereby to execute amendments and change orders to the applicable documents associated with this project.

Section 5. This resolution shall become effective upon its adoption and approval.

Adopted and Approved this the 5th day of August, 2024.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol S. Williams
City Clerk

Agenda Item: D-2

- 2) Approval of a resolution authorizing disbursement of Travel and Tourism funding for Fiscal Year 2024-2025: Resolution No. 54-2024

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

Summary of Available Information:

- Resolution No. 54-2024

City Manager's Recommendation / Comments

I have reviewed the applications submitted by the eligible organizations for travel and tourism grant funding. Each year past grant recipients and other organizations that have expressed an interest are eligible to submit grant applications for these funds generated through the 3% room occupancy tax levied by City Council. Each is reviewed to determine if the purpose for use of funds is eligible under the statutes and city policy, the economic impact of the event(s), past use of funds, success of past events, financial participation by the entity, as well as other relevant criteria. Resolution No. 54-2024 is presented for consideration at this time.

As you all know these funds are limited and the competition is significant. I have tried to balance requests for funding within the provisions of adopted City policy to ensure the greatest benefit is realized as set forth within the applicable NC General Statute. This revenue has declined slightly, and I have kept funding levels the same as the previous year with the exception of adding a recommendation to award the Cleveland County Chamber of Commerce \$20,000 for visitor center support. Annual receipts for fiscal year 2023-2024 were approximately \$345,000. Down from \$364,000 the previous year. City practice has been to set aside the first \$100,000 received each year in a contingency fund for special projects that may arise and to allow for cash flow. These funds are restricted by statute. The total amount recommended for award is \$231,700.

It is my recommendation that Resolution No. 54-2024 be adopted and approved by City Council at this time.

RESOLUTION NO. 54-2024

A RESOLUTION AUTHORIZING DISBURSEMENT OF
TRAVEL AND TOURISM FUNDING FOR FISCAL YEAR 2024-2025

WHEREAS, the City of Shelby through the adoption of the 2005 Strategic Growth Plan recognizes the need to promote economic development efforts throughout the City; and

WHEREAS, City of Shelby currently levies a 3% occupancy tax in accordance with Resolution 69-97 and NC Session Law 1997-361 for the purpose of generating revenue for the promotion of travel and tourism within the City; and

WHEREAS, said occupancy tax proceeds are restricted for use by the noted resolution and session law for travel and tourism promotion and tourism related expenditures; and

WHEREAS, the City Manager has determined that sufficient funding has been appropriated by Council for the fiscal year beginning July 1, 2024; and

WHEREAS, the following organizations have submitted applications and requests to the City Manager and it is his determination that each is eligible under the city policy and the applicable general statute and therefore recommends that the following amounts be awarded:

- | | |
|--|------------|
| 1. Earl Scruggs Center Marketing and Exhibit / Event Support | \$45,000. |
| 2. Don Gibson Theatre Marketing and Concert Sponsorship | \$35,000. |
| 3. Cleveland County Travel and Tourism Visitor Marketing / Livermush Festival Marketing | \$23,500. |
| 4. Sharks Aquatics Club Swim Meet Event Equipment / Facility Rental | \$ 7,000. |
| 5. Uptown Shelby Association Travel/Tourism Promotion/Printed Marketing | \$ 16,200. |

- | | |
|---|------------|
| 6. American Legion World Series Marketing and Event Support | \$65,000. |
| 7. Cleveland County Arts Council Event Marketing | \$ 20,000. |
| 8. Cleveland County Chamber of Commerce Visitor Center Support | \$20,000. |

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA as follows:

- 1) City Council authorizes disbursement of local occupancy tax funds for the preceding organizations at the discretion of the Finance Director in consultation with the City Manager..
- 2) Authorizes the City Manager to obtain activity reports from each funded organization detailing the use of said funds. The same shall be reported to City Council following the close of the fiscal year ending June 30, 2025.

This Resolution shall become effective upon its adoption and approval.

Adopted and approved this the 5th day of August, 2024.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol S. Williams
City Clerk

Agenda Item: E

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: F

Council Announcements and Remarks

Agenda Item: G

Closed Session

- 1) To consult with an attorney in order to preserve the attorney client privilege pursuant to N.C.G.S.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).

H. 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