Shelby City Council Agenda
Regular Meeting
June 16, 2025 at 6:00 p.m.

Don Gibson Theater
318 South Washington Street
Shelby, North Carolina

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

Invocation

Pledge of Allegiance

A. Approval of Agenda

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

1) Motion to adopt the agenda as proposed or amended

B. Public Comment: **1**

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

C. Public Hearing:

1) Proposed Fiscal Year (FY) 2025-2026 Annual Operating Budget for the City of Shelby **2 - 207**

a. Consideration of Fiscal Year (FY) 2025-2026 Budget Ordinance: Ordinance No. 32-2025

b. Consideration of Fiscal Year (FY) 2025-2026 Supplemental Budget Ordinance: Ordinance No. 33-2025

2) Consideration of an ordinance to extend the corporate limits of the City of Shelby, North Carolina: Ordinance No. 34-2025 **208 - 214**

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 23891, 64885, 64886, located on E. Dixon Blvd.: Ordinance No. 35-2025 **215 - 225**

D. Consent Agenda:

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

1)	**Approval of the Minutes of the Regular Meeting of June 2, 2025**	**226 - 234**
2)	**Adoption of a budget ordinance amendment for the City of Shelby's 24-inch South Tank and Forest Hill Drive Waterline Extension Project: Ordinance No. 36-2025**	**235 - 250**
3)	**Adoption of FY 2024-2025 budget ordinance amendment: Ordinance No. 37-2025**	**251 - 254**
4)	**Approval of a resolution to accept an offer to purchase property by Upset Bid Process (113 Steeple St.): Resolution No. 46-2025**	**255 - 257**
5)	**Approval of a resolution authorizing the selection of TGS Engineers based on qualifications for Construction Engineering and Inspection Services for the Carolina Harmony Trail Phase II Project: Resolution No. 47-2025**	**258 -278**
6)	**Approval of the Dog Park Rules and Regulations set forth for the future dog park located on W. Sumter Street**	**279 - 282**
7)	**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, 2024**	**283 - 290**
8)	**Special Event application:**	**291 - 299**

a) **Concert on the Corner (ALWS), requested date: August 9, 2025**

9) Management Report: 300 - 303

a) ABC Board Budget Report FY 2025-2026

10) Notice of Cancellation of Shelby City Council Regular Meeting 304 - 305

END OF CONSENT AGENDA

E. Unfinished Business: 306

F. New Business:

1) Approval of resolution for acceptance of the reimbursement agreement with South Fork Ventures, LLC for the replacement of the Kemet Lift Station: Resolution No. 48-2025 307 - 350

G. City Manager's Report 351

H. Council Announcements and Remarks 351

I. Closed Session: 351

(1) 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).

J. Adjournment: **351**

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

1) **Motion to adjourn**

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

B. Public Comment:

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

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

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

C. Public Hearings:

Agenda Item: C-1

1) Proposed Fiscal Year (FY) 2025-2026 Annual Operating Budget for the City of Shelby

    a. Consideration of Fiscal Year (FY) 2025-2026 Budget Ordinance: Ordinance No. 32-2025

    b. Consideration of Fiscal Year (FY) 2025-2026 Supplemental Budget Ordinance: Ordinance No. 33-2025

Presenting: (Rick Howell, City Manager)

Summary of Available Information:

- City Manager Budget Message
- Proposed FY26 Budget Ordinance – Ordinance No. 32-2025
- Proposed FY26 Supplemental Budget Ordinance – Ordinance No. 33-2025
- Supplemental Ordinance Attachment A
- Reclassification Memo
- Personnel Summary
- FY26 Fee Schedule
- Notice of Public Hearing

City Manager's Recommendation / Comments

City Council has previously been provided with a copy the above referenced budget documents for the fiscal year beginning July 1, 2025. This hearing is required by the NC General Statutes to allow the public to comment on the proposed budget. A public copy has been provided in the administrative offices of City Hall and has been posted online for public inspection. The hearing is specifically intended to allow public comment directly to City Council for consideration prior to a formal vote.

A formal vote on the budget and appurtenant documents can be taken tonight if Council desires to do so. As a reminder, a balanced budget must be adopted by City Council no later than June 30, 2025.

Office of the City Manager

May 28, 2025

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

Mayor Anthony and Members of the City Council

Pursuant to Section 159-11 of the North Carolina General Statues, attached is my recommended FY 2025-26 budget for your review and consideration. I also want to thank all of the management team for their hard work and attention to detail. They remain steadfastly committed to providing accurate and detailed information that allows me to present a realistic and pragmatic budget. These people work tirelessly to produce budget requests that are responsible and allow them to continue to deliver the expected high-quality service to our citizens and customers. They have been very responsive to the direction of management and City Council.

City Council also provided me with direction at your 2025 Council retreat reaffirming past goals and priorities. These goals and priorities were communicated with the understanding that successful achievement will lend itself to realization of what was envisioned in the Strategic Growth Plan approved by Council in 2005 as well as specific plans adopted by Council since. Many of these goals involve capital projects which are proposed to be funded using reserves and recurring revenue from the respective general and utility enterprise funds. Some of these are one-time expenditures that spend down savings in order to meet a defined capital need. Some are recurring capital investments that the City must continue to make year after year. This includes a continuing commitment to investment in water, sewer, electric, natural gas, building and transportation infrastructure.

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

The budget is balanced and meets all the applicable requirements of the North Carolina Local Government Budget and Fiscal Control Act. A public hearing will be scheduled as required by NC General Statute 159-12 for your regular meeting of June 16, 2025, at the *Don Gibson Theatre*. Following the closing of the hearing the City Council may take action on the proposed budget. The budget must be adopted by City Council prior to June 30, 2025. As the designated budget officer (NCGS 159-9) it is the responsibility of the City Manager to give the governing board a balanced and fiscally responsible budget that sets forth appropriate funding levels in order to provide services to citizens at desired levels as determined by City Council. I take this very seriously as it annually has implications on the day to day lives of our citizens and businesses.

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

Introduction

The following information contains my final recommendation for the City Budget for the year beginning July 1, 2025, and ending June 30, 2026. These recommendations are impacted by a thorough process that takes into account department requests, management evaluation of those requests as well as an informed dialog between management and the departments. The process also considers guidance and recommendations from the Mayor and City Council provided during the annual retreat as well as budget workshops.

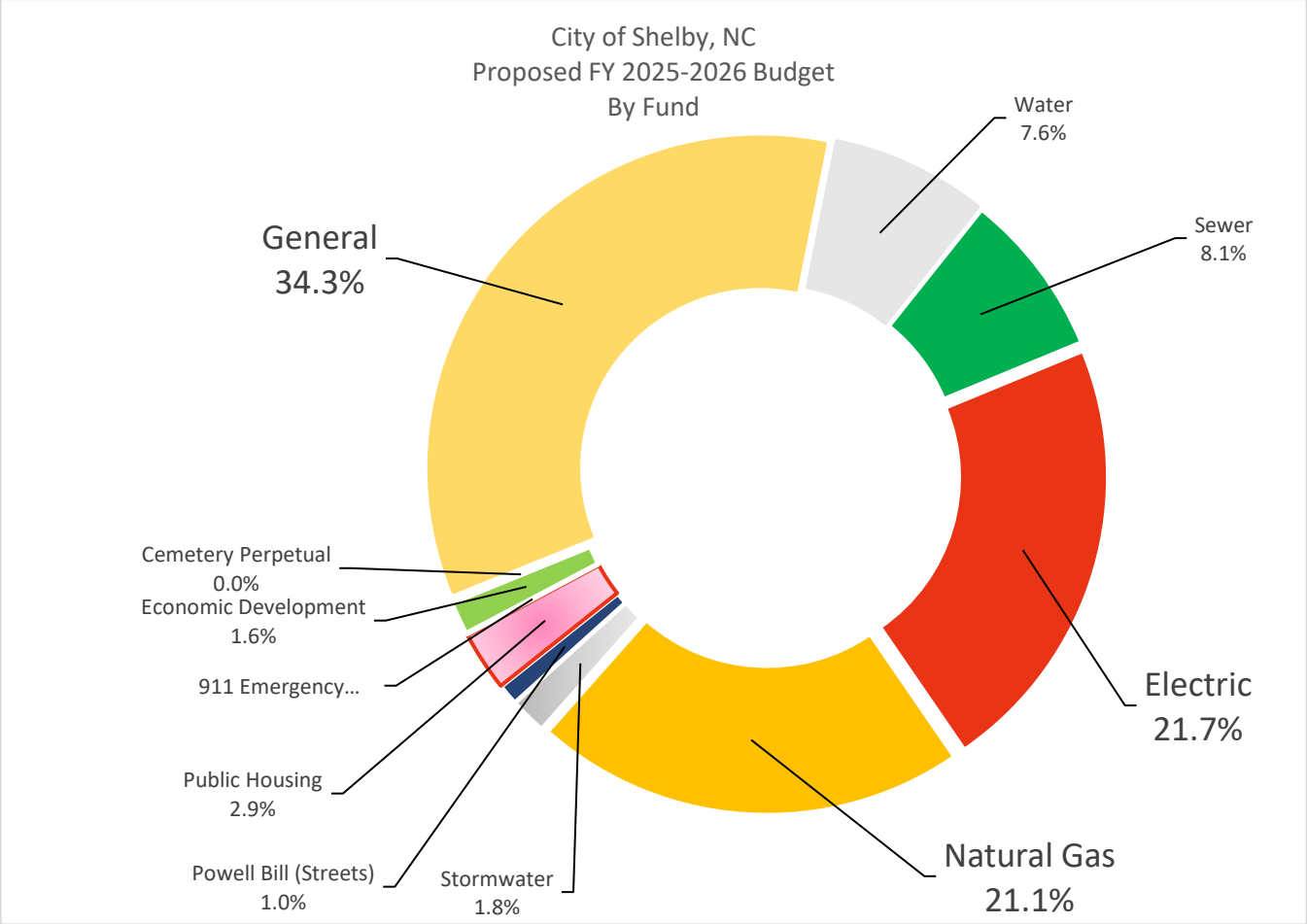
Overview of Budgetary Funds

As you know the City maintains in accordance with the NC Budget and Fiscal Control Act a number of budgetary Funds including the General, Electric, Natural Gas, Water, Sewer, Powell Bill (Streets), Public Housing and Stormwater. These funds are set up for fiscal and accounting purposes with a self-balancing set of accounts for the purpose of carrying out specific activities or attaining certain objectives. The City's budget includes eight (8) major governmental and enterprise funds. The table below summarizes the budget for each City Fund and the total of the balanced budget. I would note that the overall proposed budget of $98,532,353 is a 3.4% net increase ($3,246,212) from the current fiscal year adopted budget of $95,286,141. The net increase can be largely attributed to the significant increase in employee health insurance, and capital spending.

City of Shelby – Budget Summary
All Funds

City of Shelby, NC Budget All Funds	Original Adopted Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
General	$34,469,885	$35,485,700	$1,015,815	2.9%
Water	$7,888,806	$7,842,273	-$46,533	-0.6%
Sewer	$8,696,320	$8,352,175	-$344,145	-4.0%
Electric	$24,474,271	$22,435,310	-$2,038,961	-8.3%
Natural Gas	$21,898,730	$21,874,203	-$24,527	-0.1%
Stormwater	$1,519,000	$1,833,457	$314,457	20.7%
Powell Bill (Streets)	$961,378	$1,020,930	$59,552	6.2%
Public Housing	$2,859,010	$3,010,003	$150,993	5.3%
911 Emergency System	$78,027	$80,870	$2,843	3.6%
Economic Development	$1,828,062	$1,620,568	-$207,494	-11.4%
Cemetery Perpetual	$40,000	$50,000	$10,000	25.0%
Subtotal All Funds	**$104,713,489**	**$103,605,489**	**-$1,108,000**	-1.1%
Less Interfund Transfers	**$9,427,348**	**$5,073,136**	**-$4,354,212**	-46.2%
Total Expenditures All Funds	**$95,286,141**	**$98,532,353**	**$3,246,212**	**3.4%**
Total Revenues All Funds	**$95,286,141**	**$98,532,353**	**$3,246,212**	**3.4%**

*Notes: Transfer to the Economic Development Fund from the various utility funds reflects payment of the debt service for water, sewer and natural gas improvements as part of Project Grizzly (Washburn Switch Industrial Area 2019).


City of Shelby, NC
Proposed FY 2025-2026 Budget
By Fund
Water
7.6%
Sewer
8.1%
General
34.3%
Cemetery Perpetual
0.0%
Economic Development
1.6%
911 Emergency…
Public Housing
2.9%
Powell Bill (Streets)
1.0%
Stormwater
1.8%
Electric
21.7%
Natural Gas
21.1%

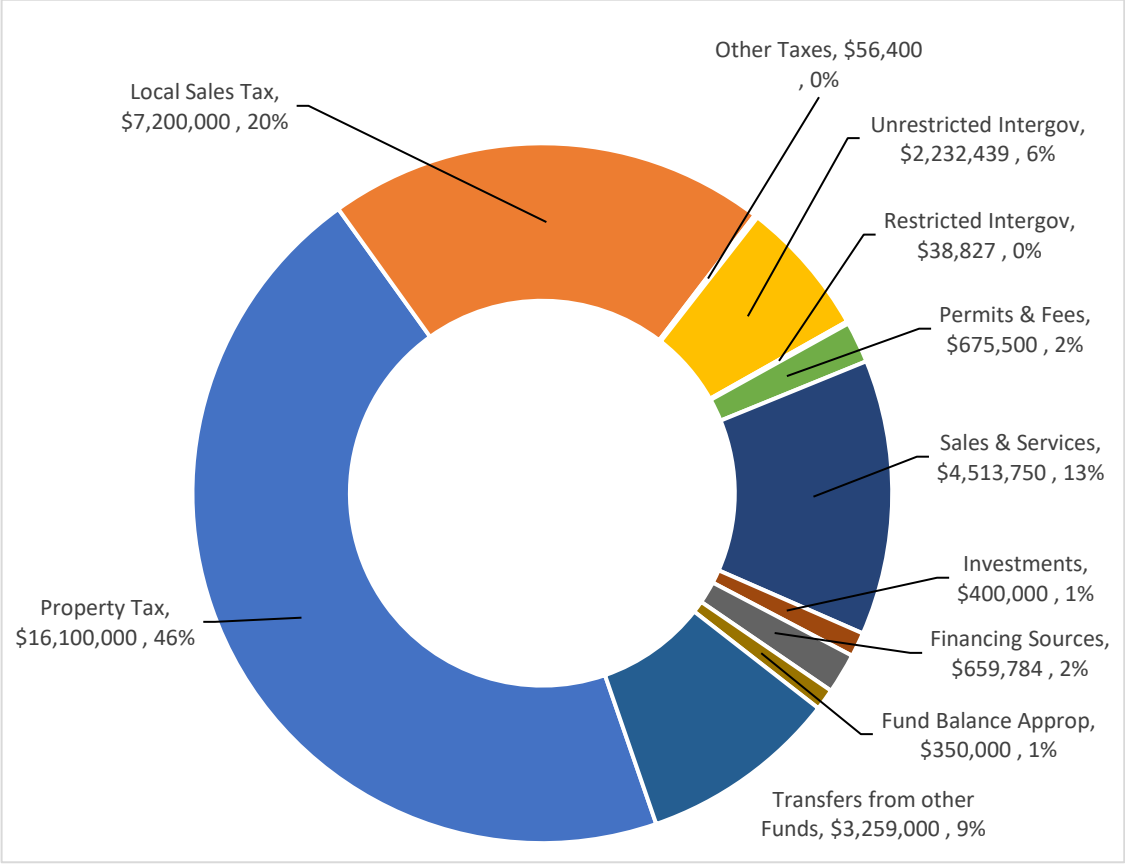
General Fund

The General Fund is the primary location of funding for the general operations of the City. It is termed "general" because transactions that are not related to any utility or other specific purpose fund are accounted for within this budget. The General Fund budget for fiscal year 2025-2026 is $35,485,700. This is a net increase of $1,015,815 or 2.9% above the previous fiscal year. This increase is driven largely by a significant increase in employee health insurance costs; the proposed issuance of the remaining voter approved street improvement bonds and the debt service on the previously authorized purchase of a new 100' ladder platform truck for the fire department. There are other increases that are recurring in personnel costs including implementation of phase 2 of the market based pay study and a cost of living raise for all employees.

General Fund Revenues

The table below summarizes the City's operating revenues for the General Fund. The total revenue available for general fund services, excluding inter-fund transfers and the appropriation of fund balance, is $31,216,916. The budget is balanced with transfers from other funds, $3,259,000, an appropriation of $350,000 in fund balance and proceeds from financing of $659,784. General Fund revenues are categorized into several major and minor types. The four major types include 1) property taxes, 2) local option sales taxes, 3) unrestricted intergovernmental and 4) sales and service charges.

110 General Fund Revenue Source	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Property Tax	$14,346,501	$16,100,000	$1,753,499	12.2%
Local Sales Tax	$7,400,000	$7,200,000	($200,000)	-2.7%
Other Taxes	$56,400	$56,400	$0	0.0%
Unrestricted Intergov	$2,297,500	$2,232,439	($65,061)	-2.8%
Restricted Intergov	$47,000	$38,827	($8,173)	-17.4%
Permits & Fees	$378,225	$675,500	$297,275	78.6%
Sales & Services	$4,001,450	$4,513,750	$512,300	12.8%
Investments	$300,000	$400,000	$100,000	33.3%
Financing Sources	$1,072,519	$659,784	($412,735)	-38.5%
Subtotal	**$29,899,595**	**$31,876,700**	$1,977,105	6.6%
Fund Balance Approp	$908,066	$350,000	($558,066)	-61.5%
Transfers from other Funds	$3,662,224	$3,259,000	($403,224)	-11.0%
Total	**$34,469,885**	**$35,485,700**	**$1,015,815**	2.9%



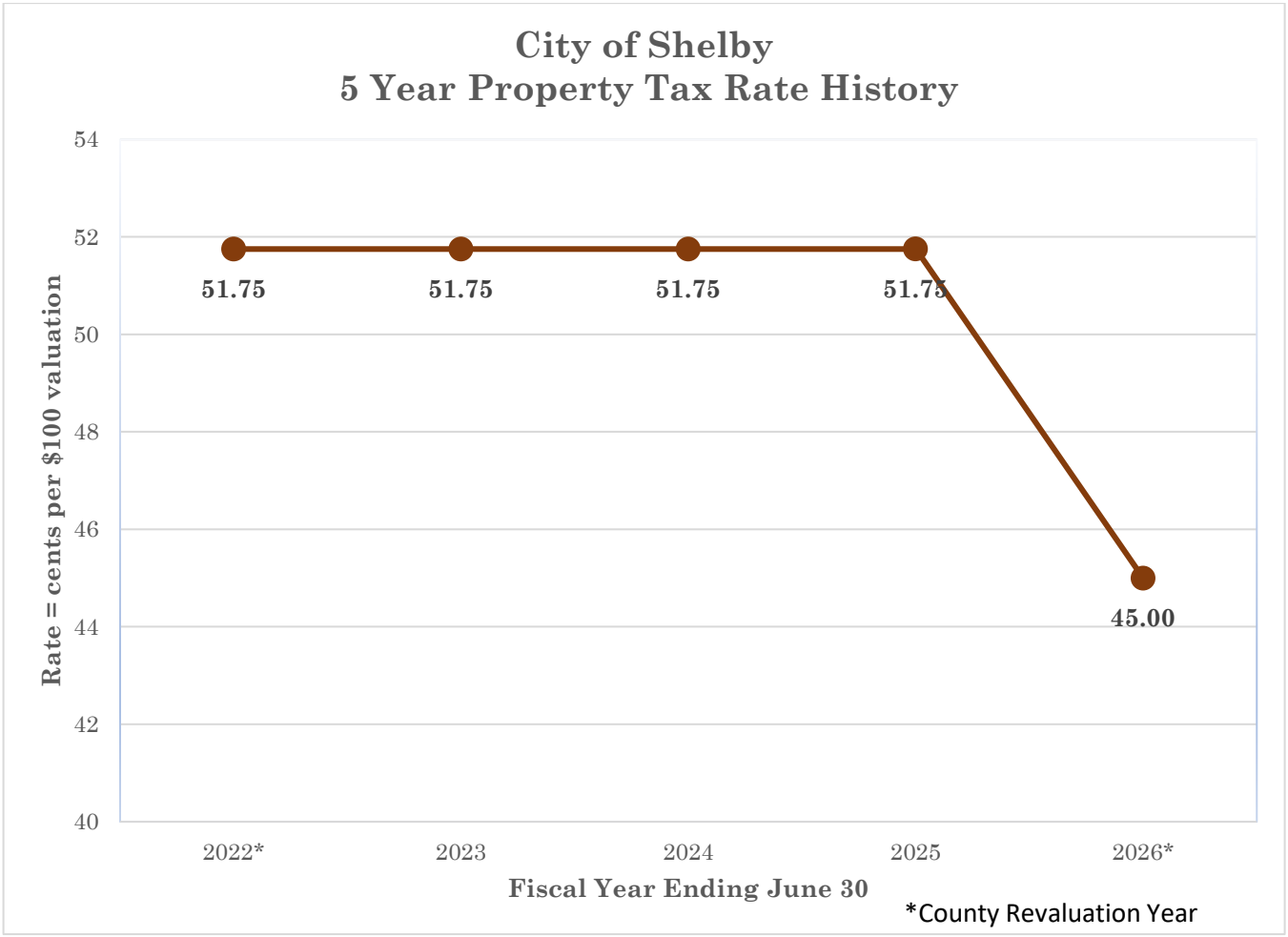
Ad valorem Tax

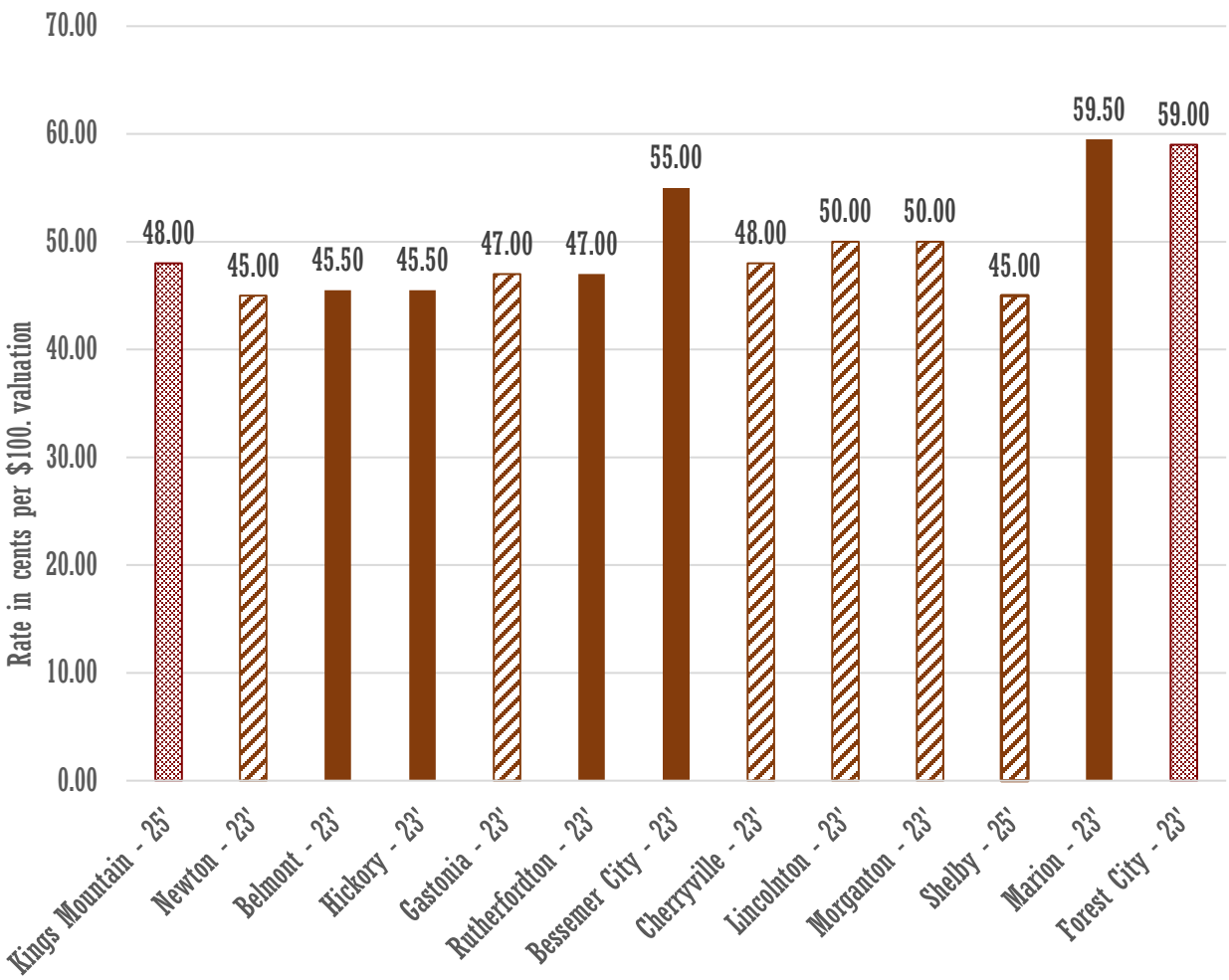
Ad valorem property taxes constitute the largest revenue source within the general fund. This revenue consists of two components. They are the value of all taxable property (real and personal) as assessed by the County Tax Administrator. It is often referred to as the assessed valuation. The other is the actual tax rate per $100 of valuation. This rate is controlled by City Council as provided for in the NC General Statutes and can only be adjusted one time per year through the budget process. The current assessed valuation is expected to be $ 3,657,076,450 with the collection rate expected to be 97.86% (up from 97.76%) at the June 30 close of the fiscal year. This revenue makes up approximately 46% of the total general fund budget.

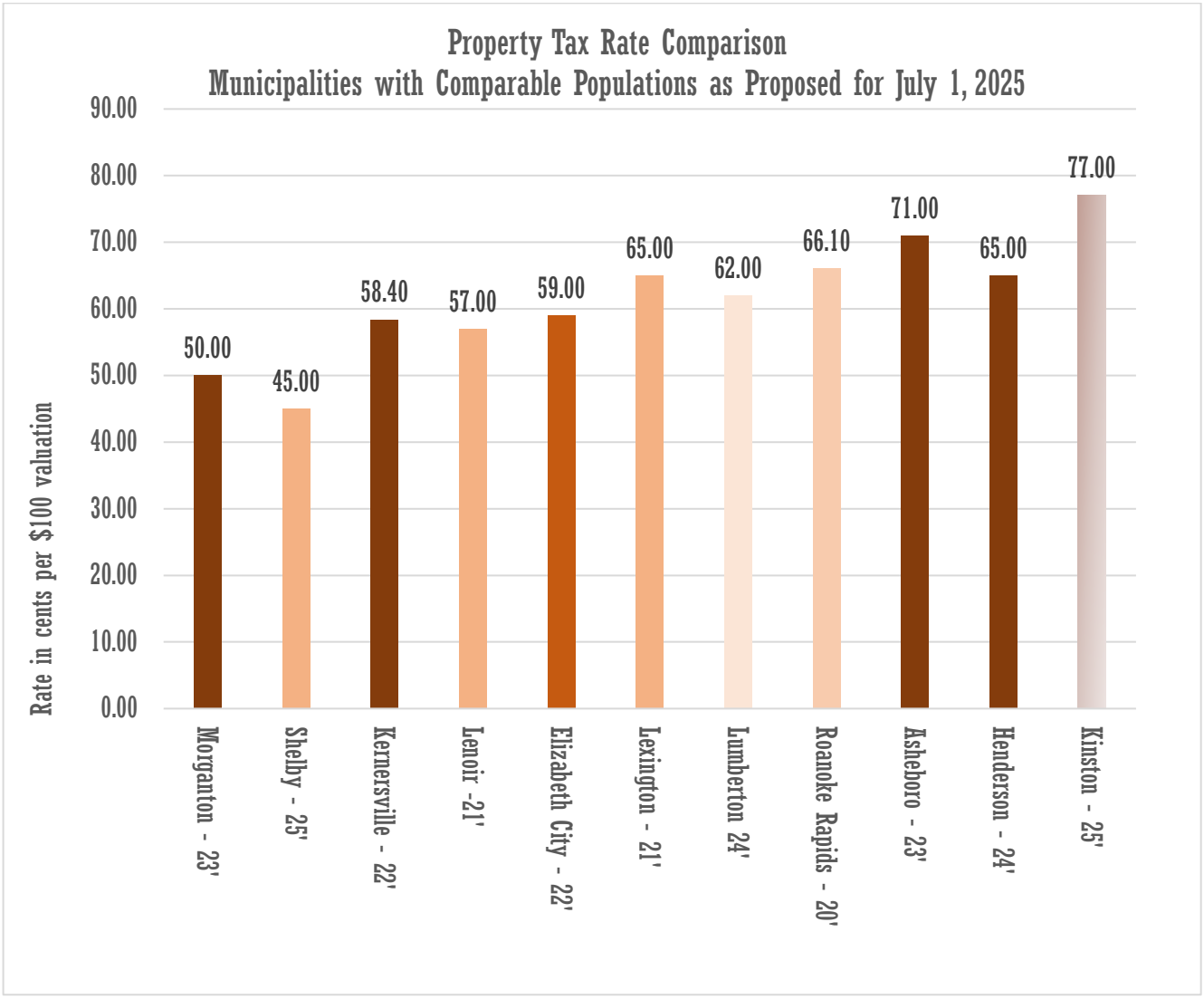
FY 2025-2026 is a revaluation year. New values established by Cleveland County through the statutorily required revaluation process are effective for the new property tax year. The City's overall property valuation increased to $ 3,657,076,450 from $2,752,194,732 including and accounting for natural tax base growth. The revenue neutral tax rate is 39.26 cents per $100 valuation when you account for an average 0.96% annual growth percentage since the last revaluation in 2021. It is recommended that the tax rate be reduced to 45 from 51.75 cents per $100 of valuation.

I would note that you will see that this revenue source is shown to increase by $2,214,237 over last fiscal year. The primary reason is due to revaluation of property this year and the recommended property tax rate as well as some natural market based growth of the tax base.

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




Property Tax Rate Comparison
Neighboring Municipalities as Proposed for July 1, 2025
Rate in cents per $100. valuation
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
48.00
45.00
45.50
45.50
47.00
47.00
55.00
48.00
50.00
50.00
45.00
59.50
59.00
Kings Mountain - 25'
Newton - 23'
Belmont - 23'
Hickory - 23'
Gastonia - 23'
Rutherfordton - 23'
Bessemer City - 23'
Cherryville - 23'
Lincolnton - 23'
Morganton - 23'
Shelby - 25'
Marion - 23'
Forest City - 23'


Property Tax Rate Comparison
Municipalities with Comparable Populations as Proposed for July 1, 2025
Rate in cents per $100 valuation
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
50.00
45.00
58.40
57.00
59.00
65.00
62.00
66.10
71.00
65.00
77.00
Morganton - 23'
Shelby - 25'
Kernersville - 22'
Lenoir -21'
Elizabeth City - 22'
Lexington - 21'
Lumberton 24'
Roanoke Rapids - 20'
Asheboro - 23'
Henderson - 24'
Kinston - 25'

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

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

The Mayor and Council have adopted goals and objectives in the past few years that are geared to balancing service delivery citywide to meet basic needs and to progressively address aging infrastructure. This budget recommendation addresses the infrastructure and services associated only with current service levels. It is important to note that while this General Fund budget addresses the basic needs for FY 2025-26 it is still too reliant on transfers of natural gas and much less so electric funds. Holding the line on spending the previous few years has allowed the City to maintain a reasonable general fund reserve for cash flow and emergency purposes. This budget does continue, to a lesser extent, capital purchases and projects.

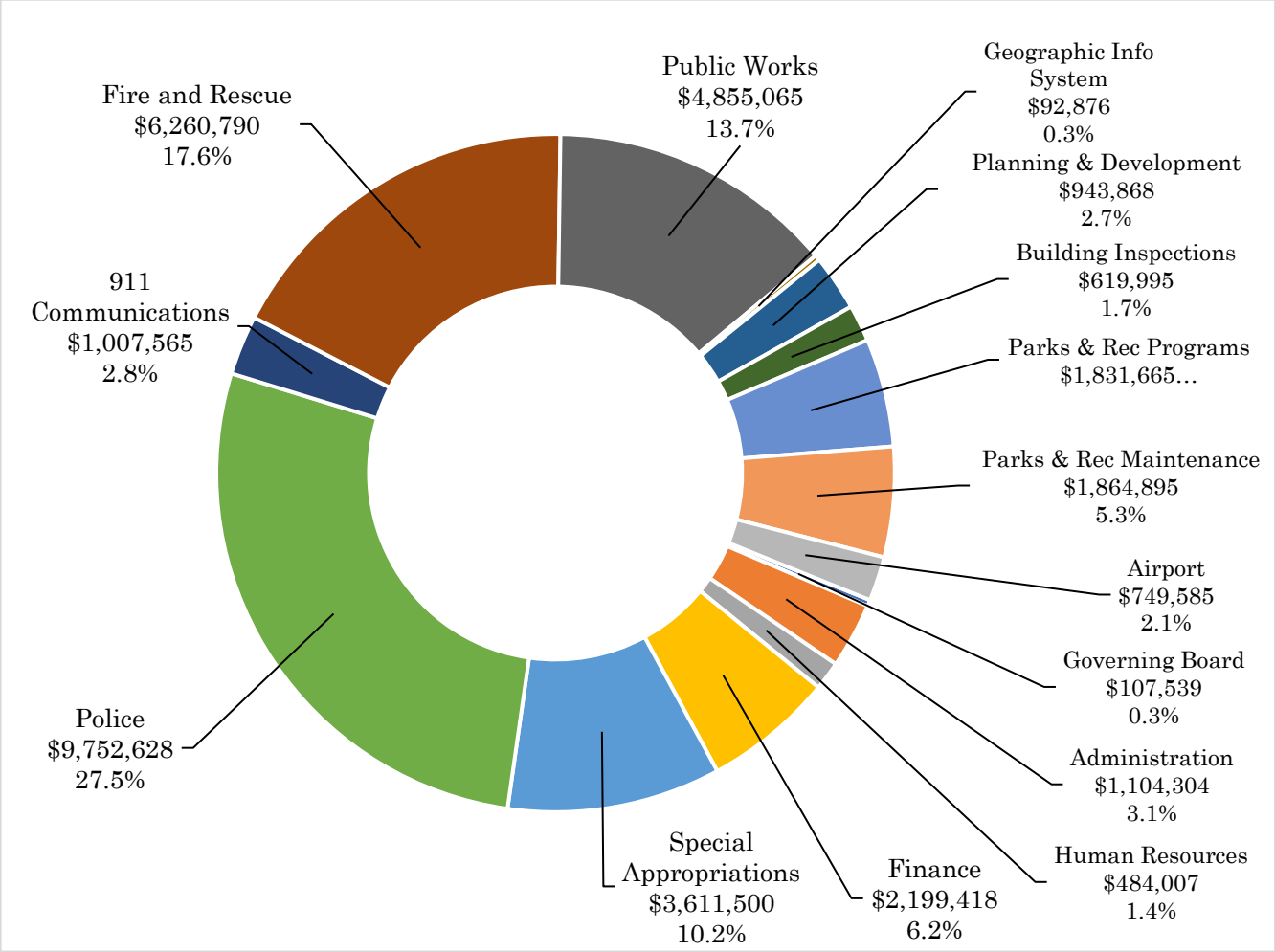
Reserve funds in all of our utilities are reasonably healthy. Use of these reserve funds should be limited largely to emergency situations, protection of the City's credit rating with bondholders in accordance with our legally binding bond covenants, cash flow for day-to-day operations and capital projects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

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

General Fund Expenditures

- A 2.7% wage increase across all employees is proposed to be effective the first full payroll in January 2026.
- Implementation of Year 2 of 3 of the most recent wage market study. This study detailed an analysis and data regarding the market competitiveness of our employees. This year includes the Fire and Rescue Department and the Public Works Department.
- The total number of full time General Fund employees increases from 260 to 262 with the addition of new positions in the Planning and Development Services Department (Administrative Assistant) and in the City Attorney's Office (Paralegal).
- Installment financing of Capital spending has decreased from $1,072,519 to $659,784. Although the last two years have seen decreases in capital spending within the operational budget it is still at a level to allow the purchase of critical capital equipment and vehicles.
- Debt service has increased due to the proposed issuance of an additional $4,000,000 in street improvement bonds previously approved by voters in 2021 Debt service has also increased to account for the previously authorized purchase of a replacement 100' ladder/platform truck for the Fire and Rescue Department.

General Fund Department	Original Budget 2024-2025	City Manager Recommended 2025-2026	Amount Change	% Change
Governing Board	$91,459	$107,539	$16,080	17.6%
Administration	$772,036	$1,104,304	$332,268	43.0%
Human Resources	$452,636	$484,007	$31,371	6.9%
Finance	$2,069,357	$2,199,418	$130,061	6.3%
Special Appropriations	$3,684,916	$3,611,500	($73,416)	-2.0%
Police	$9,724,808	$9,752,628	$27,820	0.3%
911 Communications	$938,710	$1,007,565	$68,855	7.3%
Fire and Rescue	$6,050,618	$6,260,790	$210,172	3.5%
Public Works	$4,632,289	$4,855,065	$222,776	4.8%
Geographic Info System	$79,956	$92,876	$12,920	16.2%
Planning & Development	$860,510	$943,868	$83,358	9.7%
Building Inspections	$574,010	$619,995	$45,985	8.0%
Parks & Rec Programs	$1,874,630	$1,831,665	($42,965)	-2.3%
Parks & Rec Maintenance	$1,982,030	$1,864,895	($117,135)	-5.9%
Airport	$681,920	$749,585	$67,665	9.9%
Total	$34,469,885	$35,485,700	$1,015,815	2.9%


Public Works
$4,855,065
13.7%
Geographic Info System
$92,876
0.3%
Planning & Development
$943,868
2.7%
Building Inspections
$619,995
1.7%
Parks & Rec Programs
$1,831,665…
Parks & Rec Maintenance
$1,864,895
5.3%
Airport
$749,585
2.1%
Governing Board
$107,539
0.3%
Administration
$1,104,304
3.1%
Human Resources
$484,007
1.4%
Finance
$2,199,418
6.2%
Special Appropriations
$3,611,500
10.2%
Police
$9,752,628
27.5%
911 Communications
$1,007,565
2.8%
Fire and Rescue
$6,260,790
17.6%

Water Fund

The Water Fund is proposed to decrease slightly (<1%) in overall spending from fiscal year budget 2024-25 ($7,888,806) to ($7,842,273) in fiscal year 2025-26.

Revenue

A 5% rate increase is recommended for the coming fiscal year in order to meet the growing capital needs to maintain an aging water system. The increase will generate approximately $350,000 in new revenue to partially offset the loss of one time fund balance appropriations from the previous year that are no longer available. These water charges to customers make up approximately 88% of revenue generated.

Revenue Source	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2065	Amount Change	% Change
Water Late Fees	$50,000	$50,000	$0	0.0%
Proceeds Asset Sales	$0	$0	$0	#DIV/0!
Water Receipts	$6,723,397	$6,850,000	$126,603	1.9%
Water Tap Fees	$80,000	$80,000	$0	0.0%
Water Cutoff Fees	$4,000	$4,000	$0	0.0%
Interest & Inv Income	$1,500	$2,000	$500	33.3%
Proceeds from Financing	$236,000	$276,000	$40,000	16.9%
County Share Debt Service	$8,886	$0	($8,886)	-100.0%
Other Income	$4,000	$13,268	$9,268	231.7%
Fund Balance Appropriated	$410,000	$306,380	($103,620)	-25.3%
Transfer from other funds	$371,023	$260,625	($110,398)	0.0%
Total	**$7,888,806**	**$7,842,273**	**($46,533)**	**-0.6%**

Expenditures

Notable changes in expenditures are as follows.

- A 2.7% wage increase across all employees is proposed to be effective the first full payroll in January 2026.
- The total number of full time Water Fund employees remains at 18.
- Installment financing of Capital spending has increased from $236,000 to $276,000. Steady and strategic investment within the operational budget on equipment and vehicles serves to allow Water Resources employees to address critical maintenance needs.
- Debt service has steadily decreased as the City pays down a significant amount of both principal and interest annually. This year it decreased by $350,050. Principal will be paid down by $1,905,300 and interest expense will total $349,550.
- Improvements to the existing water distribution system will continue and include valve and hydrant replacements and upgrades to existing water mains ahead of scheduled street resurfacing. Water treatment plant improvements include upgrading the carbon feed system and various plant pump replacements.

Division	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Water Administration	$3,866,971	$3,597,120	($269,851)	-7.0%
Water Distribution	$1,674,920	$1,821,948	$147,028	8.8%
Water Treatment Plant	$2,346,915	$2,423,205	$76,290	3.3%
Total	**$7,888,806**	**$7,842,273**	**($46,533)**	**-0.6%**

Sewer Fund

The Sewer Fund is proposed to decrease (<4%) in overall spending from fiscal year budget 2024-25 ($8,696,320) to ($8352,175) in fiscal year 2025-26.

Revenue

A 5% rate increase is recommended for the coming fiscal year in order to meet the growing capital needs to maintain an aging sewer system. The increase will generate approximately $450,000 in new revenue to partially offset the loss of one time fund balance appropriations from the previous year that are no longer available. These sewer charges to customers make up approximately 88% of revenue generated.

Revenue Source	Original Budget FY 2024-2024	City Manager Recommended FY 2025-2026	Amount Change	% Change
Sewer Late Fees	$50,000	$50,000	$0	0.0%
Sewer Charge Receipts	$6,890,000	$7,340,000	$450,000	6.5%
Sewer Tap Charges	$100,000	$100,000	$0	0.0%
Grease Trap Insp Fee	$25,000	$25,000	$0	0.0%
Interest & Inv Income	$1,500	$1,500	$0	0.0%
Proceeds from Financing	$140,000	$355,000	$215,000	153.6%
Proceeds from Asset Sales	$0	$0	$0	#DIV/0!
Other Income	$30,000	$30,000	$0	0.0%
Transfer from other funds	$505,959	$355,427	($150,532)	0.0%
Fund Balance Appropriated	$953,861	$95,248	($858,613)	0.0%
Total	**$8,696,320**	**$8,352,175**	**($344,145)**	**-4.0%**

Expenditures

Notable changes in expenditures are as follows.

- A 2.7% wage increase across all employees is proposed to be effective the first full payroll in January 2026.
- The total number of full time Sewer Fund employees remains at 25.
- Installment financing of Capital spending has increased from $140,000 to $355,000. Steady and strategic investment within the operational budget on equipment and vehicles serves to allow Water Resources sewer employees to address critical maintenance needs.
- Debt service has steadily decreased as the City pays down a significant amount of both principal and interest annually. This year it decreased by $145,025. Principal will be paid down by $2,483,450 and interest expense will total $289,525.
- Improvements to the existing sewer collection system will continue and include infiltration and inflow projects and replacement of identified sewer collection lines ahead of scheduled street resurfacing. Sewer treatment plant improvements include security and safety of chlorine disinfectant storage and sludge pump replacement and improvements.

Sewer Division	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Sewer Administration	$3,843,055	$3,689,678	($153,377)	-4.0%
Sewer Collection System	$1,556,220	$1,672,723	$116,503	7.5%
Sewer Treatment Plant	$3,297,045	$2,989,774	($307,271)	-9.3%
Total	**$8,696,320**	**$8,352,175**	**($344,145)**	**-4.0%**

Electric Fund

The Electric Fund is proposed to decrease (<8%) in overall spending from fiscal year budget 2024-25 ($24,474,271) to ($22,435,310) in fiscal year 2025-26. Adjusting for a one time wholesale power cost credit of $3,400,000 received from the NCMPA1 in FY 24-25 the overall electric budget does increase $1,361,039 or 6.4%.

Revenue

Electric rates will not increase. This follows rate reductions in the three previous years (-3.5% for FY 2024-25, a -5% for FY 2023-2024 and -3% in FY 2022-2023). These reductions were possible due to the reduction in the cost of wholesale power purchased from the NCMPA1 and some minor load growth in the system. As part of the plan proposed by the rate study the base facilities charge will increase for all customer classifications.

Electric Fund Revenue Source	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Electric Late Fees	$135,000	$135,000	$0	0.0%
Proceeds Asset Sale	$5,000	$5,000	$0	0.0%
After Hours Serv Chgs	$15,000	$15,000	$0	0.0%
Electric Charge Receipts	$19,612,671	$21,558,000	$1,945,329	9.9%
Electric Pole Rental	$98,000	$98,000	$0	0.0%
Interest & Inv Income	$50,000	$74,310	$24,310	48.6%
Proceeds from Financing	$50,000	$15,000	($35,000)	-70.0%
Other Income	$3,400,000	$115,000	($3,285,000)	-96.6%
Fund Balance Approp.	$1,108,600	$420,000	($688,600)	-62.1%
Total	**$24,474,271**	**$22,435,310**	**($2,038,961)**	**-8.3%**

Expenditures

Notable changes in expenditures are as follows.

- A 2.7% wage increase across all employees is proposed to be effective the first full payroll in January 2026.
- The total number of full time Electric Fund employees remains at 17.
- Installment financing of Capital spending remains level with a minimal decrease. Steady and strategic investment within the operational budget on equipment and vehicles serves to allow Electric employees to address critical maintenance needs.
- Debt service has steadily decreased as the City pays down a significant amount of both principal and interest annually. This year it decreased by a much larger amount due to the sale of Shell Building #4 in early May. The balance of this debt was paid off at that time. The total decrease in the annual debt service payment is $517,680. Principal will be paid down by $516,200 and interest expense will total $37,920.
- Improvements to the electric distribution system will continue and include $930,000 to be used toward implementation of the Electric System Asset Management Plan. Capital spending will increase in accordance with the Electric System Asset Management Plan adopted by Council in 2018.
- Wholesale power costs are expected to increase by $1,580,000 as a result of load growth within the system.
- The transfers to the General Fund will remain at $900,000.

Department	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Electric Administration	$8,021,111	$3,949,026	($4,072,085)	-50.8%
Electric Wholesale Power	$12,482,000	$14,070,000	$1,588,000	12.7%
Electric Distribution	$3,693,310	$4,197,084	$503,774	13.6%
Electric Economic Dev	$277,850	$219,200	($58,650)	-
Total	**$24,474,271**	**$22,435,310**	**($2,038,961)**	**-8.3%**

Natural Gas Fund

The Natural Gas Fund is down less than (1%) in overall spending from fiscal year budget 2024-25 Down from ($21,898,730) to ($21,874,203).

Revenue

A 5% increase (from $8.50 to $8.93 per month) on the base facilities charge is proposed. Additionally, a 2.7% increase (from $6.69 to $6.87 per dekatherm) on the base commodity rate is recommended for the coming fiscal year. The base commodity charge has remained unchanged for more than ten years.

Natural Gas Revenue Source	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Nat Gas Charges	$20,900,000	$21,016,850	$116,850	0.6%
Utility Late Fees	$58,150	$58,150	$0	0.0%
Afterhours Charges	$1,000	$1,000	$0	0.0%
Connection Fees	$45,000	$45,000	$0	0.0%
Interest & Invest Income	$50,000	$50,000	$0	0.0%
Proceeds from Financing	$222,500	$15,000	($207,500)	-93.3%
Other Income	$12,000	$165,000	$153,000	1275.0%
Proceeds - Sale of Assets	$5,000	$0	($5,000)	-100.0%
Fund Balance Approp	$500,000	$420,687	($79,313)	0.0%
Transfer from other funds	$105,080	$102,516	($2,564)	-
Total	**$21,898,730**	**$21,874,203**	**($24,527)**	-0.1%

Expenditures

Notable changes in expenditures are as follows.

- A 2.7% wage increase across all employees is proposed to be effective the first full payroll in January 2026.
- Implementation of Year 2 of 3 of the most recent wage market study. This study detailed an analysis and data regarding the market competitiveness of our employees. This year includes the Natural Gas Department.
- The total number of full time Natural Gas Fund employees remains at 21.
- Installment financing of Capital spending remains level with a minimal decrease. Steady and strategic investment within the operational budget on equipment and vehicles serves to allow Natural Gas employees to address critical maintenance needs.
- Debt service has steadily decreased as the City pays down a significant amount of both principal and interest annually. The remaining debt for the Natural Gas Fund will be paid in full in fiscal years 2029 and 2032.
- Improvements to the natural gas system will continue and include $1,140,000 to be used toward implementation of the Natural Gas System Asset Management Plan adopted by City Council in 2018.
- Natural Gas purchases from the pipeline for resale are expected to increase slightly. Natural Gas purchase for resale is estimated to be steady due to stabilization of market pricing. However, I would note that market volatility often affects this figure throughout the fiscal year and almost always requires adjustments toward the end of the year.
- The transfers to the General Fund will decrease from $2,400,000 to $2,359,000.

640 Natural Gas Division	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Nat Gas Administration	$5,808,345	$5,091,964	($716,381)	-12.3%
Nat Gas Purchases	$13,008,385	$13,200,000	$191,615	1.5%
Nat Gas Distribution	$3,082,000	$3,582,239	$500,239	16.2%
Total	**$21,898,730**	**$21,874,203**	**($24,527)**	**-0.1%**

Stormwater Fund

The Stormwater Fund is up (20%) in overall operational and capital spending from fiscal year budget 2024-25 ($1,519,000) to ($1,833,457) in fiscal year 2025-26. The increase is primarily due to the purchase of capital equipment and vehicles totaling $433,000.

Revenue

No rate increase in the monthly stormwater fee is recommended for the coming fiscal year.

Revenue Source	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Plan Review Fees	$0	$0	$0	
Stormwater Charges	$1,169,000	$1,400,457	$231,457	19.8%
Proceeds from Financing	$350,000	$433,000	$83,000	0.0%
Fund Balance Approp	$0	$0	$0	0.0%
Total	**$1,519,000**	**$1,833,457**	**$314,457**	**20.7%**

Expenditures

Notable changes in expenditures are as follows.

- A 2.7% wage increase across all employees is proposed to be effective the first full payroll in January 2026.
- The total number of full time Stormwater Fund employees remains at 3.
- System maintenance and repairs total $625,000 of this budget. The City will continue to take an aggressive approach to repairing and replacing stormwater drainage facilities that have failed or are likely to fail as part of the overall plan approved by City Council.
- The purchase of additional equipment and vehicles, including a new street sweeper is included in capital spending.

650 Stormwater Category	Original Budget FY 2024-2025	City Manager Recommended FY 2025-2026	Amount Change	% Change
Admin/Operations	$1,519,000	$1,833,457	$314,457	20.7%
Total	**$1,519,000**	**$1,833,457**	**$314,457**	**20.7%**

KEY CHALLENGES / OPPORTUNITIES FOR FY 2025-26

Challenges

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

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

Ongoing Pressures

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

Opportunities

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

The Carolina Harmony Trail, while not fully funded, is progressing using local, state/federal grant and private funding. Phase IA is complete, and subsequent phases are expected to be bid during the upcoming fiscal year. It has the potential to be transformational (for transportation, residential and commercial redevelopment, and economic development) in various parts of the City. This project has garnered significant private and public funding support of nearly $9,000,000. The City will proceed with Phase II of this project in fiscal year 25-26 with the help of federal and state grants as well as local sources and private donations.

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

There are ongoing opportunities for the City to continue to partner with Cleveland County through our continued industrial shell building program. This City/County partnership will bear fruit in the coming years with the recent announcement that PPG Aerospace division will invest $380,000,000 in Shelby, hiring approximately 110 jobs paying above the current average manufacturing wage of the area. It should be noted that PPG will become the City's largest electric customer.

CONCLUSION

The FY 2025-26 budget proposal continues the current level of service provided by the City's many departments. I still see challenges but given the current improvements in the economy our successes should hearten the outlook toward the future. It is my hope and expectation that the City staff and employees are up to the challenge of continuing the high quality service provided to our citizens. Basic services have been maintained, and this should be our focus. While this budget is proposed by the City Manager, it is neither final nor is it necessarily a reflection of what will be approved by the City Council. The Mayor and City Council will review these recommendations to arrive at what you consider the proper expenditure of the available revenues for the upcoming year. A public hearing on the proposed budget is scheduled for Monday, June 16th. The budget covering all funds for the fiscal year beginning July 1, 2025, is balanced, and presented to the Honorable Mayor and City Council for your thoughtful consideration at this time.

Respectfully submitted,

Rick Howell
City Manager

City of Shelby, NC
Personnel FTE Summary

General Fund	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Administration	6	6	6	7
Finance	5	5	5	5
Purchasing	3	3	3	3
Human Resources	3	4	4	4
Customer Service	10	10	10	10
Information Services	2	2	3	3
Meter Services	5	5	5	5
Garage	10	10	10	10
City Hall				
Police	89	89	89	90
Fire	56	56	56	56
Building Inspections	3	4	4	4
Streets	10	10	10	10
Airport	1	1	2	2
Solid Waste Collection	15	15	15	15
GIS	3	3	3	3
Planning / Code Enforcement	6	6	6	7
Parks & Recreation	8	9	9	9
Maintenance & Cemeteries	19	19	19	19
Total General Fund	**254**	**257**	**259**	**262**
Total Powell Bill	**1**	**1**	**1**	**1**
Housing	**8**	**8**	**8**	**8**
Utilities				
Water	20	20	18	18
Sewer	22	22	25	25
Electric	16	16	17	17
Gas	19	19	21	21
Stormwater	3	3	3	3
Total Utilities	**80**	**80**	**84**	**84**
Total Personnel	**343**	**346**	**352**	**355**

MEMORANDUM

TO: Rick Howell, City Manager

FROM: Deborah Jolly, Director of Human Resources

DATE: May 27, 2025

RE: 2024-2025 – New & Amended Job Classification Summary

The City's Classification and Pay Plan was adopted in 2019 and Resolution 9-2019 (Section 3) requires that all plan amendments be ratified annually with the adoption of a resolution by City Council.

There were no new or amended job classifications for fiscal year 2024-2025. Please let me know if you have questions.

CITY OF SHELBY
FY 2025-26 BUDGET ORDINANCE
ORDINANCE NO. 32-2025

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

Sec. 1) The following amounts are hereby appropriated in the General Fund for the operation of City Government and its activities for the fiscal year beginning July 1, 2025 and ending June 30, 2026 in accordance with the chart of accounts heretofore established for this City:

Governing Board	$107,539
Administration	1,104,304
Finance	979,401
Purchasing	85,461
Human Resources	484,007
Customer Service	28,381
Information Systems	868,372
Meter Services	3
Garage	842,940
City Hall	143,400
Annex	94,400
Police	9,752,628
Communication	1,007,565
Fire	6,260,790
Building Inspections	619,995
Streets	1,577,625
Airport	749,585
Solid Waste	2,434,500
GIS	92,876
Planning Services	943,868
Special Appropriations	3,611,500
Parks & Recreation	1,831,665
Maintenance Grounds & Cemetery	1,864,895
Total	$35,485,700

Sec. 2 It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Property Taxes	$ 16,100,000
Local Option Sales Tax	7,200,000
Other Taxes	56,400
Unrestricted Intergovernmental Revenues	2,232,439
Restricted Intergovernmental Revenues	38,827
Permits and Fees	675,500
Sales & Services	4,513,750
Investment Revenues	400,000
Other Financing Sources	659,784
Fund Balance	350,000
Transfers	3,259,000
Total	$35,485,700

Sec. 3) The following amounts are hereby appropriated in the Powell Bill Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Construction	$ 684,450
Street Maintenance	297,130
Debt Service	39,350
Total	$ 1,020,930

Sec. 4) It is estimated that the following revenues will be available to the Powell Bill Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Powell Bill	$ 824,453
Interest Income	46,477
Proceeds from Financing	150,000
Fund Balance	0
Total	$ 1,020,930

Sec. 5 The following amounts are hereby appropriated in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Emergency Telephone System	$ 80,870
Total	$ 80,870

Sec. 6) It is estimated that the following revenues will be available to the Emergency Telephone System Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

911 Revenues	$ 80,870
Fund Balance Appropriated	0
Total	$ 80,870

Sec. 7) The following amounts are hereby appropriated in the Economic Development Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Services	$ 902,000
Transfers	718,568
Total	$ 1,620,568

Sec. 8) It is estimated that the following revenues will be available to the Economic Development Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

MSD Property Taxes	$ 153,000
Local Occupancy Tax	320,000
Investment Revenues	50,000
Other Income	2,000
Transfers	1,095,568
Fund Balance Appropriated	0
Total	$ 1,620,568

Sec. 9) The following amounts are hereby appropriated in the Housing Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Conventional	$ 3,010,003
Total	$ 3,010,003

Sec. 10) It is estimated that the following revenues will be available to the Housing Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Subsidies	$ 612,718
HUD CFP Income	1,331,018
Rent Income	811,000
Investment Income	60,000
Other Income	2,000
Fund Balance Appropriated	193,267
Total	$ 3,010,003

Sec. 11) The following amounts are hereby appropriated in the Cemetery Perpetual fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Professional Services	$ 50,000
Total	$ 50,000

Sec. 12) It is estimated that the following revenues will be available to the Cemetery Perpetual Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Cemetery Fees	$ 50,000
Other Income	10,000
Fund Balance Appropriated	(10,000)
Total	$ 50,000

Sec. 13) The following amounts are hereby appropriated in the Water Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Administration	$ 3,597,120
Line Operation	1,821,948
Plant	2,4,23,205
Total	$ 7,842,273

Sec. 14) It is estimated that the following revenues will be available to the Water Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Fees	$ 6,984,000
Proceeds From Financing	276,000
Interest Income	2,000
Fund Balance	306,380
Transfer	260,625
Other Income	13,268
Total	$ 7,842,273

Sec. 15) The following amounts are hereby appropriated in the Sewer Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Administration	$ 3,689,678
Line Operation	1,672,723
Plants	2,989,774
Total	$8,352,175

Sec. 16) It is estimated that the following revenues will be available to the Sewer Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Fees	$ 7,515,000
Investment Income	1,500
Other Income	30,000
Proceeds From Financing	355,000
Transfers	355,427
Fund Balance	95,248
Total	$ 8,352,175

Sec. 17) The following amounts are hereby appropriated in the Electric Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Administration	$ 3,949,026
Purchase/Generation	14,070,000
Line Operation	4,197,084
Economic Development	219,200
Total	$22,435,310

Sec. 18) It is estimated that the following revenues will be available to the Electric Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Fees	$21,811,000
Proceeds From Financing	15,000
Interest	74,310
Other Income	115,000
Fund Balance	420,000
Total	$22,435,310

Sec. 19) The following amounts are hereby appropriated in the Gas Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Administration	$ 5,091,964
Gas Purchases	13,200,000
Line Operation	3,582,239
Total	$21,874,203

Sec. 20) It is estimated that the following revenues will be available to the Gas Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Fees	$21,101,000
Other Income	165,000
Proceeds From Financing	15,000
Interest	70,000

Transfer	102,516
Fund Balance	420,687
Total	$21,874,203

Sec. 21) The following amounts are hereby appropriated in the Stormwater Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Administration	$ 1,833,457
Total	$ 1,833,457

Sec. 22) It is estimated that the following revenues will be available to the Stormwater Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Fees	$ 1,400,457
Proceeds From Financing	433,000
Fund Balance	0
Total	$ 1,833,457

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

General Fund	$35,485,700
Powell Bill Fund	1,020,930
Emergency Telephone System	80,870
Economic Development Fund	1,620,568
Housing Fund	3,010,003
Cemetery Perpetual Fund	50,000
Utilities-Water Fund	7,842,273
Utilities-Sewer Fund	8,352,175
Utilities-Electric Fund	22,435,310
Utilities-Gas Fund	21,874,203
Utilities-Stormwater Fund	1,833,457
Total	$103,605,489
Less Interfund Transfers	5,073,136

Total FY 2025-26 Budget $98,532,353

Sec. 24) There is hereby levied a tax at the rate of forty five cents ($0.45) per one hundred dollars ($100) valuation of property as listed for taxes as of January 1, 2025 for the purpose of raising the revenue listed as property taxes in the General Fund in Section 2 of this ordinance. This rate is based on an estimated total valuation of property for the purposes of taxation of $3,657,076,450 and an estimated collection rate of 97.86%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2023-24. The calculated revenue neutral tax rate is thirty-nine and thirty-two one hundredths cents ($.3932) per one hundred dollars ($100) valuation of property as listed for taxes as of January 1, 2025.

Sec. 25) There is hereby further levied an additional tax at the rate of twenty-two cents ($0.22) per one hundred dollars ($100) valuation of property as listed for taxes as of January 1, 2025 within the boundaries of the Uptown Shelby Municipal Service District for the purpose of raising the revenue listed as uptown district tax in the Economic Development Fund in Section 8 of this ordinance. This rate is based on an estimated total valuation of property for the purposes of taxation of $69,341,457 and an estimated collection rate of 95.53%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2023-24. The calculated revenue neutral tax rate is nineteen and fifty-four one hundredths cents ($.1954) per one hundred dollars ($100) valuation of property as listed for taxes as of January 1, 2025.

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

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

A. The City Manager shall be authorized to reallocate departmental appropriations among the various objects of expenditure as he believes necessary.

B. The City Manager shall be authorized to effect interdepartmental transfers in the same fund not to exceed ten percent (10%) of the appropriated monies for the department whose allocation is reduced.

C. The City Manager shall be authorized to effect transfers between capital projects that are budgeted in the same capital project fund.

D. The City Manager shall be authorized to transfer any remaining balances from any Capital Project upon its completion to the corresponding reserve fund.

Interfund transfers from operating funds shall be accomplished by City Council authorization only.

E. The budget adopted herein may be amended to reflect encumbrance balances for expenditures properly committed but unpaid at the end of the prior fiscal year and increasing fund balances appropriated by a similar amount.

Adopted and Approved this the 16th day of June 2025.

_____
O. Stanhope Anthony III
Mayor

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

CITY OF SHELBY
FY 2025-26 SUPPLEMENTAL BUDGET ORDINANCE
ORDINANCE NO. 33-2025

WHEREAS, in accordance with applicable provisions of the North Carolina Local Government Budget and Fiscal Control Act, the City of Shelby has enacted the FY 2025-26 Budget Ordinance, providing for the annual operating budget of the City for the stated fiscal year; and,

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

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

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

Section 1. The following actions are hereby adopted and approved in support of the City's FY 2025-26 Budget and the continued financial operations of the City subsequent thereto:

a) The number of full-time positions authorized for employment by the City is confirmed as set forth in the Personnel Summary for a total of 355 positions. See Attachment A.
b) During FY 2025, several positions were reclassified and must now be ratified as presented in the Reclassification Summary. See Attachment B.

c) The City's fee schedule effective July 1, 2025 is attached.

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

Section 3. This ordinance shall become effective with is adoption and approval, while all applicable budgetary authorizations subject to fiscal year requirements set forth herein are to be effective on July 1, 2025.

Adopted and Approved this the 16th day of June 2025.

_____

O. Stanhope Anthony, III
Mayor

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

Attachment A

Personnel Summary

	FY2025-2026
General Fund	
Mayor/Council	
Adminstration	7.00
Finance	5.00
Purchasing	3.00
Human Resources	4.00
Customer Service	10.00
Information Services	3.00
Meter Services	5.00
Garage	10.00
City Hall	
Police	79.00
Police Communications	11.00
Fire	56.00
Building Inspections	4.00
Streets	10.00
Airport	2.00
Sanitation	15.00
GIS	3.00
Planning	7.00
Parks & Recreation	9.00
Park Maintenance	19.00
Total General Fund	**262.00**
Powell Bill	**1.00**
Housing	**8.00**
Economic Development	1.00
Utilities	
Water	18.00
Sewer	25.00
Electric	17.00
Gas	21.00
Stormwater	2.00
Total Utilities	**84.00**
Total Personnel	**355.00**

CITY OF SHELBY
FEES SCHEDULE

Adopted: To be Adopted
Effective: July 1, 2025

Prior Revisions:

July 1, 2025	Annual
January 1, 2025	Sanitation
July 1, 2024	Annual
April 15, 2024	Gas
March 18, 2024	Gas
July 1, 2023	Annual
July 1, 2022	Annual
November 15, 2021	Elec & Gas
August 16, 2021	Cust. Serv.
July 19, 2021	Water
July 1, 2021	Annual
March 1, 2021	Electric
February 1, 2021	Park Tourn.
July 1, 2020	Annual
July 1, 2019	Annual
February 4, 2019	Hanna Park
July 1, 2018	Annual
July 1, 2017	Annual
March 21, 2017	Golf
November 1, 2016	Gas
October 1, 2016	Electric
July 1, 2016	Annual

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Effective July 1, 2025
Replaces schedule effective 7/1/2024

SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT

SERVICE		FEE
Fuel (Av-Gas 100LL and Jet-A with Prist)		Posted price in terminal is adjusted with market pricing
Aircraft Hangar Rental (50'x75' or 100'x100' Box Hangar)		
Single Engine	Monthly	$225.00
	Daily	$25.00
Twin Engine	Monthly	$325.00
	Daily	$50.00
Turbine Engine (Less than 10,000 lbs.)	Monthly	$550.00
	Daily	$100.00
Turbine Engine (Greater than 10,000 lbs.)	Monthly	$800.00
	Daily	$125.00
Aircraft Hangar Rental (T-Hangar)		
Single T-Hangar Unit (41'6" Door)	Monthly	$275.00
	Daily	$30.00
Single T-Hangar Unit (44'6" Door)	Monthly	$300.00
	Daily	$35.00
T-Hangar Storage (with Bay Door)	Monthly	$250.00
T-Hangar Storage (without Bay Door)	Monthly	$200.00

Aircraft Tie Down (Monthly)	Monthly Single	$50.00
	Monthly Twin	$75.00

Aircraft Tie Down (Overnight)

Aircraft Size	Fee	Waiver Requirement
< 40’ Wingspan	$10	10 gallons
41’ - 50’ Wingspan	$20	20 gallons
51’ - 60' Wingspan	$30	30 gallons
61’ - 70' Wingspan	$40	40 gallons
71’ - 80' Wingspan	$50	50 gallons
81’ or greater Wingspan	$75	75 gallons

Overnight Aircraft Tie Down Fee will be waived for one night based on fuel purchase volumes indicated above

Ramp Fees for Commercial Users

Aircraft Size	Fee	Waiver Requirement
Singles, Small Twins	$25	25 gallons or top off
Category 1, Turbo Prop or Light Jet	$50	50 gallons or top off
Category 2 < 20,000 lbs.	$50	50 gallons or top off
Category 3, 20,001-40,000 lbs.	$75	75 gallons
Category 4 > 40,000 lbs.	$100	100 gallons

Vehicle Parking Fees	Monthly	$25.00

(Applies to approved automobiles left on airport premises)

After Hours Call Out (1 hour minimum charge) $75.00/Hour

Ground Power Unit (GPU) $40.00/Hour

Conference Room Rental Rate

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

(Use of catering area additional $25.00 per day).
(Electronic Equipment Usage additional $25.00 per day)

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

MISCELLANEOUS FEES

Office of the City Clerk:

Special Event Application	$30.00 per event
Public Records Requests – copies *	$.25/page
Public Records Special Service Charges *	$33.00/hour in excess of 4 hours

*Prepayment of fees is required if estimated costs will exceed $100

City of Shelby Police Department:

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

PARK & RECREATION FEES

Youth Athletic Programs User Fees

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

Youth Athletic Admission Fees

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

Adult Athletic Program User Fees

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

Aquatics Fees

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

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

Aerobics	**City/Other**
Land Aerobics	$20/$30 per month
Water Aerobics	$3/$4 per day

Amusements	**Fees**
Carrousel	$1.00
Train	$1.00

Summer Day Camp	**City/Other**
Base Fee	$100/$130 Per Week
Holly Oak Summer Activity Program	$30/$45 Per Week

Facility Rental Fees**	**City/Other**
City Park Gym (no admission charged)	$30/$45 per hour – 2 hr. minimum
City Park Gym (admission charged)	$50/$60 per hour – 2 hr. minimum
Holly Oak Gym (no admission charged)	$30/$45 per hour – 2 hr. minimum
Holly Oak Gym (admission charged)	$50/$60 per hour – 2 hr. minimum
City Pavilion	$50 per hour – 2 hr. minimum
Aquatics Center	$100/$150 per hour – 2 hr. minimum
Aquatics Party Area	$20/$30 per hour – 2 hr. minimum
Aquatics Conference Room	$20/$30 per hour
Carrousel	$60/$75 per hour – 2 hr. minimum
Train	$60/$75 per hour – 2 hr. minimum
CP Meeting Room	$20/$30 per hour
Tennis Courts	$10/$20 per hour
Outdoor Volleyball	$10/$20 per hour
Thompson Garden	$75/$100 per day
Holly Oak Activity Center	$100/$125 per day
CP Scout Hut	$75/$100 per day
Civitan Picnic	$40/$60 per ½ day
Holly Oak Picnic	$40/$60 per ½ day
Sports field (hour) – Non-tournament	$25/$40 per hour
Sports field (full day) – Non-tournament	$150/$200 per day
Sports field (weekend) – Non-tournament	$300/$400 Sat & Sun

Sports field Lights (hour) – Non-tournament	$25/field per hour
Dogwood Shelter	$40/$60 per ½ day
Willow Oak Shelter	$40/$60 per ½ day
Cherry Shelter	$40/$60 per ½ day
Crepe Myrtle Shelter	$40/$60 per ½ day
Elm Shelter	$40/$60 per ½ day
Deer Track Shelter	$40/$60 per ½ day
Magnolia Pavilion	$25/$35 per hour – 3 minimum

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

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

Includes:
- Initial Field Preparation
- Lights
- One Staff person

Additional Fees:

Additional Field Preparation	$25/field
Additional Staff	$18/hour
Security	$25/hour
Hourly Rental	$25/hour

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

Cemetery Fees	**City/Other**
Lot	$1,250/$2,500

Golf	**City/Other**

Effective July 1, 2024

Replaces prior fees effective 7/1/2022

<u>Daily Fee Pricing:</u>

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

Cart Weekdays – 18 holes	$10
Cart Weekend & Holidays – 9 holes	$5
Cart Weekend & Holidays – 18 holes	$10

Annual Membership Fee Pricing:

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

Lessons and Classes:

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

Membership Rewards include:

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

PERMIT FEES

New Construction Residential & Commercial Building Permits

Cost of total construction at $220 sq. ft. Commercial or $195 sq. ft. Residential or the owner's valuation whichever is greater multiplied by 0.0045 = the permit fee.

Solar Construction

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

Renovation Permit	$100 Base Fee, plus $45/sq. ft.
Moving Permit	$100
Demolition Permit	$100
Manufactured Homes	$300.00
Accessory Structures 400 sq. ft. or less	$200
Accessory Structures 400 sq. ft. or greater	$250
Swimming Pool	$125.00
Electrical Permit	$100
Plumbing Permit	$100
Mechanical Permit	$100
Insulation Permit	$100
Re-inspection Fee	$100.00
Min. Bldg. Permit Fee	$100.00
Work started without permit	double the normal fee
Trip Fee	$200

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

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

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

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

PLANNING FEES

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

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

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

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

REGULATORY FEES

NC G.S. 105-113.77:

Beer, Malt Beverages, Wines:	
On-premises malt beverage	$15.00
Off-premises malt beverage	$ 5.00
On-premises unfortified wine, on-premises fortified wine, or both	$15.00
Off-premises unfortified wine, on-premises fortified wine, or both	$10.00

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

NC G.S. 160A-178:

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

NC G.S. 66-45, 407:

Dealer/Purchase of Precious Metals	
Precious Metals Dealer Permit	$180.00 + $38 fingerprint/background check
Certificate of Compliance for Employees	$10.00
Special Occasion Permit	$180.00
Dealer Permit Renewal Fee	$180.00
Employee Certificate Renewal Fee	$3.00

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

Effective July 1, 2025
Replaces schedule effective 1/1/2025

SOLID WASTE FEES

Service:	Monthly Fee:
R-1x1 - One Cart Picked Up Once a Week	$21.06
R-2x1 - Two Carts Picked Up Once a Week	$35.58
R-3x1 - Three Carts Picked Up Once a Week	$56.32
R-4x1 - Four Carts Picked Up Once a Week	$76.73
R-2x2 - Two Carts Picked Up Twice a Week	$71.16
R-3x2 - Three Carts Picked Up Twice a Week	$112.64
R-4x2 - Four Carts Picked Up Twice a Week	$153.46
R-4x3 - Four Carts Picked Up Three times a Week	$230.19
Miscellaneous Charges:	
Replace 96-Gallon Rollout Can	$87.75

Effective January 1, 2026
Replaces schedule effective 7/1/2025

SOLID WASTE FEES

Service:	Monthly Fee:
R-1x1 - One Cart Picked Up Once a Week	$23.19
R-2x1 - Two Carts Picked Up Once a Week	$39.14
R-3x1 - Three Carts Picked Up Once a Week	$61.96
R-4x1 - Four Carts Picked Up Once a Week	$84.40
R-2x2 - Two Carts Picked Up Twice a Week	$78.28
R-3x2 - Three Carts Picked Up Twice a Week	$123.92
R-4x2 - Four Carts Picked Up Twice a Week	$168.80
R-4x3 - Four Carts Picked Up Three times a Week	$253.20
Miscellaneous Charges:	
Replace 96-Gallon Rollout Can	$87.75

Effective July 1, 2025
Replaces schedule effective July 1, 2024

CUSTOMER SERVICE FEES

SERVICE	8:00 AM TO 5:00 PM	WEEKEND, HOLIDAY & AFTER 5:00 PM
Application fee*	$10.00	N/A
Service Call**	N/C	$60.00
New Customer Service **	N/C	$60.00
Returned Check	$35.00	N/A
Non-Pay Collection Charge***	$50.00	N/A
Non-Pay Reconnect **	N/C	$60.00
Late Payment Fee	$10.00	N/A
Remove or Lock Meter	$40.00	N/A
Meter Interference (Per GS § 14-151)	Criminal or Civil Action, including felony or the greater of triple losses or $5,000.00	
Damage to City-issued utility equipment/meters	Fee = Replacement cost of equipment	
Unauthorized Meter Access/Unsafe Meter Use	$125.00 per occurrence	
Temporary **ELECTRIC** Service	N/C	N/A
First Meter Test	N/C	N/A
2nd Request Test (within 12 months)	$40.00	N/A
First Utility Bill Reprint	N/C	N/A
2nd Utility Bill Reprint (within 12 months)	$1.00	N/A
Meter Test (if tampering is involved)	$40.00	N/A
N/C = no charge N/A = not available or applicable		Original schedule effective June 1, 2008

SERVICE	8:00 AM TO 4:00 PM	WEEKEND, HOLIDAY & AFTER 4:00 PM
Disconnect/Reconnect **ELECTRIC** Service at Riser	$60.00	$125.00
Disconnect/Reconnect **ELECTRIC** Service at Pole	$60.00	$125.00

*New Account Application fee appears on first months bill
** Service calls to reconnect services will not be performed after 10 PM
***The City will waive one (1) Collection Charge and (1) Late Penalty as a courtesy in a 24-month period.
****The City will adjust fees for services provided by outside vendors as instructed by vendors.

Effective July 1, 2025
Replaces fee effective 7/1/2014

UTILITY DEPOSITS

WATER		
	Residential	$80.00
	Commercial/Industrial	Two (2) months estimated bill - peak usage months
SEWER		
	Residential	$80.00
	Commercial/Industrial	Two (2) months estimated bill - peak usage months
	Residential Sewer Only (no other utility services on account)	$160.00
	Commercial Sewer Only (no other utility services on account)	Two (2) months estimated bill - peak usage months
ELECTRIC		
	Residential	$210.00
	Commercial/Industrial	Two (2) months estimated bill – peak usage months
GAS		
	Residential	$140.00
	Small Commercial	$140.00
	Large Commercial/Industrial	Two (2) months estimated bill – peak usage months

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

Schedule RESCTY
Effective July 1, 2025
Replaces schedule effective 7/1/2024

RESIDENTIAL WATER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Consumption Unit	$17.63 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$2.90

The minimum bill is the Customer Charge.

CONDITIONS

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

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

Schedule RESRUR
Effective July 1, 2025
Replaces schedule effective 7/1/2024

RESIDENTIAL WATER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Consumption Unit	$34.51 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$5.79

The minimum bill is the Customer Charge.

CONDITIONS

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

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

Schedule COMCTY
Effective July 1, 2025
Replaces schedule effective 7/1/2024

COMMERCIAL WATER SERVICE (CITY)

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

RATE

Customer Charge Per Consumption Unit	$19.57 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$2.90

The minimum bill is the Customer Charge.

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

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

Schedule COMRUR
Effective July 1, 2025
Replaces schedule effective 7/1/2024

COMMERCIAL WATER SERVICE (RURAL)

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

RATE

Customer Charge Per Consumption Unit	$38.36 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$5.79

The minimum bill is the Customer Charge.

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

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

Schedule IRRCTY
Effective July 1, 2025
Replaces schedule effective 7/1/2024

IRRIGATION WATER SERVICE (CITY)

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

RATE
Volume Charge (per 1,000 gallons used per billing period) $3.40

CONDITIONS
Irrigation Systems – Commercial and Residential

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

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

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

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

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

Schedule IRRRUR
Effective July 1, 2025
Replaces schedule effective 7/1/2024

IRRIGATION WATER SERVICE (RURAL)

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

RATE
Volume Charge (per 1,000 gallons used per billing period) $7.61

CONDITIONS
Irrigation Systems – Commercial and Residential

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

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

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

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

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

Schedule LGINDC
Effective July 1, 2025
Replaces schedule effective 7/1/2024

LARGE INDUSTRIAL WATER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	$409.62 per billing period
Volume Charge (per 1,000 gals used per billing period)	$2.18

CONDITIONS

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

Schedule LGINDR
Effective July 1, 2025
Replaces schedule effective 7/1/2024

LARGE INDUSTRIAL WATER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	$818.46 per billing period
Volume Charge (per 1,000 gals used per billing period)	$4.36

CONDITIONS

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



Schedule BW-1
Effective July 1, 2025
Replaces schedule effective 7/1/2024

RESALE (BULK) WATER SERVICE

AVAILABILITY

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

RATE

Volume Charge (per 1,000 gallons used per billing period)	$6.87

Schedule WATERG
Effective July 1, 2025
Replaces schedule effective 7/1/2024

GOVERNMENTAL WATER SERVICE

AVAILABILITY

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

RATE

Volume Charge (per 1,000 gallons used per billing period)	$3.12

Schedule SEWERI
Effective July 1, 2025
Replaces schedule effective 7/1/2024

SEWER SERVICE (CITY)

AVAILABILITY

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

RATE

A. CUSTOMERS RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

Customer Charge Per Water Consumption Unit	$24.89 per billing period
Volume Charge (per 1,000 gallons)	$5.11

The Minimum Bill is the Customer Charge.

B. CUSTOMERS NOT RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

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

Minimum Bill: (1) $50.44 for estimated discharge of 5,000 gallons or less used per billing period.

(2) Rate under A. when actual measured discharge is required under D.

C. CUSTOMERS RECEIVING LOW PRESSURE SEWER PUMP SERVICE

Customer Charge Per Consumption Unit	$24.89 per billing period
Customer Pump Charge per Consumption Unit	$58.04 per billing period
Volume Charge (Per 1000 gallons used)	$5.11

The Minimum Bill is the Customer Charge.

D. See "Conditions" Paragraph on page 2.

Schedule SEWERI
Effective July 1, 2025
Replaces schedule effective 7/1/2024

CONDITIONS

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

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

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

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

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

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

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

Schedule SEWERO
Effective July 1, 2025
Replaces schedule effective 7/1/2024

SEWER SERVICE (RURAL)

AVAILABILITY

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

RATE

A. CUSTOMERS RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

Customer Charge Per Water Consumption Unit	$41.41 per billing period
Volume Charge (Per 1,000 gallons per billing period)	$8.69

The Minimum Bill is the Customer Charge.

B. CUSTOMERS NOT RECEIVING FULL REQUIREMENTS SHELBY CITY WATER SERVICE

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

Minimum Bill:
(1) $84.86 for estimated discharge of 5,000 gallons or less per billing period
(2) Rate under A. when actual measured discharge is required under D.

C. CUSTOMERS RECEIVING LOW PRESSURE SEWER PUMP SERVICE

Customer Charge Per Consumption Unit	$41.41 per billing period
Customer Pump Charge per Consumption Unit	$58.04 per billing period
Volume Charge (Per 1000 gallons per billing period)	$8.69

The Minimum Bill is the Customer Charge.

D. See "Conditions" Paragraph on page 2.

SCHEDULE SEWERO
Effective July 1, 2025
Replaces schedule effective 7/1/2024

CONDITIONS

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

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

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

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

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

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

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

Schedule SEWLIN
Effective July 1, 2025
Replaces schedule effective 7/1/2024

LARGE INDUSTRIAL SEWER SERVICE (CITY)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	$211.59 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	$2.78

CONDITIONS

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

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

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

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

Schedule SEWLO
Effective July 1, 2025
Replaces schedule effective 7/1/2024

LARGE INDUSTRIAL SEWER SERVICE (RURAL)

AVAILABILITY

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

RATE

Customer Charge Per Water Consumption Unit	$358.82 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	$4.74

CONDITIONS

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

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

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

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

Schedule SEWERG
Effective July 1, 2025
Replaces schedule effective 7/1/2024

GOVERNMENTAL SEWER SERVICE

AVAILABILITY

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

RATE

Customer Charge Per Service Connection	$27.77 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$7.61

CONDITIONS

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

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

WATER AND SEWER FEE SCHEDULE

WATER FEES:

Tap Size	Tap Fee	Meter Set Fee	Service Fee	Total Cost
3/4"	$1,175	$185	$200	$1,560
1"	$1,250	$270	$400	$1,920
1 1/2"	$1,700	$740	$600	$3,040
2"	$1,950	$1,400	$800	$4,150
3"	$475	N/A	$1,000	$1,475
4"	$475	N/A	$1,500	$1,975
6"	$600	N/A	$3,000	$3,600
8"	$600	N/A	$4,000	$4,600
Hydrant Relocation	$3,500 or actual cost; whichever is greater			
System Development Fee	Refer to System Development Fee Sheets			
Asphalt Patch Fee	Price is subject to adjustment due to road width and /or NCDOT overlay requirements. Currently, $260 is included in the total cost for tap fees.			

Water Tap Fee

- Water tap fee (for 3/4", 1", 1 1/2", and 2") includes all necessary hardware for connection to existing water mains and service line to customer property (includes meter box.) Meter will be placed on private property immediately outside public right of way.

- Taps to public water infrastructure shall be performed by the City. The City will provide work on all meter and hydrant relocations. Meter relocation fee shall be the same as tap fee.

Meter Set Fee

- For 3/4", 1", 1-1/2", and 2" water services, the meter set fee includes the City providing and installing appropriate water meter.

- For 3", 4", 6", and 8" water services, no meter set fee exists. The contractor/plumber shall provide water meter which has been reviewed and approved by the City of Shelby. (All water meters shall be compatible with the Itron MVRS remote meter reading system.)

- Irrigation systems shall have a separate meter installed (RPZ Backflow is required to be installed and tested at the customer's expense.) All applicable fees will be charged as listed above.

Water Service Fee

- Water service fee is the administrative costs associated with the startup of a new water account.

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

New Subdivision Water Connection

- All public water infrastructure for new subdivisions shall be pre-tapped by the contractor at the time of the public water system extension.

- When taps are installed by the contractor during construction of the public water system extension, tap fees apply to where new water mains are connecting to City's existing infrastructure.

Pre-Tapped Customer Connection - Water

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

Demolition of Structures - Water

- Properties which have been scheduled for demolition and will be redeveloped will have existing water service disconnected on the customer side of the meter box and the meter box will be removed. The service will remain connected at the main for a period of up to one (1) year from disconnection.

- At the time of disconnection from existing structure to be demolished, the City will inspect the existing service line. If service line is in poor condition (i.e., unapproved material, leaking, etc...) then service will be disconnected at the water main. If construction of a primary structure on the property begins within one (1) year, the City will reinstall tap service line and meter box at no cost to the customer.

- Customer shall begin construction of primary structure within one year of demolition. If construction has not begun at the one-year mark, the City may disconnect the service at the main and require new connection with tap, service and meter fees.

SEWER FEES:

Tap Size	Tap Fee	Service Fee	Total Cost
4"	$1,000	$500	$1,500
6"	$1,000	$600	$1,600
8"	$1,050	$2,000	$3,050
10"	$1,100	$3,000	$4,100
12"	$1,150	$4,000	$5,150
System Development Fee	Refer to System Development Fee Sheets		
Asphalt Patch Fee	Price is subject to adjustment due to road width and /or NCDOT overlay requirements. Currently, $260.00 is included in the total cost for tap fees.		

Sewer Tap Fee

- Sewer tap fee includes tap, manhole boot, and roadway repairs for sewer connections in City maintained streets only.

- The customer's plumber/contractor is responsible for sewer service from sewer tap of manhole or sewer main to structure being served.

- Service line replacement will only incur a tap fee. All other costs associated with service line replacement shall be conducted by a licensed plumber at the customer's expense.

- City will perform taps on all existing public sewer mains and manholes.

Sewer Fees for Taps in NCDOT Streets

- Customer shall be responsible for paying all costs associated with connections to the City's sewer system in NCDOT streets. Costs may include boring, excavation, paving overlay, etc…

- The City of Shelby will coordinate work with NCDOT, a contractor (selected by the City) and the customer's plumber.

- Customer will be required to pay the estimated fees to the City prior to work commencing.

- Any cost above and beyond the estimated fees will be billed to the customer upon completion of the work.

Sewer Service Fee

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

New Subdivision Sewer Connections

- All public sewer infrastructure for new subdivisions shall be pre-tapped by the contractor at the time of public sewer extension.

- When taps are installed by the contractor during construction of the public sewer extension, tap fees apply to where new sewer mains are connecting to the City's existing infrastructure.

Pre-tapped Customer Connections - Sewer

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

Tap Service Fees for Assessment Areas

- Service fees will be calculated in the total project cost assuming 100% connection.

- Connection to clean-out/stub-out in assessment area shall be $50.00.

Demolition of Structures - Sewer

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

- At the time of disconnection from existing structure to be demolished, the City will inspect the existing service line. If service line is in poor condition (i.e., collapsing, unapproved material, etc...) then service will be disconnected at the sewer main/manhole. Customer will then be responsible for tap fee, service fee and new service lateral installed by the customer's licensed plumber.

- Customer shall begin construction within one year of demolition. If construction has not begun at the one-year mark, the City has the right to disconnect the service at the main/manhole and require new connection with tap and service fees.

Effective July 1, 2025
Replaces schedule effective 7/1/2024

MISCELLANEOUS WATER AND WASTEWATER FEES

MISCELLANEOUS WATER FEES:

Hydrant Meter Deposits:

Deposit required for Hydrant Flow Meter	$1,500.00

MISCELLANEOUS WASTEWATER FEES:

Significant Industrial User (SIU) Fee	$450.00/month

Pretreatment Surcharges:

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

Additional Pretreatment Fees:

Non-Significant Industrial User Fees

• *Permit Application – Initial Permit Development*	*No Charge*
• *Permit Issuance – Due upon Approval of Permit*	*$200.00*
• *Annual Permit Renewal/Modification Fee*	*$100.00*

Sampling & Miscellaneous Fees

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

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

FOG Charges:

Small Customer	*0 to 10,000 gals*	*$9.52 per month*
Medium Customer	*10,001 to 50,000 gals*	*$14.28 per month*
Large Customer	*50,001 or greater gals*	*$19.04 per month*

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

Septage Fees:

Septage Load:	$100.00/Load (Typical load ≤2500 gallons)
	$175.00/Load (Typical load ≥2500 gallons)
After Hours Charge:	$125.00/Load (Typical load≤2500 gallons)
	$200.00/Load (Typical load≥2500 gallons)
Annual Permit Fee:	$150.00 *

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

Low Pressure Sewer System:

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

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

Note: For properties connected to the City's low-pressure sewer system, the City of Shelby will provide, install, and maintain the sewer pump. However, the property owner is responsible for all necessary electrical and plumbing work required to power and operate the pump.

Effective July 1, 2025

Water and Sewer System Development Fees – FY26

(effective July 1, 2025 – June 30, 2026)

Residential	Water	Sewer	Combined
Single Family Residence	$100	$600	$700
Multi-family Dwelling (per Bedroom)	$50	$200	$250

Non-Residential (Meter Size)	Water	Sewer	Combined
3/4”	$100	$600	$700
1”	$200	$1,000	$1,200
1-1/2”	$300	$2,000	$2,300
2”	$500	$3,200	$3,700
Larger than 2”	See Note 6 below		

Notes:

1. System development fees are assessed for new connections or an increase in water meter size on an existing connection.
2. Multi-family Dwelling includes any residential connection other than a single-family residence. Examples include, but are not limited to, apartments, townhomes, condominiums, duplexes, etc.
3. Fees are due prior to the issuance of a building permit or at the time of connection, whichever occurs first.
4. System development fees for both water and sewer are based on water meter size for all non-residential connections.
5. Irrigation meters will be assessed based on meter size and are not charged a sewer fee.
6. For water meters larger than 2”, fees are calculated based on the flow capacity ratio relative to a ¾” meter, using AWWA Standards (C700, M1, and M22).

Effective July 1, 2026
Replaces schedule effective 7/01/2025

Water and Sewer System Development Fees – FY27

(effective July 1, 2026 – June 30, 2027)

Residential	Water	Sewer	Combined
Single Family Residence	$300	$1,500	$1,800
Multi-family Dwelling (per Bedroom)	$100	$500	$600

Non-Residential (Meter Size)	Water	Sewer	Combined
3/4”	$300	$1,500	$1,800
1”	$500	$2,500	$3,000
1-1/2”	$1,000	$5,000	$6,000
2”	$1,600	$8,000	$9,600
Larger than 2”	See Note 6 below		

Notes:

1. System development fees are assessed for new connections or an increase in water meter size on an existing connection.
2. Multi-family Dwelling includes any residential connection other than a single-family residence. Examples include, but are not limited to, apartments, townhomes, condominiums, duplexes, etc.
3. Fees are due prior to the issuance of a building permit or at the time of connection, whichever occurs first.
4. System development fees for both water and sewer are based on water meter size for all non-residential connections.
5. Irrigation meters will be assessed based on meter size and are not charged a sewer fee.
6. For water meters larger than 2”, fees are calculated based on the flow capacity ratio relative to a ¾” meter, using AWWA Standards (C700, M1, and M22).

Effective July 1, 2027
Replaces schedule effective 7/1/2026

Water and Sewer System Development Fees – FY28

(effective July 1, 2027 – June 30, 2028)

Residential	Water	Sewer	Combined
Single Family Residence	$600	$2,700	$3,300
Multi-family Dwelling (per Bedroom)	$200	$900	$1,100

Non-Residential (Meter Size)	Water	Sewer	Combined
3/4”	$600	$2,700	$3,300
1”	$1,000	$4,500	$5,500
1-1/2”	$2,000	$9,000	$11,000
2”	$3,200	$14,400	$17,600
Larger than 2”	See Note 6 below		

Notes:

1. System development fees are assessed for new connections or an increase in water meter size on an existing connection.
2. Multi-family Dwelling includes any residential connection other than a single-family residence. Examples include, but are not limited to, apartments, townhomes, condominiums, duplexes, etc.
3. Fees are due prior to the issuance of a building permit or at the time of connection, whichever occurs first.
4. System development fees for both water and sewer are based on water meter size for all non-residential connections.
5. Irrigation meters will be assessed based on meter size and are not charged a sewer fee.
6. For water meters larger than 2”, fees are calculated based on the flow capacity ratio relative to a ¾” meter, using AWWA Standards (C700, M1, and M22).

Effective June 4, 2024
Replaces Service Regulations Effective September 2005

City of Shelby Electric Service Terms and Conditions

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City of Shelby Electric Service Terms and Conditions

Objective

The Electric Service Terms and Conditions are intended for use as a Customer Service tool by City of Shelby personnel to provide the rules and regulations of how the City Electric Department provides Electric Service to its Customers. When used in an appropriate manner and with common sense, all new and existing Customers of the City 's Electric System will be treated in a fair and equal manner.

The understanding and cooperation of all City employees is essential if the City is to provide excellent Customer Service to its Customers. This manual does not address every possible problem, question, or concern related to Electric Service. Rather, it is a guide for a systematic approach to providing Electric Service.

The Electric Service Terms and Conditions will assist in the daily activities of City personnel and will also assist in training of new employees in their Customer Service duties. Proper utilization of this guide will allow City personnel to provide the best service possible.

City of Shelby Electric Service Terms and Conditions

1. Terms and Definitions

The following are terms and definitions contained within the City of Shelby Electric Service Terms and Conditions.

City – City of Shelby

Customer - Any person, business, or corporation being served or to be served from the City's electric system.

Developer/Builder – Any person, agent, firm, or corporation having a legal or equitable interest in the property being responsible to the owner.

Dip Pole – A City pole which serves secondary system voltage to underground facilities.

Nominal System Voltages – The City's standard system voltage is the base rating of 120 volts.

Owner/Property Owner – Any person, agent, firm, or corporation having a legal or equitable interest in the property.

Point of Delivery – Where the City's responsibility terminates, and the Customer's responsibility begins.

Primary System Voltage – The City's primary system voltage is 12,470 / 7,200 volts wye.

Revenue Credit – Estimated Customer billing for a period of two years.

Riser Pole – A City pole which serves primary voltage to underground facilities.

Secondary System Voltage – The City service to Customers with configurations of voltages less than or equal to 600 volts.

Service Connections – The point in which the Customer's equipment comes in electrical contact with City's facilities.

2. National Electrical Safety Code

The applicable rules and regulations of the American National Standards Institute (ANSI) and Institute of Electrical and Electronic Engineers (IEEE) titles "National Electric Safety Code," is hereby adopted by reference as the electric safety construction rules of the City.

3. Special Consideration Customers

a) The City recognizes that some of its Customers for medical reasons may be sensitive to the availability of electric service and may require special consideration during such times interruptions of service occur. For this reason, the City has developed a Medical Alert List using information gathered from Customers, local physicians, and hospitals.
b) It is the City's intent to give medical alert Customers priority consideration in times of scheduled switching and outages or uncontrollable circumstances. Uninterrupted service cannot and is not guaranteed by the City when a Customer is assigned to the Medical Alert List.
c) This consideration does not mean or imply these Customers will be the first Customers to have power restored, but that the City will make every effort to restore service as soon as possible taking into account these Customers' special circumstances.
d) In the event the power is not able to be restored quickly, the City will make a reasonable effort to notify these Customers so they can take action to provide their own protection and well-being.
e) The City under no circumstances guarantees continuous electric service to any of its customers, including those assigned to the Medical Alert List and its Customers. By applying for electric service, the customer understands and agrees that the City cannot and does not guarantee interruption free electric service.

4. Standard Voltages

a) The City shall make available where possible (dependent upon the City's electrical distribution system configuration) the following service voltages:

Single-Phase Systems
120/240 volt three wire

Three-Phase Systems
120/208 volt, four wire, wye
277/480 volt, four wire, wye
240 volt, three wire, delta
480 volt, three wire delta

Primary System
7,200 / 12,470 volt, four wire, wye

b) The voltage supplied to the Customer's point of delivery should not have voltage variations exceeding five percent (5%) above or below the City's standard nominal voltage for residential Customers and ten percent (10%) above or below the City's standard nominal voltage for all other Customers.

c) The City will install facilities with sufficient capacity to serve the Customers normal load requirements. Information regarding loads and desired voltage will be communicated by the Customer to the City when the service is initially requested by completing an Electric System Load Data Sheet and submitting it to:

City of Shelby Electric Department
824 W Grover Street
Shelby, NC 28150
electric@cityofshelby.com

It is the Customer's responsibility to advise the City of any electrical load or method of operation change that might affect the City's ability to meet the Customer's load requirements.

Upon request of the Customer, the City will monitor the voltage at the Customer's point of delivery with the appropriate and available monitoring devices for a period of time deemed necessary by the City to determine the nature of the problem. The City will notify the Customer and notify the customer of the perceived problem and possible solutions if the voltage is not within the above stated guidelines.

d) For non-standard voltage requests, if able and depending on supply chain, materials, services, etc., the City will supply appropriate sized transformer(s) at the Customer's site. The Customer must pay one-third of the cost prior to installation of the transformer(s). After six months from the date the Customer pays the one-third cost, a credit equal to the one-third payment made back to the Customer will be refunded to the Customer on their next available utility bill. The expected delivery time for a transformer is currently 72 weeks (in 2024) and the installation time for a new transformer upon delivery is typically 24 weeks; subject to supply chain availability.

5. Electric Meters

a) The Customer will be required to furnish and install the appropriate meter base for the type of service unless otherwise specified in these Terms and Conditions.
b) The City Electric Department shall approve and agree to the location of all metering equipment. The meter will be located where accessible and convenient to read, not be unreasonably exposed to damage, not be in any unduly dirty location and will not be inconvenient to City access for reading, maintenance, replacement, or repair.
c) The City Electric Department shall approve the location of all metering equipment in accordance with the following provisions:
    i. The meter shall be located between the height of four and one half (4 ½) feet and five and one half (5 ½) feet for convenience of reading, unless otherwise approved by the Electrical Superintendent or designee.

ii. In cases of existing meters located on the structure not convenient or readily accessible for reading and servicing purposes, it shall be the responsibility of the property owner to relocate the meter, at the expense of the property owner, to a location approved by the City Electric Department.

iii. The property owner shall have thirty days in which to relocate the meter upon written notice from the City Electric Department. If not relocated after thirty days' notice, the City may terminate the electrical service to the structure until such time as the meter is relocated to a location approved by the City Electric Department.

iv. The owner of the meter supporting structure is responsible for its condition and for maintenance of the proper socket position and leveling. Excessive tilt or unstable location of a meter socket must be corrected before the meter is installed.

v. It shall be the owner's responsibility to ensure the meter base is accessible, lockable and in good condition. Failure to do so can result in termination of service until equipment is repaired or replaced.

d) The Developer or Builder will incorporate multiple bay or multiple gang metering facilities, as determined by the City Electric Department. Multiple or gang metering facilities must be permanently labeled with UV resistant permanent labels and marked inside the meter base with a permanent marker, in the event the cover is lost or stolen, to identify the unit it feeds prior to being energized.

6. Temporary Electric Service

There are no charges for temporary service installation, other than normal application fee and deposits (as set forth in the City of Shelby Fees Schedule), providing the following guidelines are met:

a) Service will be delivered at a standard voltage of 120/240 volts, single phase, 3 wire or 120/208, whichever is most readily available, in which a fifth lug will be required for correct metering.

b) The Customer requesting temporary service will contact the City Electric Department and Planning Department and present a plat layout. Sufficient advance notice shall be provided prior to building the foundation to allow engineering and construction of permanent electrical facilities.
c) At the time the Customer requests temporary service the City may require the Customer to submit a letter of intent requesting that the City provide permanent electric service.
d) The temporary service delivery pole must be located within the following guidelines:
    i. In an overhead service area: within 50 feet of the City's closest pole.
    ii. In an underground service area: within (3) three feet of the nearest underground enclosure or pad mount transformer.

Additional Charges

In the event temporary facilities are to be installed, which will not become part of the permanent installation, the Customer will be responsible for the additional actual cost of materials.

7. Overhead/Underground Line Extensions

Single Family Homes, Duplexes and Stand-Alone Businesses

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

- Water Heater
- Heat Pump

City of Shelby Electric Service Terms and Conditions

Once it has been determined if electric service is currently available or if an electric line extension is feasible, the costs to extend the electric line and install electric service will be determined and communicated to the customer in writing. If the customer agrees to the costs, the electric service representative will meet with the customer to sign the City of Shelby Electric Service Installation Provisions form. All fees must be paid in full prior to the City of Shelby installing the electric line extension and/or electric service.

Current electric line extension and service line fees can be found in the City of Shelby Fees Schedule. All fees are regularly reviewed (at least annually) and are subject to change.

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

Multi-family Complexes, Subdivisions, and Multi-Business Complexes

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

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

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

- Water Heater
- Heat Pump

Once City of Shelby staff have reviewed and approved the site plans, a Will Service Letter with cost estimates and the City of Shelby New Development Electric Service Agreement will be made available to the Builder via e-mail (or hard copy if requested) from the City

of Shelby Electric Service representative. The cost estimates will be valid for a period of (90) days from the date of issue of the letter.

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

The builder agrees to provide the City of Shelby with the necessary consents, agreements, easements, and access to install the infrastructure agreed upon in the Electric Service Agreement in accordance with an applicable time frame agreed upon. The costs and expenses incurred to obtain the items mentioned are borne to the builder. No work shall commence until all necessary consents, agreements, and access are provided for the entire site location. The City will not provide services to parts of a planned development in reliance of future easements.

a) Securing Right of Way Easements
   i. Easements granted to the City shall be non-exclusive and irrevocable and include the full right, power, and authority to install, use, maintain, repair, and replace the Electric Service Infrastructure and to use such Electric Service Infrastructure to provide Electric Service within and outside the Site.
   ii. Customers may use easement areas for purposes that do not unreasonably interfere, or block the maintenance thereof, with the City's use of the easement areas and comply with the terms of the standard City of Shelby Utility Easement document.
   iii. Customers shall be entitled to relocate easements and easement areas provided that substantially equivalent easement areas are provided prior to such relocation and the Customer pays the cost of relocation of City's Infrastructure to the new easement areas.

8. Underground Service for Single Phase Residential and Commercial Customers

Individual Service

Prior to the installation of the underground distribution system by the City, the final grade levels of the building sites shall be established by the Owner. The building construction program shall be coordinated with the installation of underground electrical facilities to permit unimpeded access to the City's equipment to the installation sites; to allow installation of underground electrical conductors; and to eliminate dig-ins to the underground electrical facilities after installation. Upon submitting the initial building plans, the City will review the plans to determine if there will be additional fees to install the underground distribution system. Should streets, driveways, curbs, or other obstructions be present prior to installation of underground facilities resulting in additional expense to the City, payment for these additional expenses shall be paid before installation of the underground electrical facilities has begun, or if installation of electrical facilities are required by the owner before final grades are established, and either of these conditions result in additional expenses to the City, payment for these additional expenses shall be made to the City by the Owner.

The City of Shelby will install a secondary service for Customers as set forth in the City of Shelby's Fees Schedule. All fees in the Fees Schedule are reviewed, at a minimum annually, and are subject to change.

Should existing sidewalks, septic tank systems, fuel tanks, other utility lines, or other manmade obstructions result in additional expenses to the City, payment for same will be made by the Owner.

Actual costs brought about in connecting with the compliance of special requirements, if any, of municipalities, state and federal highway agencies or departments regarding the breaking of pavement, ditching, backfilling, and other related conditions, will be paid by the owner.

The City will make, or adjust, charges to the Owner to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing structures or concrete structures; or dynamite is required; or if abrupt

changes in final grade levels exceed a slope ratio of one to one (1 to 1) when measured within three (3) feet of the trench.

The City's agreement to provide underground service is dependent upon the securing of all necessary rights, easements, rights-of-way, privileges, franchises, or permits for the installation of such service from those requesting the underground facilities. The Owner agrees to ensure that all such necessary rights, easements, blanket rights-of-way, privilege, franchises, or permits are properly recorded on each deed. The City shall exercise care in the utilization of its underground equipment during the construction, but ultimate responsibility for the protection of shrubs, trees, and grass sod will be the owner. Reseeding of trench cover will be done by the City. Shrubs, trees, or any other obstacles shall not be placed within ten (10) feet of a transformer or cabinet openings which would hinder access by the City at any time.

9. Underground Service for Commercial and Industrial Three Phase Customers

General Underground Installation

a) The Customer will furnish any necessary right-of-way for the installation of the City's equipment. This equipment includes, but is not limited to transformers, poles, conductor, and switchgear.
b) The Customer will be required to receive service from a pad mounted transformer if the City determines the Customer's current load or future load to be in excess of 200 kW. For the purpose of this section, the load will be determined solely and exclusively by the City and the City may use several factors to make this determination. These factors could include, but are not limited to: (1) diversified load calculation; (2) actual load data; (3) installed service size and configuration; (4) future load growth; (5) existing City circuit configuration; and (6) City

engineering standards. Any exception to this requirement will be at the sole discretion of the City.

c) When the Customer is required to install secondary voltage conduit (with pull tape) such installations shall be trenched to a depth of no less than 24" and no greater than 36" for final grade. The trench shall have marking tape installed 12" above the conduit. A minimum separation of 12" is required between the City's facilities and any other utility's facilities. The installation shall be coordinated with the City Electric Department. On all roadway crossings the conduit will be installed no less than 36" below final grade. All conduits will be "blown out" to remove debris and capped after installation.

d) When the Customer is required to install 4" primary voltage conduit (with pull tape) such installations shall be trenched to a depth of no less than 36" and no greater than 48" from final grade. A trench shall have marking tape installed 12" above conduit. A minimum separation of 12" is required between the City's facilities and any other utility's facilities. The installation shall be coordinated with the City Electric Department. On all roadway crossings the conduit will be installed no less than 36" below final roadway grade. All conduits will be "blown out" to remove any debris and capped after installation.

e) All Customer installations listed in these policies will be inspected by the City Electric Department before the trench is backfilled or the installation is completed. The Customer will be required to reconstruct any portion of the installation which deviates from City engineering standards or the approved underground system design.

f) The City will make, or adjust, charges to the owner to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing structures; or concrete structures; or dynamite is required; or if abrupt changes in final grade levels exceed a slope ratio of one to one (1 to 1) when measured within three (3) feet of the trench.

Individual Commercial Underground Three Phase Services (Pad Mounted)

If the Customer is to be served from a pad mounted transformer, with no other Customer served from this transformer, the following conditions apply:

a) The Customer will furnish and install a transformer pad as per City's specifications, 4" conduit from the City's riser pole location to the primary side of the transformer pad, mount electric meter base on to the Owner's facilities with the meter base location determined and approved by the Electric Superintendent, all secondary conduit and secondary conductor and 1" conduit (with pull tape) form the secondary side of the transformer pad to the meter base. The Customer will be required to furnish and install 4" PVC electrical conduit (with pull tape) in conformity with the City's existing underground system. The City will inspect the installation and verify that meets all NEC regulations.
b) The City will furnish and install all primary conductors, pad mounted transformers, electric meter, and metering connections. The City will furnish a CT rated electric meter base.
c) The City will make all electrical connections on the source and load terminals of the transformer.
d) The City will determine the location of the pad mounted transformer and the electric meter.
e) The point of delivery for Individual Underground Pad Mounted Services will be at the terminals of the City's pad mounted transformer, and Customer will furnish and install all conductors and conduit past the point of delivery.

Individual Commercial Underground Services (Pole Mounted)

If the Customer is to be served from a pole mounted transformer, with no other Customer served from this transformer, the following conditions apply:

a) The Customer will furnish and install as per City specifications an appropriate size conduit (with pull tape) from the City's service pole location to the Customer supplied meter base or current transformer cabinet (as determined by the City).
b) The City will furnish and install a pole mounted transformer, electric meter, and metering conductors.

c) The City will make all electrical connections on the source terminals of the metering facilities.
d) The City will determine the location of the electric meter.
e) The point of delivery for Individual Underground Pole Mounted Services will be at the terminals of the Customer's metering facilities and Customer will furnish and install all conductors past the point of delivery.

Multiple Commercial Underground Services (Pad or Pole Mounted)

If the Customer is to be served from a pad mounted or a pole mounted transformer, with one or more Customers served (or to be served) from this transformer, the following conditions apply:

a) The Customer will furnish and install as per City specifications appropriate size conduit (with pull tape) as determined by the City for the size of the service from the City's lift pole or transformer pad to the Customer's CT cabinet or meter base.
b) A meter base shall be installed by either:
    i. the customer furnishing a self-contained meter base and installed on the Customer's facility at the delivery point; or
    ii. the City furnishing and installing a CT rated meter base on the transformer or cabinet. The Customer will furnish a self-contained meter base and install on Customer's facility at delivery point; or the City will furnish and install a CT rated meter base on the transformer or cabinet.
c) All meter bases shall be permanently labeled with UV resistant labels and marked inside with permanent marker with the address it serves prior to being energized.
d) The City will furnish and install all secondary conductors to the metering facilities, electric meter, and necessary metering connections.
e) The City will determine the location of the electric meter.
f) The point of delivery for Multiple Underground Services will be at the source terminals of the meter base or current transformer cabinet connections, and Customer will furnish and install all conductors past the point of delivery.

Unit Development Underground Services (Pad or Pole Mounted)

Requirements for multiple Customers to be served from a pad mounted or a pole mounted transformer, and a single developer is building a shopping center or similar installation of multiple Customers in one dwelling or structure are as follows:

a) The Developer/Builder will furnish and install a transformer pad, if required, all conduits required, and all metering facilities.
b) The Developer/Builder will incorporate multiple bay or multiple gang metering facilities, as determined by the City Electric Department. All meter bases shall be permanently labeled with UV resistant labels and marked inside with permanent marker with the address it serves prior to being energized.
c) For single-phase service, the City will furnish and install all conductors to the Customer's point of delivery, transformers, metering connectors, and electric meters. If a multi-unit building is to be fed by a three-phase transformer, the customer is responsible for all secondary conductors.
d) The point of delivery for Unit Development Underground Services will be at the source terminals of the meter base or current transformer cabinet connections, and Customer will furnish and install all conductors past the point of delivery.

Secondary Delivery Industrial Underground Services

If the Customer is to be served from a pad mounted transformer or outdoor substation type transformer(s), with no other Customer served from this transformer, the following conditions apply:

a) The Customer will furnish and install a transformer pad (if required) as per the City's specifications, 4" conduit (with pull tape) from the City's riser pole location to the primary side of the transformer pad, mount City furnished current transformer rated meter base on the Customer's facilities, all secondary conduit and secondary conduit, and 1" conduit (with pull tape) from the secondary side of the transformer

pad to the meter base. The Customer will be required to furnish and install 4" PVC electrical conduit (with pull tape) in designated areas in conformity with the City's existing underground utility system. The depth of the underground conduit (with pull tape) will be no less than 36" to no more than 48" below final grade. On all roadway crossings the conduit (with pull tape) will be installed no less than 36" below final roadway grade. The trench shall have marking tape installed 12" above conduit. All clearances from water, sewer, telephone, cable television, and other underground facilities will be no less than 24". All conduits will be "blown out" to remove any debris and capped after installation.

b) The City will furnish and install all primary conductors, pad mounted or substation type transformers, electric meter, current transformer rated electric meter base and metering conductors.
c) The City will make all electrical connections on the source and load terminals of the transformer.
d) The City will determine the location of the pad mounted transformer and the electric meter.
e) The point of delivery for Industrial Underground Secondary Services will be at the terminals of the City's pad mount transformer or bus. The Customer will furnish and install all conductors past the point of delivery.
f) If the Customer requests more than one point of delivery to a structure, it will be the discretion of the City to supply primary or secondary voltage. A facilities charge will be added to all facilities installed or furnished by the City above and beyond the City's normal services specified in this section.

Primary Delivery Industrial Underground Services

If the Customer is to be served from a primary distribution feeder, the following conditions apply:

a) The point of delivery for Industrial Underground Primary Services will be at the terminals of the City's disconnect switches or metering facilities as mutually and contractually agreed by the City and the Customer. Any additional facilities past the point of delivery installed and maintained by the City for the City's use will be considered the City's equipment.

b) The Customer will furnish and install all facilities past the City's point of delivery.
c) The City will furnish and install all facilities to monitor the Customer's energy usage. A facilities charge will be added to the Customer's monthly bill for any additional facility that the Customer requires from the City's metering.
d) The City will make all electrical connections on the City's primary feeders at the point of delivery.
e) A facilities charge will be added for all facilities installed or furnished by the City for the Customer past the City's point of delivery.
f) When Customer requests the City install facilities past the primary metering, the City will maintain all installed City facilities to the service connections of the equipment. A facilities charge will be added for any facilities installed or furnished by the City for the customer past the City's point of delivery.

Primary Delivery Industrial Services

If the Customer is to be served from a primary distribution feeder the following will apply:

a) The point of delivery for Industrial Primary Delivery Services will be at the terminals of the City's disconnect switches or metering facilities as mutually and contractually agreed by the City and the Customer.
b) The Customer will furnish and install all facilities past the City's point of delivery.
c) The City will install metering facilities to monitor the Customer's energy usage. The installed cost of all metering facilities the City installs will be charged to the Customer.
d) The City will make all electrical connections on the City's primary feeders at the point of delivery.
e) A facilities charge will be added to the Customer's monthly bill for any facilities installed or furnished by the City for the Customer past the City's point of delivery.
f) The City will, upon request and mutual agreement, furnish, install, and maintain facilities not normally required upon reimbursement by the Customer or agreement for the Customer to pay a facilities charge.

10. Underground Electric Service for Residential Subdivisions, Apartment Complexes, Single Phase Commercial, and Multi-Family Housing Developments

Developer/Builder's Installation Requirements

The City of Shelby will install all the underground electric service, transformers, switchgear, cabinets, and associated appurtenances to the Builder's site once the Developer/Builder signs the City of Shelby New Development Electric Service Agreement and a timeframe for construction is agreed upon. The Developer/Builder agrees to pay all fees associated with the installation of infrastructure for each phase of the development that has been approved for construction in full within one hundred twenty (120) days of the construction approval date provided to Developer/Builder.

Any changes to the site development plan, construction plan and electric service load data after the Will Serve Letter is issued may result in additional engineering costs and potential changes in the line extension costs that the Developer/Builder is responsible for. Relocation of any electric underground lines, electric service lines and/or electric meter upgrade fees will result in additional costs to the Developer/Builder. The City of Shelby Electric Service representative will send an e-mail notification within (30) days of any such notification.

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

a) Commitments to Builder
    i. Developer/Builder agrees to provide the requirements detailed in the City of Shelby Will Serve Letter that was provided to the Developer/Builder by

City and is attached to the City of Shelby New Development Electric Service Agreement as Attachment A.

ii. The Developer/Builder agrees to provide the City the necessary consents, agreements, easements, and access to effectuate the provision of Electric Service, to effectuate the intent of this Agreement and to enter onto the Site to install the infrastructure consistent with the development of the Site. The costs expenses incurred to obtain the items mentioned, be borne to the Developer/Builder.

iii. Developer/Builder agrees to provide all electric service requirements for the Development in writing prior to the initial design by City Planning Department for City review. Any subsequent changes to the electric service requirements after the infrastructure has been installed may result in additional costs to the Developer/Builder, Tenant, or the Owner at the time of the request. Any additional charges will be made in accordance with the City's current Electric Service Line Installation Policy.

iv. The Developer/Builder agrees to provide Site plans in AutoCAD.dwg or ESRI shape file that includes designs for streets, wet utilities, mechanical, electrical, natural gas, plumbing, and landscaping plans, etc. Developer/Builder will also provide notice via e-mail to electric@cityofshelby.com of construction start days and construction schedules that are reasonable and industry typical for the type of work to be performed.

v. Developer/Builder agrees to provide, at its own cost, survey points for grades, lot corners, street right-of-way(s) (ROW), curb and gutter locations, and other locations reasonably necessary for installation of the infrastructure.

vi. Upon installation of infrastructure in accordance with the City of Shelby New Development Electric Service Agreement, Section 3(c), Developer/Builder agrees to pay the cost of infrastructure relocations required due to Developer/Builder request or incorrect survey information.

vii. In the event that the Developer/Builder has been provided with a mutually agreed to construction design plan as mentioned in the City of Shelby New Development Electric Service Agreement, Section 7(b)(ii) and the City is then requested by Developer/Builder to provide additional or major

revisions to the construction design plan, at the City's sole discretion, the Developer/Builder may be charged a re-design fee per occurrence that must be paid prior to additional designs being provided. In addition, if Developer/Builder fails to pay an invoice prior to the expiration date causing this agreement to become null and void (City of Shelby New Development Electric Service Agreement, Section 5), at the City's sole discretion, the City may charge the Developer/Builder the actual re-design cost per occurrence that must be paid prior to additional invoices being provided. The re-design cost will be the actual re-design cost charged by the consulting engineer if required for the specific project. Once the Developer/Builder's Agreement has been executed by the Developer/Builder, any re-design will necessitate a new City of Shelby New Development Electric Service Agreement and this Agreement will be null and void.

viii. City agrees to install Electric Service Infrastructure at locations within the Site designated by City and mutually agreed upon by the Developer/Builder; and as needed to comply with City, County and/or State ordinances regulations.

b) Commitments to Developer/Builder
   i. City agrees to provide Developer/Builder marketing and other promotional materials information for promotion within the Site.
   ii. The Infrastructure:
      1. City will install Electric Service Infrastructure (to be owned, operated, and maintained by City) as required to provide Electric Service to each section and/or Customer meter location within the Site. The Electric Service distribution facilities will be designed and constructed to allow for the best availability of service on each lot within the development, and in such manner as to provide a high level of reliability and service quality for the end user.
      2. The Electric Service Infrastructure may include, but is not limited to underground conductors, cabinets, transformers, switches, switchgear, streetlights, and metering equipment as necessary to provide Electric Service. Installation of the infrastructure will be according to construction plans prepared by City and approved by the

Developer/Builder prior to installation. Electric Service construction plans will be subject to National Electrical Safety Code, American National Standards Institute (ANSI) and Institute of Electrical and Electronic Engineers (IEEE) and regulations of entities with regulatory authority.

3. City will install the Electric Service Infrastructure according to a schedule mutually acceptable to both parties ("Final Schedule"). A proposed schedule shall be submitted by Developer/Builder for review by the City staff sixty (60) days prior to Developer/Builder's proposed start date. Following the submission from Developer/Builder of proposed schedule, each party agrees to negotiate in good faith to establish a commercially reasonable Final Schedule for installation of the infrastructure within the Site. City agrees to use good faith efforts to meet the deadlines and construction schedules set forth by the Developer/Builder.
4. In the event that City is not allowed by the Developer/Builder to begin construction of the infrastructure within one hundred eighty (180) calendar days of the execution of the City of Shelby New Development Electric Service Agreement, or once construction begins, if City is prevented, at the fault of the Developer/Builder, for more than thirty (30) calendar days, not to include observed holidays or acts covered under Paragraph 15. Force Majeure, then at City's sole discretion, the City of Shelby New Development Electric Service Agreement may become null, and void and any unused portion of the actual amount paid will be reimbursed to the Developer/Builder; and a new Agreement, cost estimate and Infrastructure design will be required.
5. City will use its reasonable best efforts, subject to good engineering practice, standard Electric Service utility construction practices, and regulations of entities with regulatory authority, to meet Developer/Builder requirements regarding the placement of Infrastructure, underground conduit, transformers, cabinets, switches, switchgear, etc. to enhance the aesthetics of the project.

City of Shelby Electric Service Terms and Conditions

When a development within the service area of the City is to be subdivided into residential lots or (single phase service) commercial lots and has been approved by the City Plan Review Process and the City Planning Department, a distribution system will be installed underground at the written request of the Developer/Builder, provided that the following conditions are met:

a) The Developer/Builder is required to furnish to the City an approved plat plan, or subdivision map with street right-of-ways, property lines, sidewalks, storm drains, approved water lines, approved sewer lines and any other utilities or physical features.
b) The City will design an underground distribution system for the most efficient installation and service. The City will design the underground distribution system for the entire development. The City will install only the portion of the underground distribution system, which serves the current section of the development and is mutually agreed to by the City and the Developer/Builder.
c) Upon agreement by the City and the Developer on an installation plan the Developer/Builder is required to furnish the City with all necessary right-of-way to install the approved underground electrical distribution system. (surveyed by developer and submitted to the City).
d) The Developer/Builder will pay a contribution in aid cost for the electric distribution system as per the City of Shelby Fees Schedule. The Developer/Builder will complete and sign the City of Shelby New Development Electric Service Agreement with a City of Shelby representative.
e) The City will furnish and install all transformers, transformer pads for single phase padmount transformers, and all electrical pull-boxes, handholes and pedestals.
f) The depth of the underground conductors will be no less than 24” below final grade. A separation of 12” minimum is required between the City’s facilities and any other utilities facilities. On all roadway crossings the conduit will be installed no less than 36” below final roadway grade. The Developer/Builder will install all conduits for road crossings during the grading process and the City will furnish all required conduits.
g) The Developer/Builder will be required to mark all proposed property corners and grade all proposed installation areas to within six (6) inches of final grade before installation of conduit or conductors is to begin and maintain the property markers during construction. In the event the underground electrical distribution system

installation is completed and the Developer has regraded to a level in which the City's equipment does not meet City engineering standards, the Developer/Builder will be required to reconstruct the facilities.

h) The City will make, or adjust, charges to the Developer/Builder to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing, structures, or concrete structures; or dynamite is required; or if abrupt changes in final grade levels exceed a slope ratio of one to one (1 to 1) when measured within three (3) feet of the trench.

i) If development is to be served by three (3) phase construction, with three (3) phase transformers, the Developer/Builder will install conduit from the transformer to the meter base with the appropriate size and number of conduit suitable for the conductors for the meter base.

The electric service infrastructure design and installation shall follow the City of Shelby's Standard Details, Unified Development Ordinance, and the National Electric Safety Code.

Multi-Phase Service

When a Developer/Builder or Customer requests multi-phase service in a development which the City has designed or installed a single-phased system, the Developer/Builder or Customer will be required to install a concrete pad for the three-phase transformer and pay for the entire cost to install the additional facilities to provide the service.

A distribution system will be installed underground at the written request of the Developer/Builder when a development within the service area of the City is to be subdivided into residential lots or (single phase service) commercial lots and has been approved by the City Plan Review Process and the City Planning Department, provided that the following conditions are met:

a) The Developer/Builder is required to furnish to the City an approved plat plan or subdivision map with street rights-of-ways, property lines, sidewalks, storm drains, approved water lines, approved sewer lines, and any other utilities or physical features.

b) The City will design an underground distribution system for the most efficient installation and service. The City will design the underground distribution system for the entire development. The City will install only the portion of the underground distribution system, which serves the current section of the development and is mutually agreed to by the City and the Developer.
c) Once an agreement is reached on an installation plan between the City and the Developer/Builder, the Developer/Builder is required to furnish the City with all necessary right-of-way to install the approved underground electrical distribution system. (surveyed by developer and submitted to the City).
d) The City will furnish and install all transformers, transformer pads for single phase padmount transformers, and all electrical pull-boxes, handholes and pedestals.
e) The depth of the underground conductors will be no less than 24" below final grade. A separation of 12" is required between the City's facilities and any other utility facilities. On all roadway crossings the conduit will be installed no less than 36" below final roadway grade.
f) The Developer/Builder will be required to mark all proposed property corners and grade all proposed installation areas to within six (6) inches of final grade before installation of conduit or conductors is to begin. In the event the underground electrical distribution system installation is completed, and the Developer has regraded to a level in which the City's equipment does not meet City engineering standards, the Developer will be required to reconstruct the facilities.
g) The City will make, or adjust, charges to the owner to collect the actual additional costs to the City due to adverse conditions, such as: the composition of the land where the underground facilities are to be installed is such that standard construction equipment cannot be used to complete the installation; or special equipment materials are needed for stream crossing, structures or concrete structures; or dynamite is required; or if abrupt changes in final grade levels exceed a slope ratio of one (1) when measured within three (3) feet of the trench.

Individual Services

a) Services to individual residential dwellings or lots will be in accordance with the City of Shelby Underground Electric Service for Single Phase Residential and Commercial Customers.
b) Single Phase Residential and Commercial Customers requesting electric service for structures in such subdivisions must be served underground in accordance with the City of Shelby Underground Electric Service for Single Phase Residential and Commercial Customers regulation.

Multi-Dwelling Structures

For service to multi-dwelling structures, the Developer/Builder will be required to furnish and install a multi-gang meter facility on one common side of the structure as approved by the City. Each meter base shall be permanently marked and maintained as to the Customer address it feeds prior to being energized.

11. Relocation of City Facilities

Customers requesting the City to relocate installed facilities will pay for the cost of this relocation prior to any construction.

When an individual Customer requests the City to convert an existing residential overhead service to underground service, the Customer will pay the cost for the conversion prior to any construction.

When an individual Customer requests the City to convert an existing commercial or industrial overhead service to underground service, the Customer will furnish the provisions for new underground services plus the cost of all new equipment, cost for removal of overhead electric service as determined by the City Electric Department.

When a Developer/Builder or Customer requests multi-phase service in a development which the City has designed or installed a single-phase service, the Developer/Builder or

Customer will be required to install a concrete pad for the three-phase transformer and pay for the entire cost to install the additional facilities necessary to provide the service.

Costs to relocate a service or convert an overhead service to underground service can be found in the City of Shelby Fees Schedule. All fees are regularly reviewed (at least annually) and are subject to change.

12. Street Lighting

The purpose of street lighting is to illuminate roadways within the City of Shelby. Street lighting is not for lighting structures or commercial properties or for or crime prevention purposes.

The purpose of this document is to establish guidelines for effectively lighting the public streets under the control of the City of Shelby. Proper street lighting not only serves the needs of the motoring public but also contributes to the livability of the public along the streets. Street lighting also contributes to personal safety and security, as well as comfort and welcome of pedestrians along the streets. Street lighting influences the public's choice of transportation, i.e., driving, walking, riding a bike, or bus. Care should be taken to balance the needs for cars, trucks, buses, pedestrians, and bicyclists.

Street lighting considerations involve a variety of engineering design issues. These may include issues such as wattage, color of light, shielding of light, energy efficiencies, or mounting heights. Because of ongoing research in the field of lighting, street lighting and outdoor lighting plans should be reviewed and updated on a regular basis.

The street lighting requirements contained herein shall apply to new installations. Existing street lighting shall be evaluated and improvements made according to these guidelines as time permits and funds are made available.

Street Classification

The appropriate classification for each street under the control of the City of Shelby should be determined by the role each street plays as part of the entire traffic system. The criteria for determining street classification should include the following:

i. Average daily traffic volume.
ii. Non-automobile use (trucks, buses, pedestrians).
iii. Posted speed limit.
iv. Spacing of connecting streets.
v. Length of streets.
vi. Number of traffic lanes.
vii. Points of access (driveways) per mile.
viii. Proximity to public or community buildings (example: fire station, city hall, community center).
ix. Visibility (example: curves, hills, visual obstructions).

For the purpose of these guidelines the streets are divided into five (5) categories.

Major Thoroughfare

Major thoroughfares consist of interstate, other freeway, expressway, or parkway links, and major streets that provide for the expeditious movement of high volumes of traffic within and through urban areas.

Minor Thoroughfare

Minor thoroughfares collect traffic from collector, subcollector, and local streets and carry it to the major thoroughfare system. Minor thoroughfares may be used to supplement the major thoroughfare system by facilitating movement of moderate volumes of traffic within and through urban areas and may also serve abutting property.

Collector

A street whose principal function is to carry traffic between cul-de-sac, local, and subcollector street, and streets of higher classification, but which may also provide direct access to abutting properties.

Sub Collector

A street whose principal function is to provide access to abutting properties, but which is also designed to be used or is used to connect local streets with collector or higher classification streets.

Local Residential/Cul-de-Sac/Marginal Access

A street whose primary function is to provide access to abutting properties.

Fixture

The standard street lighting fixture shall be a 73-watt LED Road Focus fixture with an appropriate length of arm and a photoelectric cell operated switch. Nonstandard fixtures may be selected by the City for special applications or lighting designs that are required to meet the criteria as set forth by IES RP-8-00.

Spacing

The spacing of fixtures shall generally be as follows:

Major Thoroughfare	To be determined by ANSI/IESNA RP-8-00
Minor Thoroughfare	100 – 200 ft.
Collector	100 – 200 ft.
Sub Collector	100 – 250 ft.
Local Residential/Cul-de-Sac	
Marginal Access	100 – 250 ft.

Final layouts shall be determined on a case-by-case basis based on site specific factors. Spacing may be accomplished by staggered or single side layout and will be determined by the City.

Mounting Height

The fixture mounting height shall be a minimum of 23 feet and a maximum of 35 feet from grade, unless determined otherwise by the Electric Superintendent.

Voltage Drop

All street lighting electrical circuits of 120/240 volts shall be limited to 5% voltage drop.

General

Street lighting should be placed at all intersections and at other high volume pedestrian areas when practical. Where sidewalks exist on only one side of the street, street lighting should be placed on that side to provide illumination for pedestrians. A street light should be placed on each side of a cul-de-sac at the point where the tangent meets the circular outside of the cul-de-sac. On streets with sidewalks and a high volume of pedestrian traffic, such as in the vicinity of shopping centers, theaters, uptown district, or stadiums, the addition of lower pedestrian-oriented type streetlights should be considered.

Where the City has an existing pole line, these poles will be used for street lighting purposes whenever possible. Additional poles will be added as required. Fixtures added to a street with City standard lighting shall be similar in style and illumination to the existing fixtures.

Street light support shall not be placed within 4 feet of a fire hydrant or 5 feet of a residential driveway.

Request for Street Lighting Alterations

When a request is received for street lighting rearrangement, installation, or removal the City Shall:

a) Review any existing street lighting to determine if illumination levels are presently in compliance with these guidelines.
b) Review the street for conditions which may require special safety considerations.

Requests for street lighting alterations may require written approval by all property owners fronting the street in question.

In cases where the existing street lighting complies with these guidelines, and the requesting party or parties still desire alternations to any street lighting, all costs shall be paid in full by the requesting party or parties prior to any modifications being completed.

All modifications shall be at the discretion and require the approval of the Director of Energy Services.

Decorative or Non-Standard Lighting

The City has compiled a list of decorative or non-standard poles and fixtures that meet the City's requirements. Prior to installation, existing neighborhoods may request an approved decorative or non-standard fixture and pole to replace the standard wood pole and fixture.

If approved by the City the following shall apply.

a) All poles and fixtures installed in the neighborhood shall be compatible.
b) Lighting levels and layout must be approved by the City prior to installation.
c) All upfront engineering fees shall be paid by the Developer/Builder or neighborhood prior to design work.
d) Costs for all decorative or non-standard poles, fixtures and additional materials chosen shall be paid by the Developer/Builder or neighborhood prior to lighting installation. Additional underground cost for labor and materials shall also be paid by the Developer/Builder or neighborhood prior to lighting installation. All costs to the Developer/Builder or neighborhood shall be estimated by the City and provided to the Developer/Builder by a City of Shelby Electric Representative via email. Fees for lighting can be found in the City of Shelby's Fees Schedule. All fees in the Fees Schedule are reviewed, at a minimum annually, and are subject to change.

13. Outdoor Rental Area Lighting

a) Outdoor Area Lighting will be supplied in accordance with the City of Shelby Outdoor Lighting Contract and the Electric Service Installation Provisions Form. The service supplied by the City will include furnishing and installing the lighting units requested by the Customer and connecting the same to the City's system, all in accordance with the City's service requirements. These facilities, with automatic control, will be owned, maintained, and operated by the City. The City will furnish the electricity required for the illumination of the lamps from dusk to dawn. The

City will perform, as soon as practicable during regular working hours, necessary maintenance to restore illumination after the Customer has notified the City that the lamp is not burning. Any area lighting not in accordance with this regulation must be approved by the Director of Energy Services.

b) This service shall be for use in lighting of outdoor areas by means of LED fixtures installed on brackets extending (4) four feet or less from a City owned pole. These lighting units can be installed on City owned poles on which overhead secondary voltage exists, or to which such voltage can be extended without additional transformer installation.

Rental Area Lighting Units Available

Outdoor area lighting options currently offered are listed in the Outdoor Lighting Brochure. The monthly rate for the selected combination of fixture and pole can be found in the City of Shelby Fees Schedule. All fees are regularly reviewed (at least annually) and are subject to change.

Installing Area Lighting

a) Customer requests for Rental Area Lighting installations will be submitted to the Customer Services Office by the Customer. The Utilities Services Specialist will meet with the Customer and determine the proper placement of the lights.

b) Rental Area Lighting will be placed on Customer property only where a utility line truck has access. No Area Light Poles will be set in locations inaccessible to a line truck.

Disconnecting Area Lighting

Customer/Property Owner requests for Rental Area Lighting disconnects shall be submitted to the City of Shelby Customer Services Office by the Customer/Property Owner. The procedure below shall be followed for Area Light disconnects:

a) Disconnect orders require the Service Crew to disconnect electric service from the lighting fixture. In the event the Property Owner desires the entire unit to be removed, the pole, light fixture, and secondary cable will be removed.
b) The Customer/Property Owner will be informed prior to any disconnect that any damage to driveways or grounds will not be the responsibility of the City of Shelby.
c) Disconnects shall be completed within ten (10) working days of the receipt of the service order in the Electric Division, weather permitting.

Replacing or Repairing Area Lighting

In the event an area lighting unit is not operating, the Service Crew will make an attempt to repair the existing unit with available "in stock" repair parts. When these parts are not available or have been exhausted, the lighting unit will be replaced with available lighting units.

14. Structure or Equipment Moving – Customer Requirements

The Customer requesting the City assist in providing safe clearance of its electrical facilities will be required to meet the following conditions.

a) The Customer will be required to give the City advance written notice of the structure or equipment to be moved, the loaded height and the loaded width of the structure or equipment, and a route map three weeks prior to the movement.
b) The City will not approve any proposed route that is not previously approved by the other local utility companies and the N.C. Department of Transportation, if required. The City will approve the route with corrections as necessary and the Customer be required to show this approved route to the Service Crew performing the clearances before beginning the move.
c) The Customer will be required to pay all costs involved prior to construction to provide safe clearances of the City's electrical facilities. At the Customer's request, the City will give the Customer an estimate of the cost of these clearances which is

only an estimate, and the costs may vary due to other complications. The customer will be responsible for the additional costs.

d) The Customer will be required to pay all costs for any damage to the City's equipment and facilities if the Customer fails to notify the City according to the above regulation.

e) The City will not be held liable for any damage or injuries from City facilities due to failure with this regulation.

15. Service Interruptions

a) Neither party shall be liable for delays in delivery or performance, or for failure to deliver or perform when caused by any of the following: Acts of God, acts of the public enemy, acts or failures by the other party, acts of civil or military authority, governmental priorities, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, delays in transportation, loss or damage to goods in transit, and other causes beyond the reasonable control of the party. In the event of such delay, the date of delivery or performance shall be extended for a period equal to the effect of the time lost by reason of the delay. The delayed party shall use its reasonable efforts to minimize the period of delay wherever possible.

b) The City reserves the right to suspend service without liability on its part at such times and for such periods and in a manner as it may deem advisable for (a) the purpose of making necessary adjustments to, changes in, or repairs to lines, substations, and facilities; (b) in cases where the continuance of service to the Customer's premises would endanger persons or property; (c) if the City in good faith believes, because of civil disorder, riot, insurrection, war, weather, fire, or other condition beyond a reasonable control of the City for protection of the public or employees of the City; (d) if ordered by a duly constituted public authority.

c) Whenever the City contemplates a scheduled suspension of service, it will make reasonable effort to coordinate the same with Customers and to give advance notification of the intent to suspend service and the reason, therefore.

d) In the event of a power shortage or an adverse condition or disturbance on the system of the City or any other directly or indirectly interconnected system, the City may, without incurring liability, take such emergency action as, in the judgment of the City, may be necessary. Such emergency action may include, but not be limited to reduction or interruption of the supply of electricity to some Customers or areas in order to compensate for a power supply shortage on the City's system or to limit the extent or duration of the adverse condition or disturbance on the City's system, or to prevent damage to the Customer's equipment or the City's transmission facilities, or to expedite the restoration of service. The City may also reduce the supply of electricity to compensate for an emergency condition on an interconnected system,

e) In the event the City should fail to supply any utility service contracted for, whether from causes beyond its control or accidents, the City shall not be liable for damages by reason of such failure.

16. Assignment of Rate Schedules

The City Customer Services Department determines which rate schedule is applicable for each meter in the City's electric system. Rate schedules are detailed in the City of Shelby Fees Schedule.

17. Right to Appeal

Any Customer served or to be served in accordance with these Electric Service Terms and Conditions has the option to dispute an and interpretation of the regulations made by a City of Shelby Employee or Representative. Appeals should be made in writing to the Director of Energy Services and resolved by the City Manager utilizing the administrative appeals process.

Appendix

Appendix X – Electric System Load Data Sheet

Appendix X – Electric Service Installation Provisions

Appendix X – City of Shelby New Development Electric Service Agreement

Appendix X – Outdoor Lighting Contract

Schedule ERS21
Effective July 1, 2025
Replaces schedule effective 07/01/2024

RESIDENTIAL ELECTRIC SERVICE

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

Charges are calculated as follows:

	All Year
Basic Facilities Charge	$20.00
Energy Charges:	
All kWh	$0.09012 per kWh

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

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

Schedule ERS21
Effective January 1, 2026
Replaces schedule effective 07/01/2025

RESIDENTIAL ELECTRIC SERVICE

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

Charges are calculated as follows:

	All Year
Basic Facilities Charge	$22.00
Energy Charges:	
All kWh	$0.09012 per kWh

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

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

Schedule ELSMW
Effective July 1, 2025
Replaces schedule effective 7/1/2024

SMALL GENERAL/INDUSTRIAL ELECTRIC SERVICE

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	$32.22
	All Year
Demand Charge:	
First 30 kW	No Charge
All kW Over 30	$ 8.50
Energy Charge:	
First 3,000 kWh	$0.11820 per kWh
All Over 3,000 kWh	$0.07574 per kWh

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

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

Schedule ELSMW
Effective January 1, 2026
Replaces schedule effective 7/1/2025

SMALL GENERAL/INDUSTRIAL ELECTRIC SERVICE

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	$35.44
	All Year
Demand Charge:	
First 30 kW	No Charge
All kW Over 30	$ 8.50
Energy Charge:	
First 3,000 kWh	$0.11820 per kWh
All Over 3,000 kWh	$0.07574 per kWh

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

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

Schedule EMLG1
Effective July 1, 2025
Replaces schedule effective 7/1/2024

MEDIUM/ LARGE GENERAL ELECTRIC SERVICE

AVAILABILITY

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	$111.11
	All Year
Demand Charge:	
All kW	$8.59 per kW
Energy Charge:	
All kWh	$0.06224 per kWh

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

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

Schedule EMLG1
Effective January 1, 2026
Replaces schedule effective 7/1/2025

MEDIUM/ LARGE GENERAL ELECTRIC SERVICE

AVAILABILITY

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	$122.22
	All Year
Demand Charge:	
All kW	$8.59 per kW
Energy Charge:	
All kWh	$0.06224 per kWh

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

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

Schedule EVLGG
Effective July 1, 2025
Replaces schedule effective 7/1/2024

VERY LARGE GENERAL ELECTRIC SERVICE

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	$277.78
	All Year
Demand Charge:	
All kW	$9.00 per kW
Energy charge:	
All kWh	$0.05728 per kWh

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

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

Schedule EVLGG
Effective January 1, 2026
Replaces schedule effective 7/1/2025

VERY LARGE GENERAL ELECTRIC SERVICE

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

Charges are calculated as follows:

	Rate
Basic Facilities Charge	$305.56
	All Year
Demand Charge:	
All kW	$9.00 per kW
Energy charge:	
All kWh	$0.05728 per kWh

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

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

Schedule ECPEAK & ECPK1
Effective July 1, 2025
Replaces schedule effective 10/1/2016

COINCIDENT PEAK ELECTRIC SERVICE

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

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

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

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

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

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

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

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

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

RATE

	Rate	
Basic Facilities Charge	$555.55	$555.55
Minimum Demand: 30kW		
	Summer (June-September)	**Non-Summer (October-May)**
Demand Charge:		
All kW	$18.00	$5.00
Excess Demand	$3.50 per kW	$3.50 per kW
Energy charge:		
On-Peak	$0.05680 per kWh	$0.04988 per kWh
Off-Peak	$0.05038 per kWh	$0.04543 per kWh

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

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

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective July 1, 2025
Replaces schedule effective 10/1/2016

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

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

HOLIDAYS
The following days of each calendar year are considered holidays:

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

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

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

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

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

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

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective July 1, 2025
Replaces schedule effective 10/1/2016

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

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

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

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

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

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

Schedule ECPEAK & ECPK1
Effective January 1, 2026
Replaces schedule effective 7/1/2025

COINCIDENT PEAK ELECTRIC SERVICE

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

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

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

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

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

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

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

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

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

RATE

	Rate	
Basic Facilities Charge	$611.10	$611.10
Minimum Demand: 30kW		
	Summer (June-September)	**Non-Summer (October-May)**
Demand Charge:		
All kW	$18.00	$5.00
Excess Demand	$3.50 per kW	$3.50 per kW
Energy charge:		
On-Peak	$0.05680 per kWh	$0.04988 per kWh
Off-Peak	$0.05038 per kWh	$0.04543 per kWh

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

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

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective January 1, 2026
Replaces schedule effective 7/1/2025

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

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

HOLIDAYS
The following days of each calendar year are considered holidays:

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

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

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

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

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

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

COINCIDENT PEAK ELECTRIC SERVICE
Schedule ECPEAK & ECPK1
Effective January 1, 2026
Replaces schedule effective 7/1/2025

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

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

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

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

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

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

RENEWABLE ENERGY PORTFOLIO STANDARDS (REPS) CHARGE

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

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

	Monthly Charges		
Customer Type	Renewable Resources	DSM/Energy Efficiency	Total REPS Charge
Residential Account	$ 0.87	$0.00	$ 0.87
Commercial Account	$ 4.72	$0.00	$ 4.72
Industrial Account	$48.67	$0.00	$48.67

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

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

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

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

ELECTRIC RATE RIDER RECR-1

Renewable Energy Credit Rider

AVAILABILITY

This optional rate rider is applicable to customers who had systems installed before July 1, 2025 on any City of Shelby ("City") rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, with or without battery storage, located and utilized at the customer's primary residence or business. To qualify for this rate rider, the customer must have complied with the City's Interconnection Standards and have an approved Interconnection Request Form. As part of the Interconnection Request Form approval process, the City retains the right to limit the number and size of renewable energy generating systems installed on the City's System. The generating system that is in parallel operation with service from the City and located on the customer's premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City's applicable renewable energy interconnection interface criteria. Qualified customers must be generating energy for purposes of a "buy-all/sell-all" arrangement to receive credits under this rate rider. That is, the City agrees to buy all and the customer agrees to sell all of the energy output and associated energy from the renewable energy resource. Customers with qualified systems may also apply for NC GreenPower credits or sell Renewable Energy Certificate ("REC") credits.

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

MONTHLY CREDIT

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

	Variable
On-Peak energy*	$0.04800
Off-Peak energy	$0.01500

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

MONTHLY ENERGY

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

ON-PEAK ENERGY

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

OFF-PEAK ENERGY

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

CONTRACT PERIOD

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

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

GENERAL

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

SPECIAL CONDITIONS

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

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

ELECTRIC RATE RIDER RECR-2

Renewable Energy Credit Rider

AVAILABILITY

This optional rate rider is available to customers who had systems installed after July 1, 2025 or if an existing system may elect this rider after July 1, 2023 and are on any City of Shelby ("City") rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, with or without battery storage, located and utilized at the customer's primary residence or business. To qualify for this rate rider, the customer must have complied with the City's Interconnection Standards and have an approved Interconnection Request Form. The generating system that is in parallel operation with service from the City and located on the customer's premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City's applicable renewable energy interconnection interface criteria. Customers with qualified systems may also sell Renewable Energy Certificate ("REC") credits.

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

MONTHLY CREDIT

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

	Variable
On-Peak energy*	$0.04800
Off-Peak energy	$0.01500

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

MONTHLY ENERGY

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

ON-PEAK ENERGY

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

OFF-PEAK ENERGY

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

CONTRACT PERIOD

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

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

GENERAL

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

SPECIAL CONDITIONS

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

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

Schedule EDR
Effective December 1, 2021

ECONOMIC DEVELOPMENT RIDER

APPLICABILITY

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

1) New commercial or industrial customers which enter into a service agreement with the city where the noncoincident peak demand of the new load must exceed 500 kW.

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

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

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

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

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

MONTHLY CREDIT

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

Economic Development Rider
Schedule EDR
Effective December 1, 2021

APPLICATION OF CREDIT

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

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

Contract Period

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

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

OUTDOOR LIGHTING SCHEDULE

Standard Outdoor LED Lighting Rental Rate

Road Focus Fixture	**Monthly Rate**
40 Watt 30’ Wooden Pole	$12.03
73 Watt 30’ Wooden Pole	$13.37
161 Watt 30’ Wooden Pole	$16.86

Specialty Outdoor LED Lighting Rental Rate

American Revolution Fixture	**Monthly Rate**
Wadsworth Pole	$26.39
Hadco Pole	$22.81
Shakespeare Pole 15’	$17.23
Shakespeare Pole 18’	$17.83
Washington Fixture	
Wadsworth Pole	$37.88
Hadco Pole	$34.30
Shakespeare Pole 15’	$28.73
Shakespeare Pole 18’	$29.33
Independence Fixture	
Wadsworth Pole	$32.74
Hadco Pole	$29.16
Shakespeare Pole 15’	$23.58
Shakespeare Pole 18’	$24.18

Outdoor Lighting Schedule
Effective July 1, 2024

Granville III Fixture	**Monthly Rate**
Burlington Pole	$41.29
Wadsworth Pole	$33.89
Hadco Pole	$30.30
Shakespeare Pole 15’	$24.73
Shakespeare Pole 18’	$25.33
Road Focus Fixture	
40 Watt 26’ Fiberglass Pole	$18.05
40 Watt 35’ Fiberglass Pole	$19.85
73 Watt 26’ Fiberglass Pole	$19.40
73 Watt 35’ Fiberglass Pole	$21.20
161 Watt 26’ Fiberglass Pole	$22.89
161 Watt 35’ Fiberglass Pole	$24.69

Additional Equipment Cost Due Before Installation

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

Effective July 1, 2019

ELECTRIC EVENT PANEL FEES

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

Event panel
Energy charge - $5.00/day
Rental charge - $10.00/day
Total charge per day would be $15.00 per event panel.
Multiple panels are available for rental.

Stage panel
Energy charge - $10.00/day
Rental charge - $100.00/day
Total charge per day would be $110.00 per stage panel.

Full Day Rentals Only

Must be paid in advance with event application.

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

ELECTRIC INCENTIVES

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

Effective July 1, 2025
Replaces schedule effective 7/1/2024

ELECTRIC INSTALLATION AND RELOCATION FEES

Type	Requirements	Cost
All Electric Service Lines	Up to 100’ of Service All Services over 100’	$300 $300 + $10 per ft. over 100’
Electric Infrastructure for all dwellings except apartments*	Per Unit	$3,000
Electric Infrastructure for Apartments*	Per Unit	$1,500

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

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

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

Effective June 4, 2024

City of Shelby New Development Electric Service Agreement

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

1. Parties

a. _____(hereinafter referred to as "**BUILDER**").

b. City of Shelby, a North Carolina municipal corporation, located at 300 S. Washington St., Shelby, NC 28151. (Hereinafter referred to as "**CITY**").

2. Definitions

a. The "**Site**" is a residential or commercial development known as _____ _____. More specifically, this agreement pertains to the electric service infrastructure that will be constructed on parcel(s) _____ _____ in Cleveland County, NC.

b. "**Electric Service**" shall include:

i. the provision of the electric service to the Customers within the Site; and,
ii. the installation, operation, and maintenance of the electric service distribution system (the "Infrastructure") required to provide electric service to each meter location within the Site.

c. "**Customer(s)**" shall mean any person or entity (builder, owner, business, etc.) within the Site that may become customer(s) of the City of Shelby.

d. A "**Section**" is a portion of the Site with an approved plat, construction specifications, and drawings ready for installation of streets and utilities, and utility services including Electric Service.

e. The City of Shelby is a municipal energy provider located in North Carolina, which has been granted the required certificates, franchises, and approvals to lawfully provide Electric Service to an area which includes the Site.

City of Shelby New Development Electric Service Agreement

3. Purpose

a. By virtue of this Agreement, the BUILDER requests the CITY to install and provide Electric Service to the Site according to terms and conditions defined in this Agreement.

b. The general purpose of this Agreement is to provide for the installation and operation by CITY of the Infrastructure within the Site and the provision of Electric Service by CITY to Customer(s) within the Site.

c. By virtue of this Agreement, the parties herein agree to cooperate in the design of the Infrastructure, to coordinate the installation of the Infrastructure with the installation of other utilities, and to establish a plan for provision of Electric Service by CITY.

d. The City of Shelby Electric Service General Terms and Conditions as approved by the Shelby City Council (the "TERMS") is hereby made a part of this Agreement and is on file and available at City of Shelby offices in Shelby, NC. To the extent that there is any inconsistency between the TERMS and the terms of this Agreement, the terms of this Agreement shall control.

4. Term

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

5. Term of Financial Obligation

It is agreed that any applicable invoiced cost will be provided by CITY to BUILDER and will be due to and addressed to CITY within120 days of the date of the execution of this document. Any cost estimate, invoiced cost, and all agreements considered in this City of Shelby New Development Electric Service Agreement will become null and void if payment(s) have not been received by the City of Shelby within this timeframe.

6. Cost of Infrastructure

City of Shelby New Development Electric Service Agreement

1. By virtue of this agreement, Infrastructure and Electric Service infrastructure will be furnished and installed by CITY upon payment of the BUILDER of a non-refundable contribution in aid of construction in the amount of _____(the "**Contribution**"). This amount is based on the adopted City of Shelby Fee Schedule.

2. In the event the CITY is requested to provide additional or major revisions to a previously and mutually agreed to project design; at the CITY's sole discretion, but upon prior e-mailed notice by CITY staff to BUILDER, the BUILDER may be charged a re-design fee that must be paid prior to additional designs being provided. In addition, if a BUILDER fails to pay an invoice prior to the expiration date, at the CITY's sole discretion, the CITY may charge the BUILDER the actual re-design cost that must be paid prior to additional invoices being provided. Failure to pay the additional invoices may result in the CITY seeking a court judgment for unpaid expenses.

3. If the project is released for construction and then cancelled by the BUILDER, the original aid in construction; less any and all actual costs, and 5% of the original cost or $2,000.00, whichever is less, to cover engineering and materials fees will be reimbursed by the BUILDER.

7. Indemnification and Insurance Requirements

a. Defend, Indemnify, and Hold Harmless

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

without limitation of duration, which shall survive the expiration or termination of this agreement and the activities and operations of services provider.

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

b. Insurance

i. Without limiting and liabilities or any other obligations of BUILDER, BUILDER shall provide and maintain the minimum insurance coverage listed below. Coverage will be provided with forms and insurers acceptable to the CITY, until all obligations under this Agreement are satisfied.

1. Comprehensive General Liability insurance with the minimum combined single limit of not less than ONE MILLION DOLLARS ($1,000,000) per occurrence and a general aggregate of not less than TWO MILLION DOLLARS ($2,000,000). The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (with coverage for contractual and employee claims), personal injury (with coverage for contractual and employee claims), blanket contractual liability (including coverage for liabilities assumed under this Agreement), and products and completed operations.

2. The policies of insurance shall be in such form and issued by an insurer licensed to do insurance business in the State of North Carolina that is satisfactory to CITY. All policies identified above are to be written with insurance companies rated A-VII or greater according to the AM Best rating organization and on a form satisfactory to CITY.

3. The policies required above shall be endorsed to include CITY and CITY's officers, directors, agents, and employees as additional insureds and shall be specified as primary insurance and non-contributory regardless of other insurance carried by

CITY. The coverage afforded to CITY as an additional insured shall not be restricted to "ongoing operations", coverage for vicarious liability, or circumstances in which the BUILDER is primarily negligent. Any policy that limits coverage afforded to CITY as additional insureds to liabilities arising out of the acts of omissions of CITY, or which contain other similar limitations, shall not be in compliance with the requirements of this Agreement.

4. A certificate of insurance acceptable to CITY shall be issued to CITY as evidence that policies providing the required coverages, conditions and limits are in full force and effect. Such certificate(s) shall provide that all insurance requirements contained in this Agreement have been met and contain provisions that coverage afforded under the polices will not be canceled, terminated, or materially altered until at least 30 days prior written notice has been given to CITY Purchasing Manager via: City of Shelby Finance Department, 300 S. Washington Street, NC 28150.

5. CITY reserves the right to require certified copies of any or all policies or policy endorsements.

6. BUILDER hereby waives all rights of subrogation against CITY and its directors, officers, employees, agents and insurers and all policies of insurance required to be obtained shall contain a provision stating that the insurance carriers and underwriters waive all rights of subrogation in favor of CITY and its directors, officers, employees, agents, and insurers.

7. Failure on the part of BUILDER to procure or maintain required insurance shall constitute a material breach of contract upon which CITY may immediately terminate this Agreement.

c. Damage to CITY's Equipment or Materials

i. In the event that CITY's Equipment or Materials are damaged by the BUILDER or their subcontractors, CITY shall be reimbursed by the BUILDER for said damages in a timely manner. CITY is responsible for investigating claims, providing proof of damage, and obtaining estimates for repair.

d. Term of Insurance Requirements

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

8. Severability

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

9. Electronic Version of Contract

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

10. Notice

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

11. Representation on Authority of Parties

The person signing this Agreement on behalf of Builder and the person signing on behalf of CITY represent and warrant that the person is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have

been duly authorized, and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

12. Force Majeure

Neither party shall be liable for delays in delivery or performance, or for failure to deliver or perform when caused by any of the following: Acts of God, acts of the public enemy, acts or failures by the other party, acts of civil or military authority, governmental priorities, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, delays in transportation, loss or damage to goods in transit, and other causes beyond the reasonable control of the party. In the event of such a delay, the date of delivery or performance shall be extended for a period equal to the effect of the time lost by reason of the delay. The delayed party shall use its reasonable efforts to minimize the period of the delay wherever possible.

13. Choice of Law

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

14. Counterparts

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

15. Complete Agreement

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

16. Assignment

This Agreement may not be assigned without the express written consent and permission of the CITY.

17. Termination

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

18. Headings

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

19. Waiver of Breach

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

20. Miscellaneous

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

City of Shelby New Development Electric Service Agreement

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

BUILDER: _____

By: _____

Name: _____

Date: _____

CITY: **City of Shelby**

By: _____

Name: _____

Date: _____

City of Shelby Utilities
Energy Services Division
824 W Grover Street, Shelby, NC 28150
Phone: 704-484-6840
Fax: 704-484-6808
Email: marcus.kennedy@cityofshelby.com

Electric Load Data

In order for the City of Shelby Energy Services Division to process your request for electric service in an efficient manner, the following information is necessary.

Business Name: _____
Street Address: _____

A. Type of Business: ☐ Commercial ☐ Industrial ☐ Office ☐ Other
B. Voltage Requirements: Volts _____ Phase(s) _____ Wires _____
C. Size of Service: Amps _____ Wire Size & No./Phase _____
D. Total square footage of building: _____
E. New Connected Loads (Kilowatts):
   1. Lights (Interior) _____
   2. Lights (Exterior) _____
   3. Water Heater _____
   4. Heating _____
      Gas _____ Electric _____
   5. Air Conditioner _____
   6. Air Handling Equipment _____
   7. Motor – Total HP _____
   8. Food Service _____
   9. Receptacles _____
   10. Future _____
   11. Others _____
F. Approximate Date Service Required: _____
G. Estimated Peak Demand (Kilowatts): _____
H. Site Contact Name: _____ Phone: _____
I. Electrical Contractor: _____ Phone: _____
J. Underground Service Requested: ☐ Yes ☐ No

Property Owner's Signature: _____
Customer Title: _____
Date: _____
Present Mailing Address: _____

Effective March 18, 2024

CITY OF SHELBY NATURAL GAS

GENERAL TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

If to the City:	Customer:
Attn: City Manager	Name and Address of Company Official
City of Shelby	_____
P.O. Box 207	_____
Shelby, NC 28151	_____
Or via confirmed email:	_____
Rick.Howell@cityofshelby.com	Email address:

State – State of North Carolina

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

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

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

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

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

Service.

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

2. The point of delivery of such service shall be the outlet side of the meter. Upon completion of any and all necessary inspections and issuance of corresponding permits, the City shall not be liable to the customer or any of their agents, assigns, servants, or employees, or to any person whomsoever, for any loss, damage, or injury to person or property resulting from said gas or its use after it leaves said point of delivery, all risk thereof and therefrom being assumed by the customer, except when caused by the exclusive negligence or willful acts of the employees of the City.

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

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

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

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

5. Utility charges shall begin when the utility meter is installed. Bills for service hereunder shall be rendered and paid monthly. As defined above, a "month" shall mean the period between any two regular consecutive readings of the meters measuring the quantity of gas used.

6. In the event of a force majeure, neither party will be liable for the nonperformance of any of its obligations except Customer's obligation to pay for service. At no point shall an exception be made as to any obligations if the claiming party caused or contributed to the cause of the force majeure being claimed due to its own negligence or willful misconduct.

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

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

7. The Customer agrees that the the City reserves the right to discontinue furnishing utility services to a customer, at any time without notice, upon the failure of the customer to pay bills for utility service, deposits, or to increase deposit amounts as required.

8. Customer further agrees that the City retains the right without notice to discontinue service upon the occurrence of any one or more of the following events:

    a. Whenever the City has reasonable cause to believe that the customer is receiving utilities without paying for them, or that the City's meters, lines, or other apparatus have in any manner been tampered with.
    b. Whenever, in the City's opinion, the condition of the customer's lines, equipment, and/or appliances are unsuitable for receiving services, or pose potential safety or health hazards to the City property, City personnel, the customer, or to the public.
    c. Whenever the City determines that the customer's use of utilities or equipment interferes with or may be detrimental to the City's utilities systems or to the supply of utilities by the City to any other customer, including the violation of any City ordinances regarding the use of any utilities.
    d. Whenever the customer had denied an authorized City representative access to the City's meters, lines, or other apparatus installed on the customer's premises.
    e. Whenever it is necessary to prevent fraud upon the City.

9. The City and the Customer shall mutually agree on the appropriate pressure at which gas shall be delivered but in no event shall the City be required to furnish gas to the customer at a pressure exceeding five (5) pounds per square inch gauge.

10. All rate schedules are subject to change upon action of the City Council.

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

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

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

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

CUSTOMER DIRECTED HEDGING POLICY

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

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

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

Guidelines for Customer Directed Hedging Policy

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

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

City of Shelby Firm Customer Gas Supply Cost

Election to Self-Direct Hedged Gas Supply Purchases

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

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

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

[Signatures to Follow]

Customer	**City of Shelby**
_____	_____
Customer Name	City Approved Effective Date
_____	_____
Company Official Name and Title	City Manager
_____	_____
Signature	Signature
_____	_____
Date	Date

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



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

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

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

Customer	**City of Shelby**
_____	_____
Customer Name	City Approved Effective Date
_____	_____
Company Official Name and Title	City Manager
_____	_____
Signature	Signature
_____	_____
Date	Date

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

Effective April 16, 2024

City of Shelby Natural Gas Line Installation Policy

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

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

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

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

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

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

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

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

Builders interested in natural gas services to subdivisions, multi-family and multi-business complexes must contact the City of Shelby to schedule a site visit with a City of Shelby Natural

Effective April 16, 2024

City of Shelby Natural Gas Line Installation Policy

Gas representative. Builders must provide site plans that include designs for the streets, wet utilities, mechanical, electrical, natural gas, plumbing and landscaping plans to the City of Shelby Engineering Department by mailing to:

City of Shelby Engineering Department

300 S. Washington Street

Shelby, NC 28150

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

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

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

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

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

3. Builder Costs Associated with Natural Gas Infrastructure

The City of Shelby will install all the natural gas mains, valves, test boxes, line markers and associated appurtenances to the Builder's site once the Builder signs the Natural Gas Service

City of Shelby Natural Gas Line Installation Policy

Agreement and a timeframe for construction is agreed upon. The builder agrees to pay all estimated fees associated with the installation of infrastructure necessary to serve all units in the development in full within 90 days of issuance of the Will Serve Letter.

Any changes to the site development plan, construction plan and natural gas load data after the Will Serve letter is issued may result in additional engineering costs and potential changes in the line extension costs that the Builder is responsible for. Relocation of any natural gas mains and service lines, and/or gas meter upgrade fees will result in additional costs to the Builder. The City of Shelby Utility Projects Coordinator will send an e-mail notification within thirty (30) days of any such notification.

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

4. Infrastructure Requirements

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

5. Natural Gas Incentives

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

All incentives are reviewed annually and are subject to change.

Effective April 16, 2024

City of Shelby New Development Natural Gas Service Agreement

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

1. Parties:

a. _____ (hereinafter referred to as the "**BUILDER**").

b. City of Shelby, a North Carolina municipal corporation, located at 300 S. Washington St., Shelby, NC 28151. (hereinafter referred to as "**CITY**").

2. Definitions:

a. The "**Site**" is a residential or commercial development known as_____ _____. More specifically, this agreement pertains to the natural gas facilities/infrastructure that will be constructed parcel(s) _____ in Cleveland County, NC.

b. "**Gas Service**" shall include:

i. the provision of the natural gas to the Customers within the Site, and;

ii. the installation, operation and maintenance of the natural gas distribution system (the "**Infrastructure**") required to provide natural gas to each meter location within the Site.

c. "**Customer(s)**" shall mean any person or entity (builder, owner, business, etc.) within the Site that may become customer(s) of the City of Shelby.

d. A "**Section**" is a portion of the Site with an approved plat, construction specifications, and drawings ready for installation of streets and utilities, and utility services including Natural Gas Service.

e. The City of Shelby is a municipal energy provider which has been granted the required certificates, franchises, and approvals to lawfully provide Natural Gas Service to an area which includes the Site.

3. Purpose:

a. By virtue of this Agreement, the BUILDER requests CITY to install and provide Natural Gas Service to the Site according to terms and conditions defined in this Agreement.

b. The general purpose of this Agreement is to provide for the installation and operation by CITY of the Infrastructure within the Site and the provision of Natural Gas Service by CITY to Customers within the Site.

City of Shelby New Development Natural Gas Service Agreement

c. By virtue of this Agreement, the parties herein agree to cooperate in the design of the Infrastructure, to coordinate the installation of the Infrastructure with the installation of other utilities, and to establish a plan for provision of Natural Gas Service by CITY.

d. The City of Shelby Natural Gas Line Installation Policy as approved by the Shelby City Council (the "**POLICY**") is hereby made a part of this Agreement and is on file and available at City of Shelby offices in Shelby, NC. To the extent that there is any inconsistency between the Policy and the terms of this Agreement, the terms of this Agreement shall control.

4. Term:

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

5. Term of Financial Obligation:

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

6. Commitments to the City of Shelby:

a. BUILDER agrees to provide the requirements detailed in the City of Shelby Will Serve letter that was provided to the BUILDER by CITY and is attached to this document as Attachment A.

b. BUILDER agrees to promote CITY as the Natural Gas Service provider for the Site.

c. During the term of this Agreement, the BUILDER agrees that CITY shall have exclusive rights to market and advertise Natural Gas Service within development information centers and/or model facilities as such may exist.

d. The BUILDER agrees to provide to CITY the necessary consents, agreements, easements and access to effectuate the provision of Natural Gas Service, to effectuate the intent of this Agreement and to enter onto the Site to install the Infrastructure consistent with the development of the Site. The costs and expenses incurred to obtain the items mentioned, be

borne by the BUILDER.

e. BUILDER agrees to provide all natural gas requirements for the Commercial Development in writing prior to the initial design by CITY Planning Department for CITY review. Any subsequent changes to the natural gas requirements after the infrastructure has been installed may result in additional costs to the BUILDER, Tenant, or the Owner at the time of the request. Any additional charges will be made in accordance with CITY's current Natural Gas Line Installation Policy.

f. The BUILDER agrees to provide Site plans in an AutoCAD.dwg or ESRI shape file that includes designs for streets, wet utilities, mechanical, electrical, natural gas, plumbing, and landscaping plans, etc. BUILDER will also provide notice of construction start dates and construction schedules that are reasonable and industry typical for the type of work to be performed.

g. BUILDER agrees to provide, at its own cost, survey points for grades, lot corners, street right of way(s) (ROW), curb and gutter locations, and other locations reasonably necessary for installation of the Infrastructure.

h. Upon installation of Infrastructure in accordance with Section 3(c), above, and as shown and attached as Exhibit A, BUILDER agrees to pay the cost of Infrastructure relocations required due to BUILDER request or incorrect survey information.

i. In the event that the BUILDER has been provided with a mutually agreed to construction design plan as mentioned in Section 7(b)(ii) and the CITY is then requested by BUILDER to provide additional or major revisions to the construction design plan; at the CITY's sole discretion, the BUILDER may be charged a re-design fee per occurrence that must be paid prior to additional designs being provided. In addition, if BUILDER fails to pay an invoice prior to the expiration date causing this agreement to become null and void (Section 5); at the CITY's sole discretion, the CITY may charge the BUILDER the actual re-design cost per occurrence that must be paid prior to additional invoices being provided. The re-design cost will be the actual re-design cost charged by the consulting engineer if required for the specific project. Once the BUILDER's Agreement has been executed by the BUILDER, any re-design will necessitate a new Agreement and this Agreement will become null and void.

j. CITY agrees to install Natural Gas Infrastructure at locations within the Site designated by CITY and mutually agreed upon by the BUILDER; and as needed to comply with City, County and/or State ordinances and regulations.

7. Commitments to BUILDER:

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

information for promotion within the Site.

b. The Infrastructure:

i. CITY will install Natural Gas Infrastructure (to be owned, operated and maintained by CITY) as required to provide Natural Gas Service to each section and/or Customer meter location within the Site. The Natural Gas distribution facilities will be designed and constructed to allow for the best availability of service on each lot within the development, and in such a manner as to provide a high level of reliability and service quality for the end user.

ii. The Natural Gas Infrastructure may include, but is not limited to, gas mains, service lines, regulator stations, farm taps, odorizing equipment, telemetry, and metering equipment as needed to provide Natural Gas Service. Installation of the Infrastructure will be according to construction plans prepared by CITY and approved by the BUILDER prior to installation. Natural Gas Service construction plans will be subject to CITY construction standards, applicable law, North Carolina Utility Commission (NCUC), United States Pipeline and Hazardous Materials Safety Administration (PHMSA), and regulations of entities with regulatory authority.

iii. CITY will install the Natural Gas Infrastructure according to a schedule mutually acceptable to both parties ("Final Schedule"). A proposed schedule shall be submitted by BUILDER for review by CITY staff thirty (30) days prior to BUILDER's proposed start date. Following the submission from BUILDER of the proposed schedule, each party agrees to negotiate in good faith to establish a commercially reasonable Final Schedule for installation of the Infrastructure within the Site. CITY agrees to use good faith efforts to meet deadlines and construction schedules set forth by the BUILDER.

iv. In the event that CITY is not allowed by the BUILDER to begin construction of the Infrastructure within one hundred eighty (180) calendar days of the execution of this Agreement, or, once construction begins, if CITY is prevented, at the fault of the BUILDER, for more than thirty (30) calendar days, not to include observed holidays or acts covered under Paragraph 15. Force Majeure, then at CITY's sole discretion, this Agreement may become null and void and any unused portion of the actual amount paid will be reimbursed to the BUILDER; and a new Agreement, cost estimate and Infrastructure design will be required.

v. CITY will use its reasonable best efforts, subject to good engineering practice, standard Natural Gas utility construction practices, NCUC, PHMSA, and regulations of entities with regulatory authority, to meet BUILDER requirements regarding the placement of Infrastructure, pipelines, test stations, pipeline markers, telemetry, valve boxes, etc. to enhance the aesthetics of the project.

City of Shelby New Development Natural Gas Service Agreement

8. Cost of Infrastructure:

a. By virtue of this Agreement, Infrastructure and Natural Gas facilities will be furnished and installed by CITY upon payment by the BUILDER of a non-refundable contribution in aid of construction in the amount of_____ (the "**Contribution**").

b. If the BUILDER chooses to install gas services to each dwelling or unit, the BUILDER agrees to pay for the service to each dwelling or unit as specified in the CITY's Natural Gas Line Installation Policy and City of Shelby Fees Schedule.

c. In the event that the BUILDER has been provided with a previously and mutually agreed to project design and the CITY is then requested to provide additional or major revisions to the project design; at the CITY's sole discretion, but upon prior e-mailed noticed by CITY staff to BUILDER, the BUILDER may be charged a re-design fee that must be paid prior to additional designs being provided. In addition, if a BUILDER fails to pay an invoice prior to the expiration date; at the CITY's sole discretion, the CITY may charge the BUILDER the actual re-design cost that must be paid prior to additional invoices being provided.

d. If the project is released for construction and then cancelled by the BUILDER, the original aid in construction; less any and all actual costs, and 5% of the original cost or $2,000.00, whichever is less, to cover engineering and materials fees will be reimbursed.

9. Provision of Easements:

a. Easements granted to CITY shall be non-exclusive and irrevocable and include the full right, power, and authority to install, use, maintain, repair, and replace the Natural Gas Infrastructure and to use such Natural Gas Infrastructure to provide Natural Gas Service within and outside the Site.

b. The BUILDER may use easement areas for purposes that do not unreasonably interfere with CITY's use of the easement areas and comply with the terms of the standard City of Shelby Utility Easement document.

c. The BUILDER shall be entitled to relocate easements and easement areas provided that substantially equivalent easement areas are provided prior to such relocation and the BUILDER pays the cost of relocation of CITY's Infrastructure to the new easement areas.

10. Indemnification and Insurance Requirements:

a. Defend, Indemnify, and Hold Harmless

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

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

b. Insurance

i. Without limiting any liabilities or any other obligations of BUILDER, BUILDER shall provide and maintain the minimum insurance coverage listed below. Coverage will be provided with forms and insurers acceptable to CITY, until all obligations under this Agreement are satisfied.

1. Comprehensive General Liability insurance with a minimum combined single limit of not less than ONE MILLION DOLLARS ($1,000,000) per occurrence and a general aggregate of not less than TWO MILLION DOLLARS ($2,000,000). The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (with coverage for contractual and employee claims), blanket contractual liability (including coverage for liabilities assumed under this Agreement), and products and completed operations.

2. The policies of insurance shall be in such form and issued by an insurer licensed to do insurance business in the State of North Carolina that is satisfactory to CITY. All policies identified above are to be written with insurance companies rated A-VII or greater according to the AM Best rating organization and on a form satisfactory to CITY.

3. The policies required above shall be endorsed to include CITY and CITY's officers, directors, agents, and employees as additional insureds and shall be specified as primary insurance and non-contributory regardless of other insurance carried by CITY. The coverage afforded to CITY as an additional insured shall not be restricted to "ongoing operations," coverage for vicarious liability, or circumstances in which the BUILDER is primarily negligent. Any policy that limits coverage afforded to CITY as additional insureds to liabilities arising out of the acts or omissions of CITY, or which contain other similar limitations, shall not be in compliance with the requirements of this Agreement.

4. A certificate of insurance acceptable to CITY shall be issued to CITY as evidence that policies providing the required coverages, conditions and limits are in full force and effect. Such certificate(s) shall provide that all insurance requirements contained in this Agreement have been met and contain provisions that coverage afforded under the policies will not be canceled, terminated or materially altered until at least 30 days prior written notice has been given to CITY Purchasing Manager via: City of Shelby Finance Department, 300 S. Washington Street, Shelby, NC 28150.

5. CITY reserves the right to require certified copies of any or all policies or policy endorsements.

6. BUILDER hereby waives all rights of subrogation against CITY and its directors, officers, employees, agents and insurers and all policies of insurance required to be obtained shall contain a provision stating that the insurance carriers and underwriters waive all rights of subrogation in favor of CITY and its directors, officers, employees, agents and insurers.

7. Failure on the part of BUILDER to procure or maintain required insurance shall constitute a material breach of contract upon which CITY may immediately terminate this Agreement.

c. Damage to CITY's Equipment or Materials

i. In the event that CITY's equipment or Materials are damaged by the BUILDER or their sub- contractors, CITY shall be reimbursed by the BUILDER for said damages in a timely manner. CITY is responsible for investigating claim, providing proof of damage, and obtaining estimates for repair.

d. Term of Insurance Requirements

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

11. Severability

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

12. Electronic Version of Contract

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

13. Notice

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

14. Representation on Authority of Parties

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

15. Force Majeure

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

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

16. Choice of Law

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

17. Counterparts

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

18. Complete Agreement

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

19. Assignment

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

20. Termination

Either party, by mutual consent, in writing with ninety (90) days notice to the other party, may terminate this Agreement.

21. Headings

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

City of Shelby New Development Natural Gas Service Agreement

22. Waiver of Breach

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

23. Miscellaneous

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

City of Shelby New Development Natural Gas Service Agreement

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

BUILDER: _____

By: _____

Name: _____

Date: _____

CITY: **City of Shelby**

By: _____

Name: _____

Date: _____

Effective April 16, 2024

City of Shelby New Development Natural Gas Service Agreement

EXHIBIT A

See attached

Schedule 41
Effective July 1, 2025
Replaces schedule effective 5/10/2014

RESIDENTIAL GAS SERVICE

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

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

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

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

Total Bill = FC + (U x CR)

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

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

Residential Gas Service
Schedule 41
Effective July 1, 2025
Replaces schedule effective 5/10/2014

	Monthly Facilities Charge	Base Commodity Rate
Residential Gas Service	$8.93	$6.88 per dekatherm

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

Schedule 42
Effective July 1, 2025
Replaces schedule effective July 1, 2014

GENERAL COMMERCIAL AND INDUSTRIAL GAS SERVICE

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

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

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

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

Total Bill = FC + (U x CR)

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

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

General Commercial and Industrial Gas Service
Schedule 42
Effective July 1, 2025
Replaces schedule effective July 1, 2014

	Monthly Facilities Charge	Base Commodity Rate
General Commercial and Industrial Gas Service	$13.13	$5.45/dekatherm

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

Schedule 43
Effective July 1, 2025
Replaces schedule effective November 1, 2016

HIGH LOAD FACTOR GAS SERVICE

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

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

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

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

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

Total Bill = FC + (U x CR)

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

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

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

	Monthly Facilities Charge	Base Commodity Rate
High Load Factor Gas Service	$63.00	$3.68 per dekatherm

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

Schedule 44
Effective July 1, 2025
Replaces schedule effective 5/10/2013

INTERRUPTIBLE GAS SERVICE WITH OR WITHOUT PARTIAL FIRM REQUIREMENTS

AVAILABILITY

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

STANDBY ALTERNATE FUEL CAPACITY

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

CHARACTER OF SERVICE

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

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

MEASUREMENT, BILLING AND PAYMENT

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

RATE

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

Total Bill = FC + (U x CR)

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

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

	Monthly Facilities Charge	Base Commodity Rate
Interruptible Gas Service	$63.00	
	First 1500 MCF/month	$2.14 per dekatherm
	Next 1500 MCF/month	$1.70 per dekatherm
	Next 3000 MCF/month	$1.40 per dekatherm
	Next 9000 MCF/month	$1.15 per dekatherm
	All volumes over 15,000 MCF per month	$0.95 per dekatherm

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

PROVISIONS:

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

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

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

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

Schedule 45
Effective July 1, 2025
Replaces schedule effective July 1, 2018

INDUSTRIAL FIRM TRANSPORTATION GAS SERVICE

AVAILABILITY

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

A. To the extent that the City and Customer have adequate facilities and equipment available and in place for transporting and delivery of such volumes of gas;

B. When a Customer has executed a Service Agreement with the City, wherein the City agrees to transport and deliver volumes of gas received for the Customer as specified therein.

CHARACTER OF SERVICE

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

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

Schedule 45
Industrial Firm Transportation Gas Service
Effective July 1, 2025
Replaces schedule effective July 1, 2018

RATE

	Monthly Facilities Charge	Base Commodity Rate
Industrial Firm Transportation Gas Service	$525.00	
	First 50,000 Dekatherms	$.652 per Dekatherm
	Next 25,000 Dekatherms	$.447 per Dekatherm
	Next 25,000 Dekatherms	$.252 per Dekatherm
	All over 100,000 Dekatherms	$.139 per Dekatherm

The usage charges are subject to a minimum monthly bill of $43,775 per month. The City reserves the option to waive the monthly minimum billing at their discretion.

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

DETERMINATION OF DELIVERIES

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

BALANCING OF TRANSPORTATION VOLUMES

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

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

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

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

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

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

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

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

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

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

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

Schedule 45
Industrial Firm Transportation Gas Service
Effective July 1, 2025
Replaces schedule effective July 1, 2018

SPECIAL PROVISIONS

1. The customer will operate within the guidelines required by Williams Transco Gas Pipeline (transporter). When requested by the City, the Customer, or its agent, shall inform the City, by 8:30 am (or other time prescribed by the City) of the working day prior to the day(s) the gas is to be delivered, of the anticipated consumption level and the volume requested for delivery. At that time, the City, or its agent, shall inform the Customer of any restrictions on the volume requested for delivery.

2. The Customer, or its agent, is responsible for all of the necessary arrangements and notification for the scheduling of transportation on the pipeline.

3. The Customer, or its agent, must purchase the necessary software package provided by Williams Transco Gas Pipeline to make possible daily monitoring of gas flows.

4. Gas transported on this schedule shall be separately metered and shall not be used interchangeably with firm gas purchased or transported on any schedule.

5. The term of the contract shall be for a term of not less than one year.

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

RECONNECTION CHARGE

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

Schedule SMI
Effective July 1, 2025
Replaces schedule effective December 1, 2021

SMALL/MEDIUM INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

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

A. To the extent that the City and Customer have adequate facilities and equipment available and in place for transporting and delivery of such volumes of gas;

B. When a Customer has executed a Service Agreement with the City, wherein the City agrees to transport and deliver volumes of gas received for the Customer as specified therein.

CHARACTER OF SERVICE

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

MEASUREMENT, BILLING AND PAYMENT

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

MONTHLY RATE

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

Total Bill = FC + (U x CR)

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

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

Small/Medium Industrial Firm Gas Service

Monthly Facilities Charge	Base Commodity Rate	
$210.00	First 5,000 dekatherms	$2.88/dekatherm
	Next 5,000 dekatherms	$1.85/dekatherm
	All over 10,000 dekatherms	$1.03/dekatherm

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

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

Schedule 46
Effective July 1, 2025
Replaces schedule effective 3/18/2024

LARGE INDUSTRIAL FIRM GAS SERVICE

AVAILABILITY

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

A. To the extent that the City and Customer have adequate facilities and equipment available and in place for transporting and delivery of such volumes of gas;

B. When a Customer has executed a Service Agreement with the City, wherein the City agrees to transport and deliver volumes of gas received for the Customer as specified therein.

CHARACTER OF SERVICE

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

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

MEASUREMENT, BILLING AND PAYMENT

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

Schedule 46
Large Industrial Firm Gas Service
Effective July 1, 2025
Replaces schedule effective 3/18/2024

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

Total Bill = (MDQ x D) + (U x CR)

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

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

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

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

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

		Base Commodity Rate
Large Industrial Firm Gas Service	All Volumes	$.88 per dekatherm

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

Schedule 46
Large Industrial Firm Gas Service
Effective July 1, 2025
Replaces schedule effective 3/18/2024

NOTIFICATION OF MONTHLY AND DAILY USE

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

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

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

LATE PAYMENT CHARGE

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

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

NATURAL GAS FEES AND INCENTIVES

Single Family Homes, Duplexes, and Stand-Alone Businesses

	Requirement	Cost
Gas Main Extensions	Up to 100’ of main	Free
	All over 100’ of main	$10.00 ft
Gas Service Lines	All service footage	$8.00 ft
Gas Service Line Relocation	Up to 30’ of service	$250 minimum
	All over 30’ of service	$8.00 ft ($250 minimum)

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

	Requirement	Cost
Gas Main Extensions	All main footage	$10.00 ft
Gas Service Lines	All service footage	$8.00 ft
Gas Service Line Relocation – Residential	Up to 30’ of service	$250 minimum
	All over 30’ of service	$8.00 ft ($250 minimum)
Gas Service Line Relocation – Commercial	Up to 60’ of service	$500 minimum
	All over 60’ of service	$8.00 ft ($500 minimum)

Miscellenaous Service Fees

	Requirement	Cost
Gas Meter Reset	N/A	$40.00
Gas Meter Upgrade – Residential Meter	Inches to Pounds	$75.00
Gas Meter Upgrade – Commercial Meter	N/A	Actual Cost

Rebates (New and Existing Customers)

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

Commercial and Industrial Incentives

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

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

STORMWATER UTILITY FEE

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

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

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

Effective July 1, 2018
Replaces schedule effective 7/1/2014

STORMWATER UTILITY FEE CREDIT PROGRAM

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

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

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

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

LEGAL NOTICE

NOTICE OF PUBLIC HEARING

In accordance with North Carolina General Statutes 159-11 and 159-12, the proposed budget for the City of Shelby's Fiscal Year 2025-2026 will be open for public inspection beginning June 1, 2025, on the City's website (www.cityofshelby.com) and beginning June 1, 2025 in the Office of the City Clerk, City Hall-Administration, 300 South Washington Street, Shelby, North Carolina, during regular business hours from 8:00 a.m. to 5:00 p.m.

The Shelby City Council will conduct a public hearing on the proposed budget for the City of Shelby's Fiscal Year 2025-2026 on Monday, June 16, 2025, at 6:00 p.m. The public hearing will be held at the Don Gibson Theatre, 318 South Washington Street, Shelby, North Carolina, at which time the general public will have opportunity to make any comments or recommendations relative to the proposed budget.

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

Carol Williams
City Clerk

May 29, 2025

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: C-2

2) Consideration of an ordinance to extend the corporate limits of the City of Shelby, North Carolina: Ordinance No. 34-2025

Presenting: (Brian Burgess, Director of Planning & Development)
Summary of Available Information:

- Memorandum dated June 9, 2025 from Brian Burgess, Director of Planning & Development
- Location Map
- Annexation Plat
- Application Package
- Notice of Public Hearing
- Ordinance No. 34-2025

City Manager's Recommendation / Comments

This request is being submitted by the property owner as a voluntary annexation.

This public hearing is being held in accordance with NCGS 160A-31. This property consists of approximately 4.5 acre site off Caleb Road, as well as having frontage on Sylva Drive. The property currently meets the statutory requirements for annexation and is contiguous to existing primary corporate limits. It is being considered for future residential development and has access to City water, sewer, and natural gas utilities. This property lies contiguous to the primary city limits on the eastern side of the city.

After the conclusion of the public hearing City Council may act upon Ordinance No. 34-2025.

Shelby
NORTH CAROLINA
Post Office Box 207 • Shelby, NC 28151-0207

MEMORANDUM

To: Mr. Rick Howell – City Manager

From: Brian Burgess, Director of Planning & Development

Date: June 9, 2025

Subject: Caleb Road Parcels 23891, 64886, and 64885– Annexation

Background

The City has received a petition for annexation pursuant to NCGS 160A-31. The parcel is Cleveland County parcels #23891,l 64886, and 64885 off Caleb Road, as well as having frontage on Sylva Dr.

A notice of public hearing for the annexation was published in the Shelby Star on June 3rd and June 10th. The property is within the City of Shelby ETJ and the owner has requested the zoning designation of GB.

Recommendation

The request has been reviewed by applicable staff/departments and approval of the contiguous annexation request is recommended.

Attachments

Location Map
Annexation Plat
Application Package
Notice of Public Hearing

Applicant owns the properties outlined in **blue.** Address 2104 is already in the City limits.

The portion outlined in **yellow** is in the ETJ and is zoned R20 residential. The applicant would like this portion to be annexed and rezoned to General Business commercial zoning (general rezoning; no site plan).



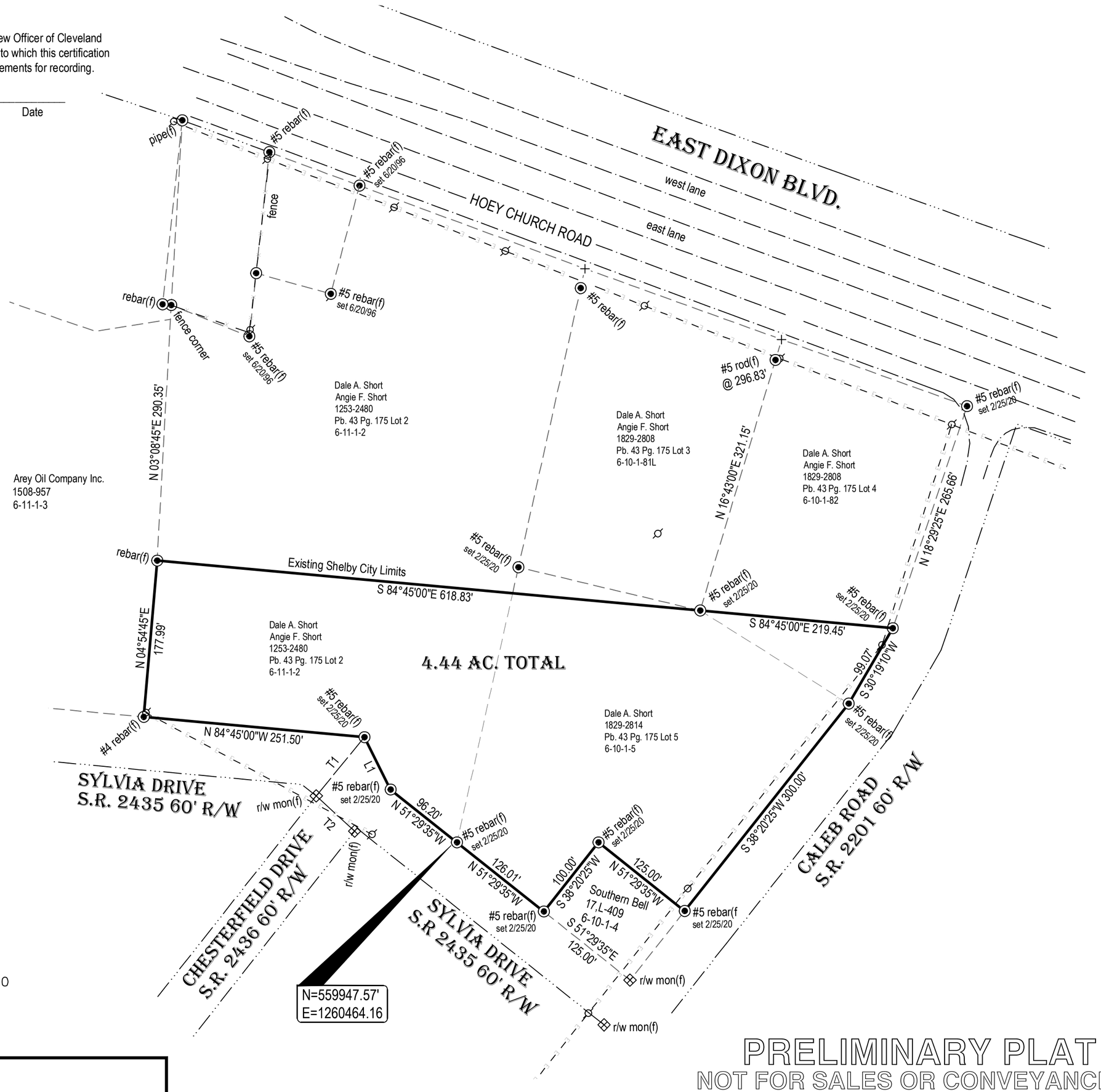
N North NAD 83 (2011)

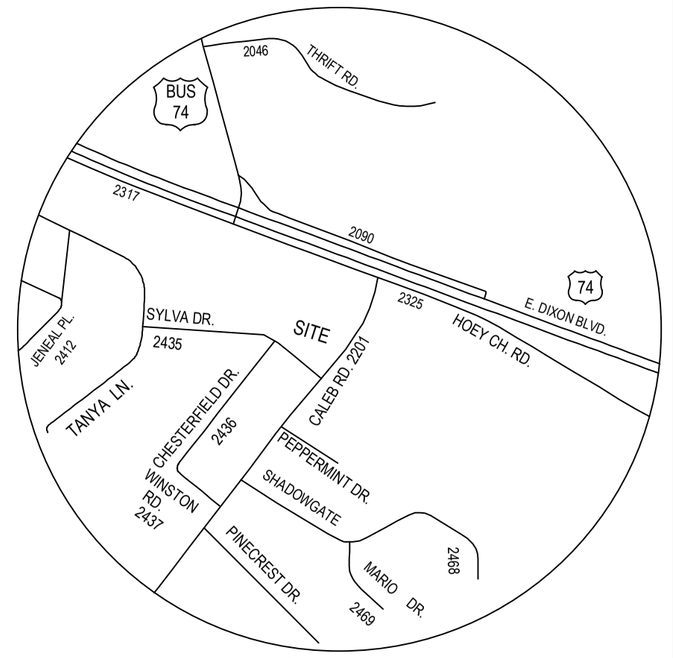
State of North Carolina
County of Cleveland

I, _____Review Officer of Cleveland County certify that the map or plat to which this certification is affixed meets all statutory requirements for recording.

_____
Review Officer Date

I, D. Dobbins Lattimore, 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 the survey:
(1) Class of survey: A
(2) Positional accuracy of Control Corners: 95% =0.10'
(3) Type of GPS field procedure: RRS
(4) Dates of survey: February 20, 2020
(5) Datum/Epoch: NAD/2007 NAVD 88
(6) Published/Fixed-control use:
NCGS VRS network
(7) Geoid model: 2018
(8) Combined grid factor(s): 0.999831225
(9) Units: U. S. Survey Foot





Vicinity Map no scale

NOTES:

1. AREA BY COORDINATE COMPUTATION.
2. ALL DISTANCES ARE HORIZONTAL GROUND, IN US FEET.
3. SUBJECT TO ANY AND ALL EASEMENTS, RIGHT OF WAYS, STREETS AND ASSESSMENTS, AS THE SAME MAY APPEAR OF RECORD IN THE REGISTER OF DEEDS OFFICE, CLERK OF COURT, TOWN OR COUNTY TAX OFFICE, OR WHICH MAY HAVE BEEN ACQUIRED BY PRESCRIPTIVE USE.
4. PROPERTY LINES SHOWN ARE BASED ON EXISTING DEEDS, PLATS AND VISIBLE MONUMENTATION DISCOVERED ALONG THE PROJECT AREA.
5. NC GRID COORDINATES AS SHOWN HEREON ARE BASED ON GPS OBSERVATION UTILIZING NCGS NETWORK RTK SYSTEM AND OPUS AND ARE REFERENCED TO THE NAD 83(2011) DATUM.
6. OTHER UTILITIES WHICH WERE NOT OBSERVED AND NOT SHOWN HEREON MAY EXIST. IT IS THE OWNERS/TENANTS RESPONSIBILITY TO VERIFY THE LOCATION PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION, LATTIMORE AND PEELER CANNOT ASSUME RESPONSIBILITY FOR MISIDENTIFICATION OR OMISSION OF UNDERGROUND UTILITIES .
7. NC DOT RIGHT OF WAYS ARE APPROXIMATE UNLESS OTHERWISE NOTED.
8. NO TITLE SEARCH BY LATTIMORE AND PEELER SURVEYING,
9. PROPERTY SHOWN SUBJECT TO EASEMENTS OF RECORD.

LEGEND

SURVEYED BOUNDARY LINES
LINES NOT SURVEYED
RIGHT OF WAY LINE

—X— FENCE LINE
—E— ELECTRIC LINE
— BE — BURIED ELECTRIC LINE
—W— WATER LINE
— G — GAS LINE
— SS — SAN.SEWER LINE
— T — TELEPHONE LINE
HYDRANT
G GAS METER
W WATER METER
POWER POLE
T TELEPHONE BOX

NEW IRON PIN (NIP)
EXISTING IRON PIN (EIP)
UNMONUMENTED POINT
MAG NAIL
CONCRETE MONUMENT
R.R. SPIKE SET
R.R. SPIKE FOUND
(f) = FOUND
(s) = SET
STONE
TREE
W WELL

Course	Bearing	Distance
L1	N 26°33'40" W	66.45'

Tie Lines Only

Course	Bearing	Distance
T1	S 39°23'20" W	86.11'
T2	S 47°25'40" E	59.05'

PRELIMINARY PLAT
NOT FOR SALES OR CONVEYANCES

ANNEXATION SURVEY FOR

THE CITY OF SHELBY

OWNER: Dale A. Short & Angie F. Short
DEED BOOK 1829 PAGE 2814, DEED BOOK 1829 PAGE 2811,
DEED BOOK 1253 PAGE 2480 & PLAT BOOK 43 PAGE 175
ADDRESS: 2056 E. Dixon Blvd. & Caleb Rd.
TAX MAP NO: 6-11-1-2, 6-10-1-5 & 6-11-1-82
COUNTY: Cleveland
STATE: NC
TOWNSHIP: No. 6
SCALE: 1" = 100'

NORTH CAROLINA LATTIMORE AND PEELER SURVEYING F-0462 LICENSED LAND SURVEYING FIRM

C.F. 6112
D.F. 6112C_ANNEX
DATE: March 18, 2025
DRAWING NO. 25-67B

LATTIMORE & PEELER SURVEYING
105 LONDON ROAD
LAWNDALE, NORTH CAROLINA 28090
(704) 538-3443

NORTH CAROLINA PROFESSIONAL SEAL L-3336 D. DOBBINS LATTIMORE LAND SURVEYOR

I, D. Dobbins Lattimore, Professional Land Surveyor No. L-3336 certify that this survey is of another category such as the recombination of existing parcels, a court ordered survey, or other exception to the definition of a subdivision and a certification of approval is not required by The City of Shelby before the plat is presented for recordation G.S.47-30(f)(11)(D) and also certify to the following: Certificate of Survey and Accuracy I, D. Dobbins Lattimore, certify that this plat was drawn under my supervision from an actual survey made under my supervision deed description recorded in Book 1829, Page 2814; Book 1829, Page 2811 & Book 1253, Page 2480; that the boundaries not surveyed are clearly indicated as drawn from information found in Plat Book 43, Page 175 and the surveys reference above ; that the ratio of precision as calculated is 1:12,000; that this plat was prepared in accordance with G.S.47-30 as amended. Witness my original signature, License number and seal this 18th day of March A.D., 2025. License Number is L-3336

_____
Surveyor

NOTICE OF PUBLIC HEARING TO ANNEX
4.44 acres at 2056 E Dixon Blvd

The public will please take notice that the City Council of the City of Shelby will conduct a Public Hearing during its regular meeting on Monday, June 16, 2025, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby as required by North Carolina General Statutes (G.S.) Chapter 160A, Article 4A to consider the annexation of a portion of parcels 23891, 64886, and 64885, located at 2056 E Dixon Blvd, totaling 4.44 acres. A map of the proposed annexation is on file and available for inspection at the City of Shelby Planning & Development Services office, 315 South Lafayette Street, Shelby, North Carolina.

NOTICE OF PUBLIC HEARING FOR ZONING MAP AMENDMENT

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on Monday, June 16, 2025, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina to consider a petition to rezone a portion of the same three parcels at 2056 E Dixon Blvd, further described as Cleveland County Parcel Numbers 23891, 64886, and 64885, approximately 4.44 acres in size, if the aforementioned annexation is approved. The request is to rezone portions of the parcels currently zoned Residential R20 to General Business (GB).

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

Both Public Hearings will be held during the regular meeting of City Council on Monday, June 16, 2025 at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina.

Persons interested in being heard on the annexation and/or zoning designation are invited to comment on the proposed ordinance amendment at the hearing, whether for or against. Comments may be presented orally at the hearing, in writing prior to the hearing, or both.

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

_____

Carol Williams
City Clerk

The Shelby Star:

Please publish this notice as a legal line ad on Tuesday, June 3, 2025 and the same ad again on Tuesday, June 10, 2025.

Mail invoices with affidavits to Brian Finnegan, City of Shelby, PO Box 207, Shelby, NC 28151. Thank you.

ORDINANCE NO. 34-2025

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

WHEREAS, the Shelby City Council has been petitioned by Dale Short under G.S. 160A-31, as amended, to annex the area described herein; and,

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

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at **the Don Gibson Theatre, 318 South Washington Street, Shelby, North Carolina** on June 16, 2025 at 6:00 p.m**. after due notice by publication on June 3, 2025 and June 10, 2025;** and,

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

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

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

Section 1. By virtue of the authority granted by GS 160A-31, as amended, the following described contiguous territory is hereby annexed and made part of the City of Shelby as of June 16, 2025:

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

CLEVELAND COUNTY TAX PARCEL NUMBERS 23981,64886, and 64885:

Being the combined contents of 4.44 acres tract, bound by Caleb Road, and the Sylva Dr.

TITLE REFERNCE: See Deeds at Book 1253, Page 2480; Book 1829, Page 2814-2816; and Book 1829, Pages 2811-2813 of the Cleveland County Registry.

Section 2. Upon and after June 16, 2025, the above-described territory, also known as Cleveland County Parcel Numbers 23981, 64886, and 64885, and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Shelby and shall be entitled to the same privileges and benefits as other parts of the City of Shelby. Said territory shall be subject to municipal taxes according to GS 160A-58.10.

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

Adopted and approved this 16th day of June 2025.

O. Stanhope Anthony, III Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: C-3

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 23891, 64885, 64886, located on E. Dixon Blvd.: Ordinance No. 35-2025

Presenting: (Brian Burgess, Director of Planning & Development)
Summary of Available Information:

- Memorandum dated June 9, 2025 from Brian Burgess, Director of Planning & Development
- Location Map, Zoning Map, and Future Land Use Map
- Application
- Planning Board and Staff Report
- Certified Recommendation
- Notice to Surrounding Properties
- Mailing List
- Notice of Public Hearing
- Ordinance No. 35-2025

City Manager's Recommendation / Comments

This time is scheduled on the agenda for City Council to conduct the required public hearing in accordance with the NC General Statutes. Following the conclusion of the hearing the Council may act on the item under consideration. A certified recommendation from the Planning and Zoning Board is included as part of the packet**. I would call attention to Mr. Burgess' memorandum noting that the zoning map amendment is consistent with the City's current land use plan. City staff recommends and the Planning and Zoning Board voted unanimously to recommend the rezoning as submitted**. I would further note that the recommendation of the Planning and Zoning Board is advisory in nature only and that as a legislative matter Council has broad discretion to take action it believes is in the best interests of the City. City Council has adopted plans and established an advisory board for the purpose of providing reasonable guidance in the decision-making process.

The following excerpt from the NC General Statutes is provided as a reminder as to the statutory guidance provided to Council when considering changes in zoning and development regulations.

See Next Page

§ 160D-605. Governing board statement.

(a) Plan Consistency. – When adopting or rejecting any zoning text or map amendment, the governing board shall approve a brief statement describing whether its action is consistent or inconsistent with an adopted comprehensive plan. The requirement for a plan consistency statement may also be met by a clear indication in the minutes of the governing board that at the time of action on the amendment the governing board was aware of and considered the planning board's recommendations and any relevant portions of an adopted comprehensive plan. If a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment shall have the effect of also amending any future land-use map in the approved plan, and no additional request or application for a plan amendment shall be required. A plan amendment and a zoning amendment may be considered concurrently. The plan consistency statement is not subject to judicial review. If a zoning map amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the governing board statement describing plan consistency may address the overall rezoning and describe how the analysis and policies in the relevant adopted plans were considered in the action taken.

(b) Additional Reasonableness Statement for Rezonings. – When adopting or rejecting any petition for a zoning map amendment, a statement analyzing the reasonableness of the proposed rezoning shall be approved by the governing board. This statement of reasonableness may consider, among other factors, (i) the size, physical conditions, and other attributes of the area proposed to be rezoned, (ii) the benefits and detriments to the landowners, the neighbors, and the surrounding community, (iii) the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment; (iv) why the action taken is in the public interest; and (v) any changed conditions warranting the amendment. If a zoning map amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the governing board statement on reasonableness may address the overall rezoning.

(c) Single Statement Permissible. – The statement of reasonableness and the plan consistency statement required by this section may be approved as a single statement. (2019-111, s. 2.4; 2020-3, s. 4.33(a); 2020-25, s. 51(a), (b), (d).

Post Office Box 207 • Shelby, NC 28151-0207

TO: Mr. Rick Howell, City Manager

FROM: Brian Burgess, Director of Planning & Development

DATE: June 9, 2025

SUBJECT: 2056 E. Dixon Blvd. – Zoning Map Amendment

Background

The subject property is located on E. Dixon Blvd. . The site is on the southeastern side of the city along Caleb Rd., and Sylva Dr. The subject area property is approximately 4.44 acres. The applicant is proposing to rezone from R20 to GB.

The site is adjacent to GB to the west, Gb to the north, GB and R20 to the East, and R20 to the south. This subject area is located within the Mixed Use classification on the Future Land Use Map which does allow for commercial development.

Recommendation

The GB zoning district is consistent with the future land use plan. Staff and the Planning & Zoning Board recommend approval of the rezoning.

Attachments

Location Map
Zoning Map
Future Land Use
Application
Planning Board Staff Report
Planning Board Recommendation
Notice to Surrounding Properties
Mailing List
Notice of Public Hearing

Staff Report

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

Date: March 12, 2025
Meeting: March 20, 2025

OWNER/APPLICANT: Dale Short

LOCATION: 2056 E. Dixon Blvd

PARCEL ID #s: 23891, 64885, 64886

PRESENT ZONING: R20

REQUESTED ZONING: GB

SURROUNDING ZONING:

North: GB **South:** R20 **East:** GB, R20 **West:** GB

UTILITIES: **City Water:** Available **Sewer:** Available **Floodplain:** No **Watershed**: No

ANALYSIS: The subject property is three parcels including the former Shoco Marine, located on E. Dixon Blvd adjacent to Caleb Rd, across from the terminus of E. Marion St. These parcels are split-zoned GB and R20, and are located partially within the City limits and partially within the City's ETJ. The portions of this site that are currently in the City limits are zoned GB. The portions of the site that are currently in the City ETJ are zoned R20. The applicant plans to petition for annexation of the remainder of these three parcels. At this time, the applicant is requesting that the entirety of each parcel be zoned General Business (GB).

The GB General Business district accommodates a wide range of retail; business, professional, and personal services; office; and limited wholesale and warehousing uses. Areas zoned as GB are generally located on the fringe of the central business district and along major highway corridors. Residential uses are permitted at the same density and according to the same dimensional requirements as the R6 residential district.

STAFF COMMENTS: The Comprehensive Land Use Plan identifies this property as being split between a Corridor Revitalization area and a Mixed-Use area. This proposal is consistent with the Comprehensive Future Land Use Plan and is consistent with development patterns in the area. Parcels to the north, west, and east are zoned GB. Staff recommends this proposed zoning designation.

Location

2056 E. Dixon Blvd - parcels 23891, 64885, 64886



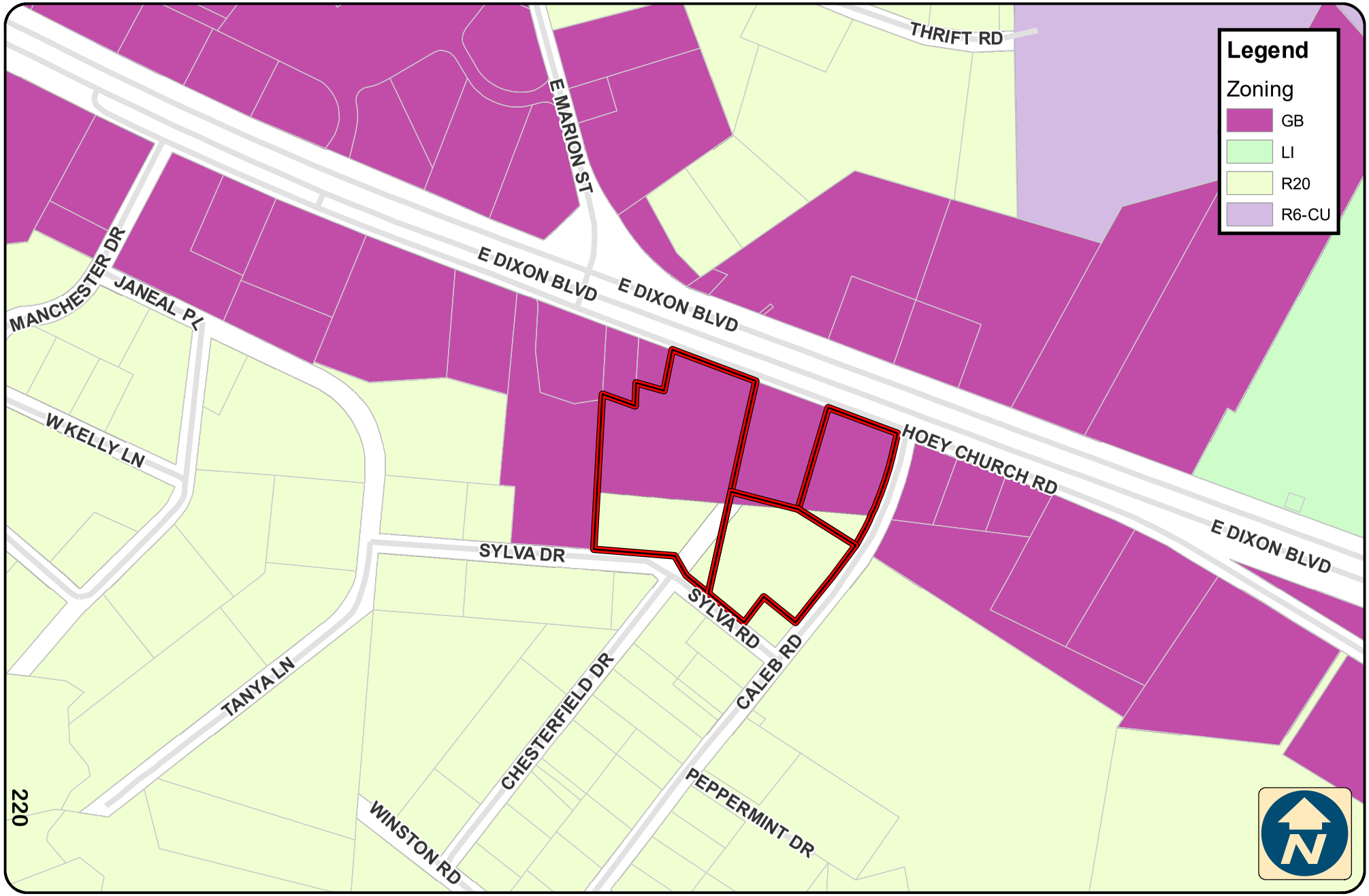
Scale 1:4,800 1 inch = 400 feet

0 200 400 800 Feet

Date: 3/13/2025

Zoning Map

2056 E. Dixon Blvd - parcels 23891, 64885, 64886



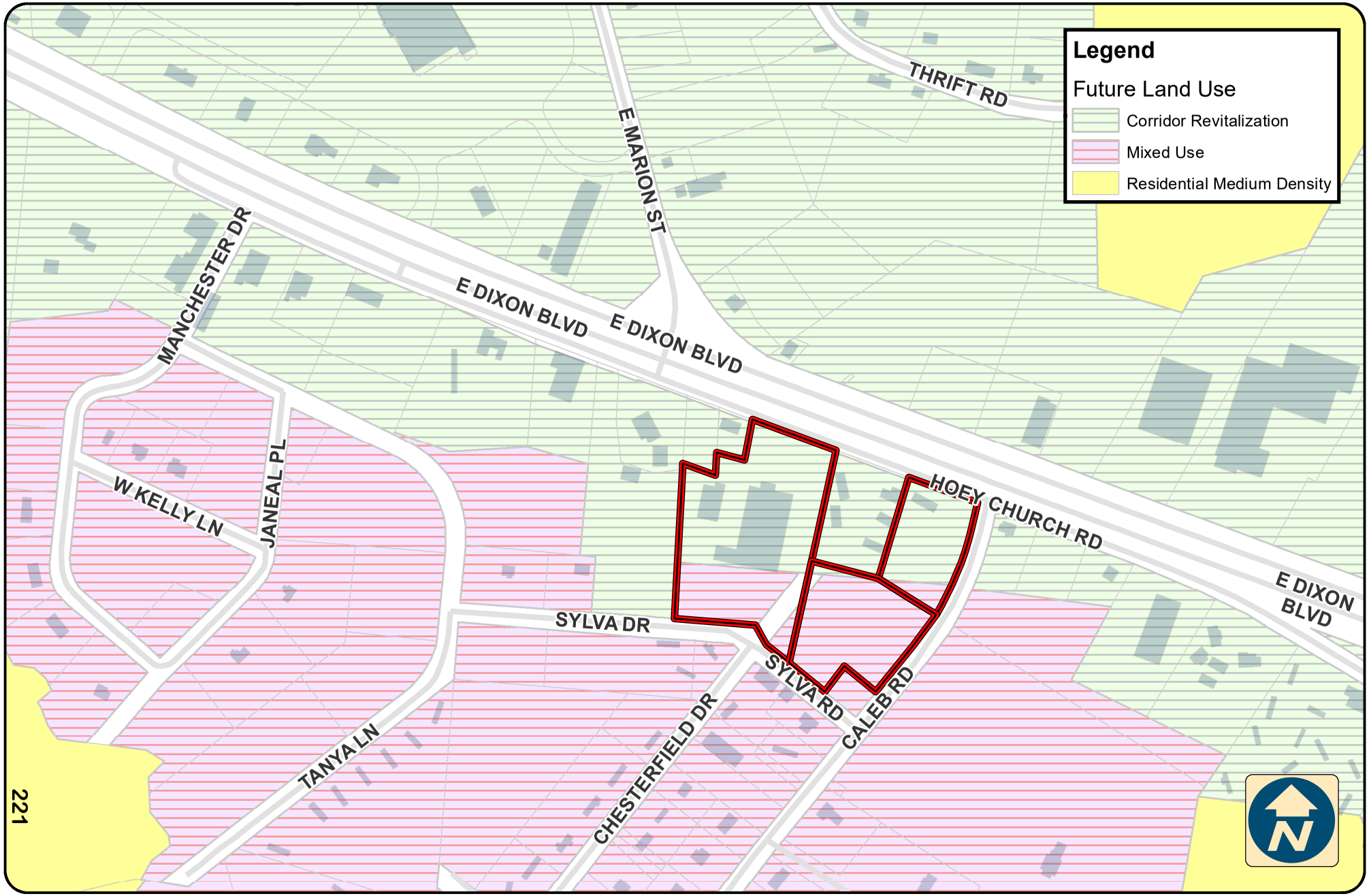
Scale 1:4,800 1 inch = 400 feet

0 200 400 800 Feet

Date: 3/13/2025

Future Land Use

2056 E. Dixon Blvd - parcels 23891, 64885, 64886



Scale 1:4,800 1 inch = 400 feet

0 200 400 800 Feet

Date: 3/13/2025

QUEEN STAN QUEEN STEVE
2315 TAYLOR RD
SHELBY NC 28152

PARKER MARK WARREN
201 CHESTERFIELD DR
SHELBY NC 28152-8925

BORDERS RICKEY D BORDERS LISA S
2109 S LAFAYETTE ST
SHELBY NC 28152-8667

AREY OIL COMPANY INC
PO BOX 2529
SHELBY NC 28151

NATIONAL RETAIL PROP
450 S ORANGE AVE STE
ORLANDO FL 32801

JOLU INCORPORATED ATTN: ACCOUNTS PAYABLE
4402 E DIXON BLVD
SHELBY NC 28152-7969

SHORT DALE A SHORT ANGIE F
199 COTTAGE CT
PAWLEYS ISLAND SC 29585-7944

GCH FINANCIAL LLC
2200 HOEY CHURCH RD
SHELBY NC 28152

CONKLIN MATTHEW K CONKLIN TAMMY L
107 CALEB RD
SHELBY NC 28152

THE BAGGETT FAMILY R TRUST
PO BOX 120
TROUTMAN NC 28166

SOUTHERN BELL TEL & %
BELLSOUTH RM 5E03 CAMPANILE
1155 PEACHTREE ST NE
ATLANTA GA 30367-6000

I certify that the letter to adjacent property owners was mailed to the above referenced addresses on May 30, 2025 B F

NOTICE OF PUBLIC HEARING TO ANNEX
4.44 acres at 2056 E Dixon Blvd

The public will please take notice that the City Council of the City of Shelby will conduct a Public Hearing during its regular meeting on Monday, June 16, 2025, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby as required by North Carolina General Statutes (G.S.) Chapter 160A, Article 4A to consider the annexation of a portion of parcels 23891, 64886, and 64885, located at 2056 E Dixon Blvd, totaling 4.44 acres. A map of the proposed annexation is on file and available for inspection at the City of Shelby Planning & Development Services office, 315 South Lafayette Street, Shelby, North Carolina.

NOTICE OF PUBLIC HEARING FOR ZONING MAP AMENDMENT

The City Council of the City of Shelby will conduct a public hearing during its regular meeting on Monday, June 16, 2025, at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina to consider a petition to rezone a portion of the same three parcels at 2056 E Dixon Blvd, further described as Cleveland County Parcel Numbers 23891, 64886, and 64885, approximately 4.44 acres in size, if the aforementioned annexation is approved. The request is to rezone portions of the parcels currently zoned Residential R20 to General Business (GB).

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

Both Public Hearings will be held during the regular meeting of City Council on Monday, June 16, 2025 at 6:00 p.m. in the Don Gibson Theatre at 318 South Washington Street, Shelby, North Carolina.

Persons interested in being heard on the annexation and/or zoning designation are invited to comment on the proposed ordinance amendment at the hearing, whether for or against. Comments may be presented orally at the hearing, in writing prior to the hearing, or both.

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

_____

Carol Williams
City Clerk

The Shelby Star:

Please publish this notice as a legal line ad on Tuesday, June 3, 2025 and the same ad again on Tuesday, June 10, 2025.

Mail invoices with affidavits to Brian Finnegan, City of Shelby, PO Box 207, Shelby, NC 28151. Thank you.

ORDINANCE NO. 35-2025

A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 23891, 64885, 64886, LOCATED ON E. DIXON BLVD.

WHEREAS, the City of Shelby has received an application requesting the rezoning of property on E. Dixon Blvd. (Parcels 23891, 64885, 64889) located in Cleveland County and within the corporate limits of the City of Shelby; and,

WHEREAS, the Shelby Planning and Zoning Board has reviewed said application for a zoning change and has made its findings and recommendations to City Council; and,

WHEREAS, the Shelby Planning and Zoning Board found that the zoning change is consistent with the Comprehensive Land Use Plan for the proposed land use; and,

WHEREAS, in accordance with N.C. Gen. Stat. § 160D-602, a public hearing on this proposed rezoning was held by City Council on June 16th after due publication of said hearing as required by law; and,

WHEREAS, after hearing all who wished to be heard on this matter and upon review of the findings and recommendations of the Planning and Zoning Board, City Council now desires to act on this matter.

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

Section 1. This zoning change is reasonable and in the public interest based on being consistent with the Future Land Use Plan for the proposed land use.

Section 2. In accordance with Chapter 160D, Article 6 and Article 7 of the North Carolina General Statutes, as amended, the Shelby Unified Development Ordinance and Shelby Zoning Map (Appendix A of the Shelby City Code), the parcel on Booker St. (Parcels 23891, 64885, 64889) is hereby amended from R20 to GB.

Section 4. The City Clerk of the City of Shelby is hereby authorized and directed to cause the provisions of Section 2 of this ordinance to be properly codified, and the City Clerk is further authorized and directed to cause her official records and the Official Zoning Map of the City of Shelby to be properly amended to reflect the approved zoning changes.

Section 5. This ordinance shall become effective on June 16th, 2025 upon its adoption and approval.

ADOPTED AND APPROVED this the 16th, day of June 2025.

_____
O. Stanhope Anthony III
Mayor

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

D. Consent Agenda:

Agenda Item: D-1

1) Approval of the Minutes of the Regular Meeting of June 2, 2025

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

1) Minutes of the Regular Meeting of June 2, 2025

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 **June 2, 2025**
Don Gibson Theatre **Monday, 6:00 p.m.**

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., David Causby, Violet Arth, and Charles Webber; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Ben Yarboro, Assistant City Manager Justin Longino, MBA, City Attorney Jason Lunsford, City Clerk Carol Williams, Director of Finance Elizabeth (Beth) Beam, CPA, Chief of Police Brad Fraser, Fire Chief William Hunt, EFO, Public Works Director Scott Black, Director of Water Resources Brian Wilson, Director of Planning and Development Services Brian Burgess, Director of Housing Kendra Whitworth, Public Information and Communications Officer Chip Nuhrah, Economic Developer Brandon Ruppe, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

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

Ms. Arth led the Pledge of Allegiance.

A. Approval of agenda:

1) Motion to adopt the agenda as presented.

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

B. Special Presentations:

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

<u>Presenting: Carly Bostic, Executive Director</u>

- **Design Committee**
  - **Completed three block assessments**
  - **Two approved grants for façades**
  - **Installed the new mural at the Morgan Street parking lot on the backside of the United Way building**
- **Economic Vitality Update**
  - **14 new businesses this year**
    - **Provided 29 part-time jobs and 40 full-time jobs**
  - **Three business expansions**

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- **Community Retail Data**
  - **274,900 unique individual visitors that average 6 visits a year**
  - **Annually that is about 1.9 million visitors**
  - **Dwell time is about 94 minutes**
  - **Spending increases if a visitor is here 120 -150 minutes – trying to increase the dwell time**
- **Inflow/Outflow of workers**
  - **13,861 people that come to Shelby daily for work**
  - **2,148 live here and work**
  - **7,194 exit Shelby for work**
- **Walkability Score**
  - **We scored higher than Forest City and Belmont for walkability**
  - **Helps with business development and recruitment**
- **Annual cost benefit breakdown**
  - **820 volunteer hours which correlates to about $26,000**
  - **125 total volunteers**
  - **Almost $30,000 in sponsorships, donations and in-kind services**
  - **Hosted 6 board meetings and 18 committee meetings**
- **North Carolina Main Street Winner was City of Shelby's Public Works Director, Scott Black – he was recognized earlier this year**
- **Christmas season was successful**
  - **Changed some dates around this year with positive results**
  - **Almost 14,000 visitors during Shop Small Saturday, November 30th**
  - **Hosted a Shop Small Pop-Up Market to highlight businesses that may not have a storefront**
  - **Tree Lighting was successful**
  - **Christmas Parade had about 84 entries and 21,000 visitors**
- **Promotions**
  - **Increased social media presence on all platforms**
- **Reestablishing our Second Saturdays**
  - **Themed monthly events**
- **Social District update**
  - **Successful with 25 local establishments participating**
  - **No incidents so far according to Chief Fraser**
  - **Uptown Block party only offered three drink choices to encourage attendees to use the Social District – positive result**
  - **Partnered with Shelby Police Department to host quarterly meetings with Uptown business owners to go over safety, dos and don'ts, and how Shelby PD can help with issues business owners may have**
- **New website and area guide**
- **Partnered with Cleveland County Chamber and Road to Hope to host a Hurricane Helene drive**

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2) Unified Development Ordinance (UDO) Re-Write Selection – Brian Burgess presenting

<u>Presenting: Brian Burgess, Director of Planning and Development Services</u>

Mr. Burgess reminded Council that we are in the process of re-writing our Comprehensive Plan and have been working on it for almost a year. The City needs to look at what comes after the adoption of the plan. Mr. Burgess provided the following:

How We Build Our Future:

- **A comprehensive plan serves as the "blueprint" for the community.**
- **The UDO serves as the "foundation".**
- **Comprehensive plan calls for more than just land use policy, but land use is at the core.**

Setting the Tone:

- **The recommendations in the Comp Plan will be reviewed by the team involved in re-writing our UDO.**
- **For each recommendation we will determine if there are ways to use land use policy to accomplish our goals.**
- **The final product will be a document that is modern, effective, and compliant with best practices and state requirements.**

Where are We Now:

- **The first draft of the comprehensive plan is nearing completion. (The original schedule was delayed by ~1 month to re-organize information in a clearer way.)**
- **Once the draft is complete it will be released for review by the public, the Planning & Zoning Board, community stakeholders, and City Council. (Likely in July)**
- **Adjustments may be necessary once input is received.**
- **When those corrections are made, the final draft will be presented to Council for adoption. (Expected August-September)**

UDO Consultant Selection:

- **The City received RFPs from 5 qualified firms.**
  - **ZoneCo**
  - **N-Focus**
  - **Calvin, Giordano, & Assoc.**
  - **Kimley-Horn**
  - **Inspire Placemaking**
- **Two firms were interviewed – Kimley-Horn and Inspire Placemaking.**
- **Staff were impressed by both Kimley-Horn and Inspire Placemaking's presentations, which required staff to review UDO update work the firms have previously performed.**
- **Kimley-Horn has worked with Rolesville, NC and Monroe, NC.**
- **Inspire Placemaking has worked with Town of Kenly and Southern Pines.**

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- **While both firms seemed to produce exceptional work, Inspire Placemaking showed a focus on clarity, process, and user-friendliness that Staff felt will be necessary in this re-write. Staff is recommending we move forward with Inspire Placemaking to begin re-writing our UDO.**
- **Staff is hoping to make something that seems very complicated easier for citizens to understand.**
- **In conclusion, Mr. Burgess respectfully asks Council to approve staff's selection of Inspire Placemaking.**

C. Public Hearing:

1) **Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for PIN 2547-53-0377, located on Booker St.: Ordinance No. 27-2025**

<u>Presenting: Mr. Burgess, Director of Planning and Development Services</u>

Mr. Burgess gave the following information regarding the rezoning:

- **Cleveland County Parcel 18813**
- **Located on the northeastern side of the city along Booker St., between Buffalo and Douglas St.**
- **Approximately 0.09 acres of undeveloped land**
- **Requesting to rezone from Light Industrial (LI) to R6.**
- **Homes that are along that street are also zoned Light Industrial but R6 are in the area.**
- **Future Land Use map identifies this as a mixed-use area**
- **Summary of request:**
    - **Rezone from LI to R6**
    - **Existing surrounding zoning is R6 and LI**
    - **Staff recommends approval.**
    - **The Planning & Zoning Board recommends approval.**
    - **This item requires a vote and a statement of consistency.**

Mayor Anthony opened the public hearing at 6:21 p.m.

The public offered no comments.

Mayor Anthony closed the public hearing at 6:22 p.m.

ACTION TAKEN: Upon a motion by Ms. Arth, City Council voted unanimously to approve Ordinance No. 27-2025 entitled, "AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PIN 2547-53-0377, LOCATED ON

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BOOKER ST. due to its consistency with houses across the street and one house on the same side of the street, and its reasonableness because it brings it into mixed use on the future land use map."

D. Consent Agenda:

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

1) **Approval of the Minutes of the Regular Meeting of May 19, 2025**

2) **Approval of a resolution to accept an offer to purchase property by Upset Bid Process (602 E. Warren St.): Resolution No. 43-2025**

3) **Adoption of an ordinance authorizing demolition of a dwelling (116 Chestnut Street): Ordinance No. 28-2025**

4) **Adoption of an ordinance authorizing demolition of a dwelling (302 E. Sumter Street): Ordinance No. 29-2025**

5) **Adoption of a budget ordinance amendment for the City of Shelby's Dog Park Project: Ordinance No. 30-2025**

6) **Adoption of an ordinance concurring with the North Carolina Department of Transportation for Speed Limit Revision inside the corporate limits of Shelby, North Carolina: Ordinance No. 31-2025**

7) **Approval of a resolution authorizing the City Manager to negotiate a contract for a consultant to update the Unified Development Ordinance: Resolution No. 44-2025**

8) **Approval of a resolution approving a contract for membership in the Carolina Public Entity Cooperative for the purposes of employer-provided medical insurances: Resolution No. 45-2025**

9) **Acceptance of the Certificate of Sufficiency regarding Petition of Annexation of applicant, Dale Short – Caleb Road**

10) **Management Report:**

    a) **Finance Summary – April 2025**

END OF CONSENT AGENDA

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E. Unfinished Business:

None

F. New Business

1) Discussion of Dog Park rules and regulations and Pros and Cons of charging a fee – Justin Longino presenting

Per Mr. Howell the purpose of this agenda item is to get Council's input on the process of developing the dog park. There needs to be discussion about how the City is going to pay for the dog park, what rules are needed, who is maintaining the dog park, etc. Staff needs feedback from Council on how to address some of the more critical issues as we finalize the dog park plans.

Presenting: Justin Longino, Assistant City Manager

Mr. Longino stated the goal tonight is to provide Council with information and answer any questions that may arise. During the next week please send staff your preferences and suggestions. Staff will propose a formal policy for Council to adopt at our next meeting.

Input Needed on the following:

- **Posted Rules**
- **Dog Park Access:**
  - **Open to all or controlled**
- **If access is controlled:**
  - **Free with registration or charge a fee**

Proposed Rules and Regulations:

Rules are divided into categories which include:

- **Park Hours**
- **Leash Requirements**
- **Supervision (dogs and children)**
- **Behavior (of dogs)**
- **Cleanliness**
- **Prohibited Items**
- **Etc.**

Access:

- **Options for access include:**
  1) **Access to all with rules posted for visitors to follow**
     - **Access for residents, non-residents, visitors, etc.**
  2) **Controlled Access – No Charge**
     - **Requires key fob or code**
     - **Registration required**
  3) **Controlled Access – Fee**

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- Fee structure: residents, non-residents, visitors, etc.
- Key fob / code and registration

Charging a Fee – Pros and Cons

Pros:	Cons:
Revenue Generation	Exclusion / Equity Concerns
Sense of accountability	Administrative Costs
Enhanced Safety	Potential Decline in Usage
Community Engagement	Perception Issues

Other thoughts:
- Tiered fees, visitor passes, low-income exemption, discounts
- Community Days, Sponsored Access Days or Events, Fundraisers

Council discussed several different ideas regarding whether or not to pay a fee to use the dog park, etc. Mr. Longino concluded by asking Council to give their feedback to him in the next week or so.

2) Consideration of appointments to City advisory boards and commissions:

a) Alcoholic Beverage Control Board

Mayor Anthony reported that the terms of Kevin Karner and Eric Hendrick concluded in April 2025. Both incumbents wish to continue to serve. There are eleven applications on file in the Clerk's office.

Following the new procedures adopted by City Council in May, the ABC Board submitted their top three preferred candidates Kevin Karner, Eric Hendrick and Michael DeArment, for appointment with City Council free to nominate other candidates as well.

Mayor Anthony opened the floor for nominations:

- Mr. Hopper nominated Kevin Karner and Eric Hendrick for reappointment.

ACTION TAKEN: Upon a motion by Ms. Arth, City Council voted unanimously to close the nominations and accept the nominees by acclamation."

G. City Manager's Report:

- The public hearing on the proposed Budget is scheduled for the June 16th Council meeting.

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- Carolina Harmony Trail Phase II is out to bid, and the bid opening is scheduled for June 12th with an award possibly on July 21st.
- Recognized Kendra Whitworth who was in attendance as the new Director of Housing. Mr. Howell expressed public confidence in Ms. Whitworth in her new role.
- Staff is still working on the redesign of Depot Park, hoping to encourage better bids.
- An update on the Webbley project should be coming at an upcoming Council meeting
- Regarding Hotel Charles - There is discussion with Bank OZK to possibly obtain more space for additional rooms and space which is more attractive to developers
- The Hwy 74 bypass opening should be in the next 30 days or so
- Marion Street and Peach Street intersection should be opening soon as well

H. Council Announcements and Remarks:

- Mayor Anthony thanked Mayor Pro tem David White for the great job he did presiding over the last meeting
- Mr. Webber asked whether the City could put Children Playing signs or regulate portable basketball goals in the street. Mr. Howell stated it would be up to Council if they wanted to do that but sometimes those signs encourage kids to play in the street
- Mayor Anthony congratulated Scott Black on his NC Main Street award and thanked him for all the great work he does for the City
- Mayor Anthony also congratulated Kendra Whitworth on her new role

I. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 6:52 p.m.

Respectfully submitted,

Carol Williams
City Clerk

O. Stanhope Anthony, III
Mayor

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City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-2

2) Adoption of a budget ordinance amendment for the City of Shelby's 24 inch South Tank and Forest Hill Drive Waterline Extension Project: Ordinance No. 36-2025

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

Summary of Available Information:

- Memorandum dated June 4, 2025 from Brian Wilson, Director of Water Resources to Beth Beam, Director of Finance and copied to Ben Yarboro, Assistant City Manager
- Amendment 1 for Professional Services – Kimley-Horn
- Resolution No. 42-2021
- Ordinance No. 9-2022
- Ordinance No. 32-2023
- Ordinance No. 36-2025

City Manager's Recommendation / Comments

It is my recommendation Ordinance No. 36-2025 be adopted and approved by City Council at this time.

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

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

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

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

RE: **24-Inch Transmission Main Waterline from the South Tank to Forest Hills Drive Project – Project Budget Ordinance Amendment**

Date: **June 4, 2025**

Background

Since the evaluation of East side water pressure in 2009, the City has undertaken a series of strategic upgrades to its water distribution system infrastructure east of Uptown Shelby. Key milestones in this effort include: the construction of the East Water Tank in 2017, completion of the 24-inch transmission main waterline from the Water Treatment Plant to Morgan Street in 2018, and the adoption of a comprehensive Water Model in 2016 that identified the Washington Street Transmission Main Waterline as the next critical infrastructure improvement.

In June 2021, City Council Resolution 42-2021 authorized the selection Kimley-Horn Associates, Inc. through the RFQ process for the design of the 24-Inch Transmission Main Waterline Project from the South Tank to Forest Hills Drive Project. Once the contract was negotiated with Kimley-Horn Associates, Inc., Ordinance 9-2022, which was a Project Budget Ordinance establishing a $550,300 budget for engineering services was approved by City Council. Upon the completion of the design for this project, a public bid opening was held on May 23, 2023, where Fuller & Co. Construction submitted the low bid of $8,976,174.70. Ordinance 32-2023, which was a Project Budget Ordinance Amendment setting aside funds construction and contingency related to the 24-Inch Transmission Main Waterline Project was approved on June 19, 2023.

Review

Field work for the 24-Inch Transmission Main Waterline Project from the South Tank to Forest Hills Drive began in September 2024 and is now projected to continue through November 2025, extending approximately seven (7) months beyond the original schedule. The original construction schedule anticipated a 12-month buildout. However, project progress has been delayed by utility conflicts, weather conditions, and the time required to conduct soil testing for potentially contaminated material encountered along Morgan Street. Kimley-Horn Associates, Inc. has submitted a proposal to amend their contract in order to continue providing construction administration services through the completion of the project. No additional time for construction observation services is expected. The total price of the construction of this project by Fuller & Co. Construction is expected to come in under the original contract amount, which will free up funds to be transferred over the Engineering Project Account for the additional construction administration services provided by Kimley-Horn Associates, Inc.

This amendment is structured as a not-to-exceed agreement extending through November 2025. Should the project finish earlier than anticipated, only the actual construction administration time incurred will be billed.

Below is a summary of the Proposed Budget Ordinance Amendment:

	Current Appropriated Funds	Funds Available	Amendment 1 for Professional Services	Transfer Requested
Engineering (611716-42004-61841	$550,300	$0	$65,000	$90,000
Contingencies (611716-59100-61841)	$300,000	$300,000		($90,000)

Recommendation

Water Resources staff recommend a Project Budget Ordinance Amendment in the amount of $90,000 to transfer funds from the 24-Inch Waterline Extension Project Contingencies Account to the 24-Inch Waterline Extension Project Engineering Account to cover Amendment Number 1 for the additional engineering services to be provided by Kimley-Horn Associates, Inc.

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

Attachments:

- Amendment 1 for Professional Services – Kimley-Horn
- Resolution 42-2021
- Ordinance 9-2022
- Ordinance 32-2023

AMENDMENT NUMBER 1 TO THE AGREEMENT BETWEEN CITY OF SHELBY AND KIMLEY-HORN AND ASSOCIATES, INC.

This is Amendment number 1 dated May 21, 2025 to the agreement between The City of Shelby, North Carolina ("Client") and Kimley-Horn and Associates, Inc. ("Consultant") dated February 9, 2022 (“the Agreement") concerning Washington Street Transmission Main (the "Project").

The Consultant has entered into the Agreement with Client for the furnishing of professional services, and the parties now desire to amend the Agreement.

The Agreement is amended to include services to be performed by Consultant for compensation as set forth below in accordance with the terms of the Agreement, which are incorporated by reference.

Consultant will perform an extension of the following services:

Task 1 – Construction Administration

The following scope of professional engineering services identifies the construction administration and observation services to be provided by the ENGINEER for the PROJECT.

- Monthly Progress Meetings
  ENGINEER will coordinate and conduct Monthly Progress Meetings to be held at the City of Shelby Utilities Operation Center. These meetings will review progress, present anticipated work, and update schedule. Project issues, change management, progress, and pay applications will be evaluated.
- Recommendations with Respect to Defective Work
  ENGINEER will recommend to OWNER that Contractor’s work be disapproved and rejected while it is in progress if, on the basis of such observations, ENGINEER believes that such work will not produce a completed Project that conforms generally to Contract Documents.
- Classifications and Interpretations
  ENGINEER will respond to reasonable and appropriate Contractor requests for information and issue necessary clarifications and interpretations of the Contract Documents to OWNER as appropriate to the orderly completion of Contractor's work. Any orders authorizing variations from the Contract Documents will be made by OWNER.
- Change Orders
  ENGINEER may recommend Change Orders to OWNER, and will review and make recommendations related to Change Orders submitted or proposed by the Contractor.
- Shop Drawings and Samples
  ENGINEER will review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, procedures of construction, or related to safety precautions and programs.
- Grant Assistance and Submittals
  Engineer will provide grant assistance and required submittals necessary for associated grant requirements.
- Substitutes and “or-equal”
  Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents, but

subject to the provisions of applicable standards of state or local government entities.

- Inspections and Tests
  ENGINEER may require special inspections or tests of Contractor's work as ENGINEER deems appropriate, and will review certificates of inspections within ENGINEER's area of responsibility or of tests and approvals required by laws and regulations or the Contract Documents. ENGINEER's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Contract Documents. ENGINEER will be entitled to rely on the results of such tests and the facts being certified.
- Disagreements between OWNER and Contractor
  ENGINEER will, if requested by OWNER, render written decision on all claims of OWNER and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, ENGINEER will be fair and not show partiality to OWNER or Contractor and will not be liable in connection with any decision rendered in good faith in such capacity.
- Applications for Payment
  Based on its observations and on review of applications for payment and accompanying supporting documentation, ENGINEER will determine the amounts that ENGINEER recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute ENGINEER's representation to OWNER, based on such observations and review, that, to the best of ENGINEER's knowledge, information and belief, Contractor's work has progressed to the point indicated and that such work-in-progress is generally in accordance with the Contract Documents subject to any qualifications stated in the recommendation. In the case of unit price work, ENGINEER's recommendations of payment will include determinations of quantities and classifications of Contractor's work, based on observations and measurements of quantities provided with pay requests.
  By recommending any payment, ENGINEER will not thereby be deemed to have represented that its observations to check Contractor's work have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to ENGINEER in this Agreement. It will also not impose responsibility on ENGINEER to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, nor to determine that title to any portion of the work in progress, materials, or equipment has passed to OWNER free and clear of any liens, claims, security interests, or encumbrances, nor that there may not be other matters at issue between OWNER and Contractor that might affect the amount that should be paid.
- O&M Manuals
  ENGINEER will review and approve O&M manuals/documents provided by Contractor to determine that these documents are specific to the equipment supplied to include not only each suppliers standard documentation, but also a listing of the exact models supplied, their serial numbers, and other attributes unique to the equipment. ENGINEER will also ensure that the OWNER receives electronic files of the O&M manuals and two (2) bound 3-ring binder copies. An excel spreadsheet will be provided summarizing the O&M contents with dates of substantial completion for each item.
- Startup and Commissioning
  Attend contractor startup for the construction contracts. Assist the Contractor and OWNER in developing/reviewing plans and schedules for the startup and commissioning of each project component. Provide a review of performance tests and data collected from the commissioning process and provide the OWNER with a letter report on the process.
- Substantial Completion
  ENGINEER will, promptly after notice from Contractor that it considers the entire Work ready for its intended use, in company with OWNER and Contractor, conduct a site visit to determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified

on a final punch list. If after considering any objections of OWNER, ENGINEER considers the Work substantially complete, ENGINEER will notify OWNER and Contractor.
ENGINEER will submit necessary paperwork for Engineer's Certification to NCDEQ as portions of the projects are complete. This will be done as necessary to pace portions of the project in service as they are required.

- Final Notice of Acceptability of the Work
  ENGINEER will conduct a final site visit to determine if the completed Work of Contractor is generally in accordance with the Contract Documents and the final punch list so that ENGINEER may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, ENGINEER will also provide a notice that the Work is generally in accordance with the Contract Documents to the best of ENGINEER's knowledge, information, and belief based on the extent of its services and based upon information provided to ENGINEER upon which it is entitled to rely.
  ENGINEER will prepare and submit a written ENGINEER's certification to the State.
- Limitation of Responsibilities
  ENGINEER will not be responsible for the acts or omissions of any Contractor, or of any of their subcontractors, suppliers, or of any other individual or entity performing or furnishing the Work. ENGINEER will not have the authority or responsibility to stop the work of any Contractor.
- Record Drawings
  Upon completion of the work, compile and deliver to the OWNER a complete set of Record Drawings for each project conforming to information furnished to the ENGINEER by the construction contractor(s), the Resident Project Representative and the City's Inspectors. Emphasis will be placed on underground and concealed facilities. This set of documents will consist of a two full sized copies, one 11 X 17 sized copy and a CD with an electronic version of the project of the Record. In that Record Drawings may be based on information provided by others, the ENGINEER cannot and do not warrant their accuracy.
- Warranty Inspection
  Prior to the end of the two-year warranty period, ENGINEER will attend a warranty inspection site visit and prepare a letter to the Contractor and the OWNER describing warranty items to be resolved.

  Construction Phase Services will be considered completed when ENGINEER delivers shop drawing approvals, field reports, copies of tests and inspection reports, certificates of substantial and final completion, recommendations for final payment to Contractor and record drawings.

Consultant will perform the services set forth above from April 2025 through the current projected end of the project, November 2025.

Terms of Compensation

Kimley-Horn will perform the services in Task 1 for the total maximum labor fee shown below. Kimley-Horn will not exceed the total maximum labor fee shown without authorization from the Client. Individual task amounts are provided for informational purposes only. Kimley-Horn reserves the right to reallocate amounts among tasks as necessary.

Labor fee will be billed on an hourly basis according to our then-current rates. As to these tasks, direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.10 times cost. A percentage of labor fee will be added to each invoice to cover certain other expenses as to these tasks such as telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Administrative time related to the project may be billed hourly. All permitting, application, and similar project fees will be paid directly by the Client. Should the Client request Kimley-Horn to advance any such project fees on the Client's behalf, a separate invoice for such fees, with a ten percent (10%) markup, will be immediately issued to and paid by the Client.

For the services set forth above, Client shall pay Consultant the following compensation:

Description	Cost	Billing Type
Task 1 – Construction Administration	$57,853	Maximum Labor Fee
Total	**$57,853**	

Invoicing

Fees will be invoiced monthly based upon the percentage of services completed as of the invoice date. Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Kimley-Horn submits invoices via email in an Adobe PDF format. We can also provide a paper copy via regular mail if requested. Please include the invoice number and Kimley-Horn project number with all payments. Please provide the following information:
Please email all invoices to _____

Please copy _____

CLIENT:	CONSULTANT:
CITY OF SHELBY, NORTH CAROLINA	KIMLEY-HORN AND ASSOCIATES, INC.
By: _____	By: _____
Name: Rick Howell	Name: Tony Spacek
Title: City Manager	Title: Assistant Secretary
Date: _____	Date: _____

RESOLUTION NO. 42-2021

A RESOLUTION AUTHORIZING SELECTION OF KIMLEY-HORN BASED ON QUALIFICATIONS FOR THE 24-INCH WATER TRANSMISSION LINE TO THE SOUTH TANK AND FOREST HILL DRIVE

WHEREAS, the City of Shelby has plans for a 24" water transmission line extension to the South Tank and Forest Hill Drive; and,

WHEREAS, the City currently does not have the transmission lines to adequately serve the needs of the surrounding areas; and,

WHEREAS, the area has been identified as having low water pressure and low flow issues; and,

WHEREAS, the overall project will greatly benefit current operations and help to move closer to eventually extending service to Peach/Marion Street and then to the East Tank; and,

WHEREAS, the City of Shelby is seeking design engineering for the 24" Water Transmission Line Extension to the South Tank and Forest Hill Drive; and,

WHEREAS, City staff issued a Request for Qualifications to professional engineering firms interested in providing design services and subsequently construction oversight contingent on the availability of funds related to this project; and,

WHEREAS, three (3) Statement of Qualifications were received from engineering firms interested in performing the work associated with this project in accordance with North Carolina General Statute 143-64.31; and,

WHEREAS, City staff has reviewed the Statement of Qualifications and determined that Kimley-Horn is the most qualified to perform and provide the services as outlined in the Request for Qualifications.

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

Section 1. The City Council of the City of Shelby hereby desires for the City Manager or his designee to enter negotiations with Kimley-Horn of Charlotte, North Carolina in accordance with North Carolina General Statute 143-64.31 to negotiate a contract for the above referenced project.

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

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

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

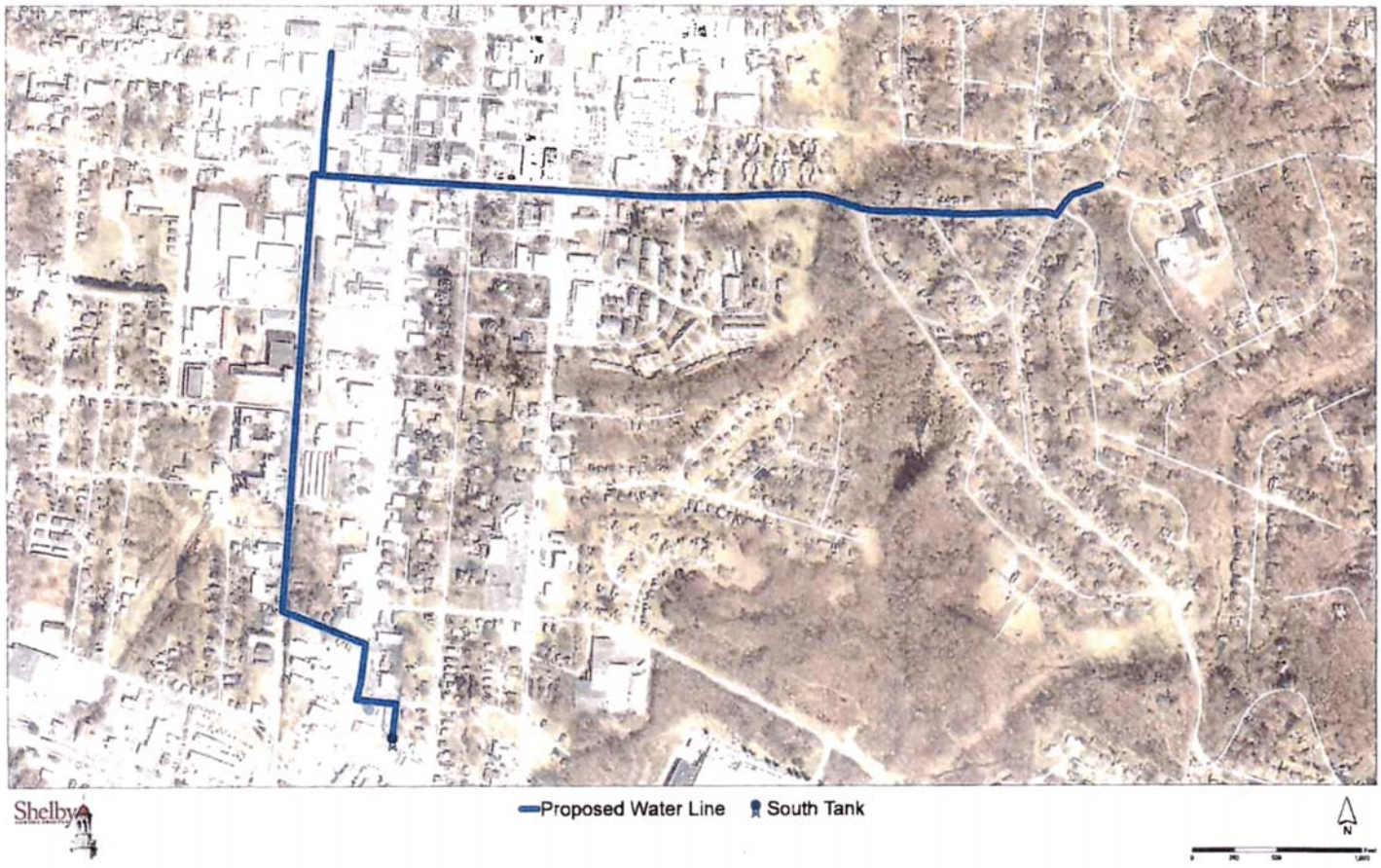
Adopted and approved this 21st day of June 2021.

O. Stanhope Anthony III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

24" Water Transmission Line Extension



ORDINANCE NO. 9-2022
AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY'S 24 INCH SOUTH TANK AND FOREST HILL DRIVE WATERLINE EXTENSION PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to establish a capital project ordinance and budgets for the City of Shelby's 24 Inch South Tank and Forest Hill Drive Waterline Extension Project; and

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

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

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA: The City of Shelby has identified a need to extend a 24-inch water line to the South water tank and along Graham Street to Forest Hill Drive. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

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

Revenues:		
State Grants	61106000-34501-61841	$550,300
Appropriation:		
Engineering	611716-42004-61841	$550,300

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

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

Adopted and Approved this the 7th day of February, 2022

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol S. Williams
Interim City Clerk

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

CITY OF SHELBY
SHELBY, N.C.

CITY OF SHELBY
ORDINANCE NO. 32-2023
BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S 24 INCH SOUTH TANK AND FOREST HILLS DRIVE WATERLINE EXTENSION PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to revise and amend its capital project ordinance and budgets for the City of Shelby's 24 Inch South Tank and Forest Hills Drive Waterline Extension Project; and

WHEREAS, the City Manager (Budget Officer) has recommended certain amendments to the budget which the governing body finds acceptable; and,

WHEREAS, City Council now desires to act on the recommended budget amendments and approve the same for implementation and compliance with the North Carolina Local Government Budget and Fiscal Control Act;

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

Section 1. Ordinance No. 9-2022, the City's 24-inch South Tank and Forest Hills Drive Waterline Extension Project ("Crosstown Water Project"), is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

Appropriating Revenues:

ARP Funds-Federal	25002000-34550	$ 253,500
Transfer to Water Capital Projects	250550-49611	$ 253,500

24-Inch Waterline Extension Project

(1) The following Water Fund Capital Project Revenues are amended by the City:

State Grants	61106000-34501-61841	$8,722,700
Transfer from ARP Fund	61106000-39250-61841	$ 253,500

(2) The following Water Fund Capital Project Expenditures are amended by the City:

Construction	611716-53000-61841	$8,676,200
Contingencies	611716-59100-61841	$ 300,000

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

24-Inch Waterline Extension Project

	Current Budget	Amendment No. 1
Revenues:		
Transfer from ARP Fund	$ -0-	$ 253,500
State Grants	$550,300	$9,273,000
Expenditures:		
Engineering	$550,300	$ 550,300
Construction	$ -0-	$8,676,200
Contingencies	$ -0-	$ 300,000

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

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

Adopted and Approved on this, the 19th day of June, 2023.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

John Kubis
Interim City Attorney

ORDINANCE NO. 36-2025
BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S 24 INCH SOUTH TANK AND FOREST HILL DRIVE WATERLINE EXTENSION PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to revise and amend its capital project ordinance and budgets for the City of Shelby's 24 Inch South Tank and Forest Hill Drive Waterline Extension Project; and

WHEREAS, the City Manager (Budget Officer) has recommended certain amendments to the budget which the governing body finds acceptable; and

WHEREAS, City Council now desires to act on the recommended budget amendments and approve the same for implementation and compliance with the North Carolina Local Government Budget and Fiscal Control Act.

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

Section 1. Ordinance No. 9-2022, the City's 24-inch South Tank and Forest Hill Drive Waterline Extension Project ("Crosstown Water Project"), is hereby amended as follows to provide for Budget Amendment No. 2 for said project:

24-Inch Waterline Extension Project

The following Water Fund Capital Project Expenditures are amended by the City:

Engineering	611716-52004-61841	$ 90,000
Contingencies	611716-59100-61841	$ (90,000)

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

24-Inch Waterline Extension Project

	Current Budget	Amendment No. 2
Revenues:		
Transfer from ARP Fund	$ 253,500	$ 253,500
State Grants	$9,273,000	$9,273,000
Expenditures:		
Engineering	$ 550,300	$ 640,300
Construction	$8,676,200	$8,676,200
Contingencies	$ 300,000	$ 210,000

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

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

Adopted and Approved on this, the 16th day of June, 2025.

_____
O. Stanhope Anthony, III
Mayor

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-3

3) Adoption of FY 2024-2025 budget ordinance amendment: Ordinance No. 37-2025

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

Summary of Available Information:

- Memorandum dated June 12, 2025 from Beth Beam, Director of Finance to Rick Howell, City Manager
- Ordinance No. 37-2025

City Manager's Recommendation / Comments

It is my recommendation Ordinance No. 37-2025 be adopted and approved by City Council at this time.

MEMORANDUM

To: **Rick Howell, City Manager**

From: **Beth B. Beam, Director of Finance**

RE: **Budget Amendment No. 11**

Date: **June 12, 2025**

As we close the fiscal year, we have begun several procedures to ensure that the City remains within budget as of June 30, 2025. One of these procedures is reviewing departmental budgets to identify potential overages and identify funds that can help offset these overages. Generally, overages can occur due to unexpected repairs/equipment breakdowns, changes in mandated procedures or other unforeseen events that occur throughout the year. This year, specifically, Hurricane Helene added unexpected expenses.

Recommended Action:
Seek Council approval of the attached budget amendment.

Post Office Box 207 - Shelby, NC 28151-0207
Phone 704 484-6840 - Fax 704 484-6808
Visit us at www.cityofshelby.com

ORDINANCE NO. 37-2025
FY 2024-2025 BUDGET ORDINANCE AMENDMENT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to revise and amend its annual budget for FY 2023-2024; and,

WHEREAS, the City Manager (Budget Officer) has recommended certain amendments to the budget which the governing body finds acceptable; and,

WHEREAS, City Council now desires to act on the recommended budget amendments and approve same for implementation and compliance with the Fiscal Control Act;

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

Section 1. Ordinance No. 41-2024, the City's FY 2024-2025 Budget Ordinance, is hereby amended as follows to provide for Budget Amendment No. 11 for the year:

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

(a)	Increase 11001000-31001 Current Year Property Tax	$450,000
	Increase 11001000-37001 Interest Income	$394,800
(b)	Increase 110421-43301 Equipment Maintenance	$ 16,000
	Increase 110421-54000 Capital Outlay Vehicles	$ 7,400
	Increase 110431-40101 Overtime	$ 40,000
	Increase 110431-40109 Separation Allowance	$ 8,300
	Increase 110431-40507 Group Insurance	$180,000
	Increase 110434-40100 Salaries	$290,000
	Increase 110434-40101 Overtime	$125,000
	Increase 110434-40501 Social Security	$ 17,000
	Increase 110434-40502 Retirement	$ 55,000
	Increase 110434-40509 Deferred Compensation	$ 20,000
	Increase 110435-40100 Salaries	$ 25,000
	Increase 110435-40501 Social Security	$ 1,100
	Increase 110453-41210 Fuel for Resale	$ 60,000

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

(a)	Increase 23001000-32203 Local Occupancy Tax	$ 80,000
(b)	Increase 230590-42500 Contracted Services	$ 50,000
	Increase 230590-85004 Local Occupancy Tax Expense	$ 30,000

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

	Current Budget	Amendment No. 11
General Fund	$ 34,707,666	$ 35,552,466
Emergency Telephone System Fund	243,027	243,027
Powell Bill Fund	961,378	961,378
Economic Dev. Fund	1,828,062	1,908,062
Affordable Housing	62,500	62,500
Housing Fund	3,145,580	3,145,580
Cemetery Fund	40,000	40,000
Utilities-Water Fund	8,060,806	8,060,806
Utilities-Sewer Fund	8,696,320	8,696,320
Utilities-Electric Fund	25,046,772	25,046,772
Utilities-Gas Fund	21,898,730	21,898,730
Utilities – Stormwater Fund	1,519,000	1,519,000
FY 2024-2025 Budget Total	$106,209,841	$107,134,641

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 16th day of June A. D. 2025.

_____
O. Stanhope Anthony, III
Mayor

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-4

4) Approval of a resolution to accept an offer to purchase property by Upset Bid Process (113 Steeple St.): Resolution No. 46-2025

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

Summary of Available Information:

- Memorandum dated June 9, 2025, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
- Resolution No. 46-2025

City Manager's Recommendation / Comments

This item is presented for City Council consideration via the Consent Agenda. As background city staff made a determination that the listed parcels were surplus in nature and had no immediate or long term public purpose. Resolution No. 12-2025 was adopted by City Council in accordance with NC General Statute 160A-269 authorizing the sale of the described property through the upset bid method. The City Clerk has followed the statutory steps and has received bids as listed below. The required deposit has been received and the time for upset bid has expired. If approved Resolution No. 46-2025 would accept the offer from the listed parties and authorize the City Manager to facilitate the sale of the property.

Parcel	Location	Acreage	Amount Offered	Tax Value	Purchaser
20228	Steeple St	0.1 acre	$ 3,000.	$ 4,329.	Sundown Automotive, Inc
		Total	**$ 3,000.**	**$ 4,329.**	

Under the provisions of the statute City Council can accept or reject any or all these bids at its discretion. Resolution No. 46-2025 has been prepared for your consideration at this time.

It is my recommendation based upon feedback from staff that Resolution No. 46-2025 be adopted and approved via the Consent Agenda.

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

TO: Mr. Rick Howell, City Manager

FROM: Justin Longino, Assistant City Manager

DATE: June 9, 2025

SUBJECT: City-Owned Surplus Property Sale

In November of 2024, city staff received an offer to purchase several parcels that are currently vacant. These are the result of past property foreclosures and condemnations. All departments reviewed the list, and it was recommended to City Council in March to move forward in the upset bid process with 6 of these lots.

Two of these lots were sold in April, two were sold in May, one was sold earlier this month, and the remaining lot received an upset bid with the highest bidder being Mr. David Evans (Sundown Automotive, Inc.) for $3,000.

The lot for Council's consideration is:

20228, 113 Steeple St – Zoning: R6 – 0.10 Acres – $3,000

The tax value of this lot is $4,329.00

A resolution is included recommending the sale of parcel 20228 to Sundown Automtoive, Inc. for $3,000.

RESOLUTION NO. 46-2025

A RESOLUTION TO ACCEPT AN OFFER TO PURCHASE PROPERTY BY UPSET BID PROCESS

WHEREAS, the City of Shelby received the following bid to purchase property from the listed bidder below:

Parcel 20228, at or around 113 Steeple St. by Sundown Automotive, Inc. in the amount of $3,000.00;

WHEREAS, Mr. David Evans, President of Sundown Automotive, Inc. has paid the required 5% deposit on the above listed offer; and

WHEREAS, the City Council of the City of Shelby adopted Resolution No. 12-2025 to receive an offer to purchase and advertise the offer to purchase for upset bids as defined in North Carolina General Statute 160A-269.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHELBY RESOLVES THAT:

Section 1. That the City of Shelby will accept the offer from Sundown Automotive, Inc. to purchase the property with Cleveland County Tax Parcel Number 20228, further described in the attached quitclaim deed, and authorize the City Manager to facilitate the sale of the property.

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

Adopted and approved this the 16th day of June, 2025.

_____
O. Stanhope Anthony, III
Mayor

ATTEST:

_____
Carol Williams, CMC
City Clerk

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-5

5) Approval of a resolution authorizing the selection of TGS Engineers based on qualifications for Construction Engineering And Inspection Services for the Carolina Harmony Trail Phase II Project: Resolution No. 47-2025

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

Summary of Available Information:

- Memorandum dated June 10, 2025, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager
- Memorandum dated June 4, 2025, from Justin Wright, Engineering Manager to Ben Yarboro, Assistant City Manager
- Request for Qualifications Advertisement
- Scoring Sheet from Reviewer
- Resolution No. 65-2019
- Resolution No. 47-2025

City Manager's Recommendation / Comments

It is my recommendation Resolution No. 47-2025 be adopted and approved by City Council at this time.

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: **Rick Howell, City Manager**

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

RE: **Carolina Harmony Trail Phase II – Construction Engineering and Inspection (CEI) firm selection**

Date: **June 10, 2025**

Background

The City of Shelby plans to begin construction on the Carolina Harmony Trail Phase II project in the fall of 2025. A portion of the funding for this construction project is provided via the NC Department of Transportation, which results in specific project management requirements being completed. For this project, one of the requirements is that the City of Shelby must utilize a certified engineering firm for Construction Engineering and Inspection (CEI) services to ensure construction complies with NCDOT standards and specifications.

Pursuant to North Carolina General Statute 143-64.31, the City of Shelby utilizes a Qualification Based Selection process without consideration of fee proposals to initially select an engineering, architectural and surveying firms.

As outlined in the attached memorandum by Justin Wright, Engineering Manager, the City recently completed the Request for Qualifications process for the necessary Construction Engineering and Inspection services related to the Carolina Harmony Trail Phase II Project.

A review committee consisting of 5 city staff was established to complete independent reviews and scoring of the 4 responses that were received. After scoring was completed (included as an attachment to Mr. Wright's memo), the review unanimously determined that TGS Engineers, Inc. was the most qualified firm to perform the CEI services necessary for the Carolina Harmony Trail Phase II Project.

Recommendation

City Staff recommends that the Shelby City Council approve the resolution selecting TGS Engineers, Inc. as the firm to perform the Construction Engineering and Inspection services related to the Carolina Harmony Trail Phase II Project. This resolution will authorize the City Manager to negotiate and execute an agreement

that establishes the fees associated with the professional services that are to be completed.

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

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

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

From: **Justin Wright, Engineering Manager**

RE: **Carolina Harmony Trail Phase II – Construction Engineering and Inspection (CEI) RFQ Selection**

Date: **June 4, 2025**

Background

On October 7, 2019, Shelby City Council approved Resolution 65-2019 authorizing the selection of TGS Engineers to perform the professional services related to the City of Shelby portion of the Rail Trail. Following the approval of City Council, City staff began working with TGS Engineers to develop a phased plan that will allow sections of the Rail Trail to continuously be constructed. Below are the planned phases of the City's portion of the Shelby Rail Trail:

- Phase IA (Sunset Cemetery to Marion St.) – Completed in Fall of 2023
- Phase IB (Grover St. to Sunset Cemetery) - TBD
- Phase II (Marion St. to Dekalb St.) – Currently Advertised

Carolina Harmony Trail Phase II plans are complete and was advertised on April 28, 2025. The first bid opening is planned for June 12, 2025. If an insufficient number of bids are received at the first bid opening, a second bid opening will be scheduled for three weeks later. The plans provide a 1.55 mile, 12' wide walking trail through the Norfolk Southern rail corridor from Marion Street to S. Dekalb Street. This corridor will have multiple safety improvements and streetscape features along the way. Some of those features are:

- Intersection Realignment
- Bulb Outs
- Curb and Gutter
- Resurfacing
- Landscaping
- Pavers
- Sidewalk
- Conduits
- Gateway Sculpture
- High Visibility Crosswalks
- Pedestrian Push Buttons
- Major Kiosk
- Bike Racks
- Street Trees
- Trail Lighting
- Mast Arms
- Trash Cans
- Bridge Fencing/Improvements

The Carolina Harmony Trail Phase II Project construction is expected to begin in the Fall of 2025, with project completion being in the Spring of 2027.

Review

With this project involving federal funding, it needs to follow North Carolina Department of Transportation (NCDOT) guidelines and provide documentation for each aspect of the project. With this requirement, City staff has advertised a Request for Qualifications (RFQ) that would obtain services from qualified firms that can perform the following tasks:

- Contract Administration
- Documentation and Record Keeping
- Material Test
- Daily Diary and Inspection
- Pay Item Records
- Pay Estimates
- Certified Payrolls
- Claims and Supplemental Agreements
- Subcontractor and DBE compliance
- Buy America Compliance
- Shop Drawing Reviewal
- As-Builts
- Project Close-out
- Safety Compliance

On May 2, 2025, City staff advertised a Request for Letters of Interest (RFLOI) for Construction Engineering and Inspection for the Carolina Harmony Trail Phase II Project. The City received four (4) responses to this advertisement prior to the May 27th, 2025, deadline. Responses were received from the following firms (listed in alphabetical order.)

- A. Morton Thomas and Associates, Inc. (AMT)
- Rummel, Klepper & Kahl (RK&K)
- TGS Engineers
- UES Professional Solutions 29, Inc.

A review committee consisting of five (5) City Staff members was established to complete independent reviews and scoring of the four (4) responses that were received. After scoring was completed, the review committee discussed the results and determined that TGS Engineers is the most qualified firm to perform the work as stated above.

Recommendation

City Staff recommend that Shelby City Council approve the resolution selecting TGS Engineers as the firm to perform professional engineering services for Carolina Harmony Trail Phase II CEI. This resolution will authorize the City Manager to negotiate and execute an agreement that establishes the scope of work and fees associated with the professional services that are to be completed.

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

Attachments:

- Request for Qualifications Advertisement
- Scoring Sheet From Reviewers
- Resolution 65-2019

Advertised: **May 2nd, 2025**

City of Shelby

REQUEST for LETTERS of INTEREST (RFLOI)

CONTRACT TYPE: CEI

TITLE:	**Carolina Harmony Trail Phase II – Construction Engineering & Inspection (CEI)**
ISSUE DATE:	**May 2nd, 2025**
SUBMITTAL DEADLINE:	**May 27th, 2025**
ISSUING AGENCY:	**City of Shelby**

SYNOPSIS

SUBCONSULTANTS ARE PERMITTED UNDER THIS CONTRACT.

This contract shall be partially reimbursed with Federal-aid funding through the North Carolina Department of Transportation (hereinafter referred to as the Department). The solicitation, selection, and negotiation of a contract shall be conducted in accordance with all Department requirements and guidelines.

The primary and/or subconsultant firm(s) (*if Subconsultants are allowed under this RFLOI*) **shall be pre-qualified by the Department to perform all of the Discipline Codes listed below for the City of Shelby. Discipline Codes required are:**

- **195 – Roadway Construction Engineering & Inspection**
- **233 - Structures Construction Engineering & Inspection**

WORK CODES for each primary and/or subconsultant firm(s) (*if Subconsultants are allowed under this RFLOI*) SHALL be listed on the respective RS-2 FORMS (see section 'SUBMISSION ORGANIZATION AND INFORMATION REQUIREMENTS').

This RFLOI is to solicit responses (LETTERS of INTEREST, or LOIs) from qualified firms to provide professional consulting services to:

1) ***Contract Administration***- The consultant shall administer all aspects of the construction contract between the City and the contractor, including but not limited to, the following work elements:
    a. ***Requests for Information (RFI)***
    b. ***Shop Drawing Submittals***
    c. ***Direct Testing Activities***
    d. ***Preconstruction Meeting***.
    e. ***Progress Meetings***
    f. ***Construction Observation and Inspection***
    g. ***Daily Quantity Reports***
    h. ***Supplemental Agreements***
    i. ***Request for Extensions in Contract Time and Additional Compensation (claims)***
    j. ***Payment Requisitions***
    k. ***DBE Payments Reporting***
    l. ***Punch lists***
    m. ***Job Site and Work Zone Safety***
    n. ***Conformance with NCDOT Encroachment Agreements***
    o. ***Project Materials & Testing Requirements***
    p. ***Project Closeout***
    q. ***Project Audit***

2) ***Project Management and Scheduling***
    a. ***Scheduling***
    b. ***Daily Reports***
    c. ***Visual Documentation***

Electronic LOIs should be submitted in .pdf format using software such as Adobe, CutePDF PDF Writer, Docudesk deskPDF, etc.

LOIs SHALL be received **HAND-DELIVERY no later than 2:00 PM, May 27th, 2025.**

The address for mailings is:
City of Shelby
George W. Clay, Jr. Utility Operations Center
824 W Grover Street, Shelby NC 28150

The address for hand-deliveries is:
City of Shelby
George W. Clay, Jr. Utility Operations Center
824 W Grover Street, Shelby NC 28150

LOIs received after this deadline will not be considered.

Except as provided below any firm wishing to be considered must be properly registered with the Office of the Secretary of State and with the North Carolina Board of Examiners for Engineers and Surveyors. Any firm proposing to use corporate subsidiaries or subcontractors must include a statement that these companies are properly registered with the North Carolina Board of Examiners for Engineers and Surveyors and/or the NC Board for Licensing of Geologists. The Engineers performing the work and in responsible charge of the work must be registered Professional Engineers in the State of North Carolina and must have a good ethical and professional standing. It will be the responsibility of the selected private firm to verify the registration of any corporate subsidiary or subcontractor prior to submitting a Letter of Interest. Firms which are not providing engineering services need not be registered with the North Carolina Board of Examiners for Engineers and Surveyors. Some of the services being solicited may not require a license. It is the responsibility of each firm to adhere to all laws of the State of North Carolina.

The firm must have the financial ability to undertake the work and assume the liability. The selected firm(s) will be required to furnish proof of Professional Liability insurance coverage in the minimum amount of $1,000,000.00. The firm(s) must have an adequate accounting system to identify costs chargeable to the project.

CEI

SCOPE OF WORK

The **City of Shelby** is soliciting proposals for the services of a firm/team for the following contract scope of work:

1) ***Contract Administration***- The consultant shall administer all aspects of the construction contract between the City and the contractor, including but not limited to, the following work elements:
    a. ***Requests for Information (RFI)*** – All RFI's will be submitted, reviewed and responded to by the consultant. The design consultant will assist in responding to RFI's.
    b. ***Shop Drawing Submittals*** – The consultant shall manage the shop drawings submittals (from the contractor) and reviews. The consultant shall insure that the shop drawing submittals are reviewed in a timely manner in accordance with the construction documents and all relevant specifications. The design consultant will assist in responding to RFI's.
    c. ***Direct Testing Activities*** – The consultant will ensure that the City's material testing service provider performs the required tests for materials installed on the project. When necessary the consultant will inform NCDOT's Independent Assurance Section personnel and/or the Area Materials Engineer when operations and progress of the work allow key samples to be taken.
    d. ***Preconstruction Meeting*** – The consultant will hold a preconstruction meeting prior to the beginning of construction. Attendees will include the consultant, the contractor, subcontractors and City Staff. Representatives from NCDOT are to be invited for projects receiving federal funds. The consultant will prepare and submit meeting agendas and meeting minutes to all involved parties.
    e. ***Progress Meetings*** – The consultant shall hold weekly progress meetings with the contractor and City staff. The consultant will manage all meeting agendas and

meeting minutes.

f. ***Construction Observation and Inspection*** – The consultant shall have a construction inspector onsite daily. The inspector must be NCDOT certified for projects receiving Federal Funds. The amount of time the inspector will need to be onsite will be dependent on the work being performed and weather conditions. On rainy days, as a minimum, the inspector will need to observe the performance of the erosion control devices. During warm dry weather, the inspector may need to be onsite all day. The inspector is to be onsite at all times while work is being performed for federally funded projects. The construction inspector's responsibility will be to observe and document all construction for subsequent certification that it meets NCDOT and City Standards, as well as approval of daily reports for payment quantities entered by the contractor (discussed below). The inspector will be responsible for summarizing the activities observed during the day in a daily report that follows the outline set forth in the NCDOT Construction Manual Records and Reports – Inspectors Daily Report.

g. ***Daily Quantity Reports –*** The consultant shall be responsible for the verification and approval of payment quantities that the contractor submits. The consultant shall monitor the installed quantities daily and alert City staff immediately of any quantities in excess of the estimates.

h. ***Supplemental Agreements –*** The consultant will review all contractor claims for supplemental agreements (change orders) with City Staff and determine if the Supplemental Agreement is within the scope of the work and necessary to complete the project. For federally funded projects, the consultant must obtain concurrence from NCDOT prior to executing the Supplemental Agreement.

i. ***Request for Extensions in Contract Time and Additional Compensation (claims) –*** The consultant will process requests for time extensions and/or additional compensation by the contractor per NCDOT guidelines on federally funded projects.

j. ***Payment Requisitions*** - The consultant shall be responsible for the month-end process of approving final quantities for payment, making adjustments to the previously approved daily reports as needed, and creating the monthly payment requisitions.

k. ***DBE Payments Reporting*** – The consultant will monitor monthly payment requisitions and ensure that the contractor is meeting DBE/ EOEA goals. Consultant will obtain an explanation of any shortfall in achieving the goals from the contractor.

l. ***Punch lists*** - The consultant shall create punch lists as necessary for remedial work that needs to be performed by the contractor. The consultant shall monitor and report the contractor's progress in completing punch list items.

m. ***Job Site and Work Zone Safety*** – The construction inspector(s) onsite shall fully comply with the certification requirements of the "North Carolina Department of Transportation's Implementation of the FHWA Final Rule on Safety & Mobility 23 CFR 630 Subparts J & K". The inspectors will have the authority as an agent of the City to issue a stop work order whenever unsafe conditions are observed.

n. ***Conformance with NCDOT Encroachment Agreements*** – When applicable, the consultant is responsible to insure that the work being performed is in accordance with the NCDOT encroachment agreements at all times.

o. ***Project Materials & Testing Requirements*** – The consultant will ensure that the project has met NCDOT's requirements for:

i. Sampling and testing
ii. Using Qualified technicians
iii. Fulfilling The FHWA "Buy America" Requirements and North Carolina State Law
iv. Using approved materials
v. Resolving any failures or discrepancies

p. ***Project Closeout*** – The consultant shall prepare all project closeout documents and verify that the closeout requirements have been met. Projects with federal funds

will follow the NCDOT's closeout process for "Locally Administered Federally Funded Projects. Coordination with the materials testing consultant will be required.

q. ***Project Audit*** - Should the project be subject to audit by City, State, or Federal agencies the Consultant will take the lead role in responding to the audit.

2) ***Project Management and Scheduling***

a. ***Scheduling*** - The contractor is responsible for creating a comprehensive project construction schedule. The contractor is expected to update the schedule as need during the course of the project. The consultant shall ensure that the contractor creates and updates the schedule as needed.

b. ***Daily Reports*** - The consultant's construction inspections staff shall summarize the activities observed during the day in a daily report and report his/her/their time spent each day in the daily report for time spent working on the project.

c. ***Visual Documentation*** - The construction inspectors will be responsible for taking good quality and composition photographs daily that are representative of, and which also document, the work being performed. The photographs will be uploaded daily to a cloud based file service such as DropBox maintained by the consultant.

PROPOSED CONTRACT TIME: August 2025 – September 2027 ; contract may be extended depending on construction delays.

PROPOSED CONTRACT PAYMENT TYPE: PROPOSED CONTRACT PAYMENT TYPE – HOURLY NOT TO EXCEED

The desired services include Construction Engineering and Inspection (CEI) and construction contract administration for Carolina Harmony Trail Phase II. Tasks to be performed include, but are not necessarily limited to:

- Producing an Inspector's Daily Report giving a detailed account of all activities during the life of the project.
- Maintaining a Project Diary with Inspector's Daily Reports and other required information.
- Maintaining Pay Records.
- Attend preconstruction conference and assist LGA staff in ensuring proper execution of all contract documents.
- Reviewing and verifying contractor pay applications.
- Maintaining written correspondence with the Contractor.
- Completing and maintaining minutes of all project meetings.
- Ensuring Contractor compliance with Buy America provisions in 23 U.S.C. Sec. 313 and 23 C.F.R. Sec. 635.410.
- Ensuring timely Contractor/Subcontractor submission of Certified Payrolls, ensuring Certified Payrolls include all required information, and maintaining Certified Payrolls in the project file.
- Verifying certified payrolls to assist LGA in making payments to the Contractor.
- Performing calendar year quarterly Wage Rate Interviews and other employee interviews as necessary to ensure proper Contractor and-or Subcontractor employee classification and compensation and proper inclusion of employees on Contractor and-or Subcontractor Certified Payrolls; notifying the LGA of any and all complaints by Contractor/Subcontractor

employees related to payment or employment classification; and coordinating with the LGA as needed to investigate and-or report complaints to NCDOT or other applicable agencies.

- Ensuring that appropriate federal posters are displayed on the jobsite and accessible to all employees on the jobsite.
- Processing all Change Orders and Supplemental Agreements for project construction.
- Processing all Requests for Extensions in Contract Time and Additional Compensation claims.
- Ensuring prompt payment by the Contractor to any Subcontractors.
- Ensuring Contractor submittal, with each pay request, of accounting of payments made to DBE firms, including material suppliers and contractors at all levels (prime, subcontractor or second tier subcontractor); comparing final payments to DBE firms with project commitments (see below); and, as needed, obtaining explanations of DBE payment shortfalls.
- Performing final inspection and when work is to contract standards recommending acceptance of the project to the LGA.
- Working with the NCDOT Materials and Tests Unit in ensuring that all project materials and products meet the required criteria; and providing and/or maintaining required materials and testing documentation.
- Completing and/or reviewing of Materials Received Reports (MRRs) for any non-exempt materials to be temporarily or permanently incorporated in the construction; and, as needed, assisting the LGA in investigation and follow-up action in the event one or more materials fail tests.
- Communicating with NCDOT and-or FHWA regarding Independent Assurance testing of materials.
- Ensuring Contractor/Subcontractor compliance with the conditions in the Permit to Construct issued by [*ANY AGENCY*], covering construction activities in the [*AGENCY'S EASEMENT*], and [*OTHER AGENCY'S*] standards, specifications, and procedures, to the extent not already conducted by [*OTHER AGENCY'S*] designated construction inspector; and coordinating as appropriate with [*OTHER AGENCY'S*] designated construction inspector.
- As needed, working with the LGA to keep in communication with appropriate staff from [*OTHER STAKEHOLDERS*] and NCDOT regarding project progress.
- Submitting original project materials records to the NCDOT Materials and Tests Unit.
- Inspecting erosion control devices to ensure they are properly installed and maintained.
- Maintain erosion control Records.
- Inspecting Traffic Control for compliance with MUTCD/Traffic Control Plan and maintain documentation.
- Coordinating with the LGA in arranging reimbursement requests from NCDOT and ensuring that the Contractor and-or Subcontractors do not engage in any activity in violation of a provision in the Municipal Agreement or Supplemental Agreements. These documents will be provided to the selected firm.
- In general, ensuring Contractor/Subcontractor compliance with approved plans and specifications.
- Miscellaneous communication with the LGA and NCDOT relating to the tasks listed above or other matters pertinent to the CEI services.

SUBMITTAL REQUIREMENTS

All LOIs are limited to **fifteen pages** (**15 pages**) pages (RS-2 forms are not included in the page count) inclusive of the cover sheet, and shall be typed on 8-1/2" x 11" sheets, single-spaced, one-sided.

Fold out pages are not allowed. In order to reduce costs and to facilitate recycling; binders, dividers, tabs, etc. are prohibited. One staple in the upper left-hand corner is preferred.

LOIs containing more than **fifteen pages** (**15 pages**) pages will not be considered.

five (5) total copies of the LOI should be submitted.

Firms submitting LOIs are encouraged to carefully check them for conformance to the requirements stated above. If LOIs do not meet ALL of these requirements they will be disqualified. No exception will be granted.

SELECTION PROCESS

Following is a general description of the selection process:

- The LGA's Selection Committee will review all qualifying LOI submittals.
- For Limited Services Contracts (On-Call type contracts), the LGA's Selection Committee MAY, at the LGA's discretion, choose any number of firms to provide the services being solicited.
- For Project-Specific Contracts (non On-Call type contracts), the LGA's Selection Committee MAY, at the LGA's discretion, shortlist a minimum of three (3) firms to be interviewed. IF APPLICABLE, dates of shortlisting and dates for interviews are shown in the section SUBMISSION SCHEDULE AND KEY DATES at the end of this RFLOI.
- In order to be considered for selection, consultants must submit a complete response to this RFLOI prior to the specified deadlines. Failure to submit all information in a timely manner will result in disqualification.

TITLE VI NONDISCRIMINATION NOTIFICATION

The LGA in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 US.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all RESPONDENTS that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit LETTERS of INTEREST (LOIs) in response to this ADVERTISEMENT and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

SMALL PROFESSIONAL SERVICE FIRM (SPSF) PARTICIPATION

The Department encourages the use of Small Professional Services Firms (SPSF). Small businesses determined to be eligible for participation in the SPSF program are those meeting size standards defined by Small Business Administration (SBA) regulations, 13 CFR Part 121 in Sector 54 under the North American Industrial Classification System (NAICS). The SPSF program is a race, ethnicity, and gender neutral program designed to increase the availability of contracting opportunities for small businesses on federal, state or locally funded contracts. SPSF participation is not contingent upon the funding source.

The Firm, at the time the Letter of Interest is submitted, shall submit a listing of all known SPSF firms that will participate in the performance of the identified work. The participation shall be submitted on the Department's Subconsultant Form RS-2. RS-2 forms may be accessed on the Department's website at NCDOT Connect Guidelines & Forms.

The SPSF must be qualified with the Department to perform the work for which they are listed.

PREQUALIFICATION

The Department maintains on file the qualifications and key personnel for each approved discipline, as well as any required samples of work. Each year on the anniversary date of the company, the firm shall renew their prequalified disciplines. If your firm has not renewed its application as required by your anniversary date or if your firm is not currently prequalified, please submit an application to the Department **prior to submittal of your LOI**. An application may be accessed on the Department's website at Prequalifying Private Consulting Firms -- Learn how to become Prequalified as a Private Consulting Firm with NCDOT. Having this data on file with the Department eliminates the need to resubmit this data with each letter of interest.

Professional Services Contracts are race and gender neutral and do not contain goals. However, the Respondent is encouraged to give every opportunity to allow Disadvantaged, Minority-Owned and Women-Owned Business Enterprises (DBE/MBE/WBE) subconsultant utilization on all LOIs, contracts and supplemental agreements. The Firm, subconsultant and subfirm shall not discriminate on the basis of race, religion, color, national origin, age, disability or sex in the performance of this contract.

DIRECTORY OF FIRMS AND DEPARTMENT ENDORSEMENT

Real-time information about firms doing business with the Department, and information regarding their prequalifications and certifications, is available in the Directory of Transportation Firms. The Directory can be accessed on the Department's website at Directory of Firms -- Complete listing of certified and prequalified firms.

The listing of an individual firm in the Department's directory shall not be construed as an endorsement of the firm.

SELECTION CRITERIA

All prequalified firms who submit responsive letters of interest will be considered.

In selecting a firm/team, the selection committee will take into consideration qualification information including such factors as:

1. **Understanding of the Project— 20% of Total Score**
2. **Methodology Used for the Project— 20% of Total Score**
3. **Management Plan for the Project— 20% of Total Score**
4. **The Experience of the firm's proposes staff to perform the type of work required - 40% of Total score**

After reviewing qualifications, if firms are equal on the evaluation review, then those qualified firms with proposed SPSF participation will be given priority consideration.

SUBMISSION ORGANIZATION AND INFORMATION REQUIREMENTS

The LOI should be addressed to **Justin Wright; Engineering Manager** and must include the name, address, telephone number, and e-mail address of the prime consultant's contact person for this RFLOI.

The LOI must also include the information outlined below:

Chapter 1 - Introduction

The Introduction should demonstrate the consultant's overall qualifications to fulfill the requirements of the scope of work and should contain the following elements of information:

- Expression of firm's interest in the work;
- Statement of whether firm is on register;
- Date of most recent private engineering firm qualification;
- Statement regarding firm's(') possible conflict of interest for the work; and
- Summation of information contained in the letter of interest.

Chapter 2 - Team Qualifications

This chapter should elaborate on the general information presented in the introduction, to establish the credentials and experience of the consultant to undertake this type of effort. The following must be included:

1. Identify recent, similar projects the firm, acting as the prime contractor, has conducted which demonstrates its ability to conduct and manage the project. Provide a synopsis of each project and include the date completed, and contact person.
2. If subconsultants are involved, provide corresponding information describing their qualifications as requested in bullet number 1 above.

Chapter 3 - Team Experience

This chapter must provide the names, classifications, and location of the firm's North Carolina employees and resources to be assigned to the advertised work; and the professional credentials and experience of the persons assigned to the project, along with any unique qualifications of key personnel. Although standard personnel resumes may be included, identify pertinent team experience to be applied to this project. Specifically, the Department is interested in the experience, expertise, and total quality of the consultant's proposed team. If principals of the firm will not be actively involved in the study/contract/project, do not list them. The submittal shall clearly indicate the Consultant's Project Manager, other key Team Members and his/her qualifications for the proposed work. Also, include the team's organization chart for the Project / Plan. A Capacity Chart / Graph (available work force) should also be included. Any other pertinent information should also be listed in this section.

Note: If a project team or subconsultant encounters personnel changes, or any other changes of significance dealing with the company, NCDOT should be notified immediately.

Chapter 4 - Technical Approach

The consultant shall provide information on its understanding of, and approach to accomplish, this project, including their envisioned scope for the work and any innovative ideas/approaches, and a schedule to achieve the dates outlined in this RFLOI (if any project-specific dates are outlined below).

APPENDICES-

CONSULTANT CERTIFICATION Form RS-2

Completed Form RS-2 forms SHALL be submitted with the firm's letter of interest. This section is limited to the number of pages required to provide the requested information.

Submit Form RS-2 forms for the following:

- **Prime Consultant firm**
  - Prime Consultant Form RS-2 Rev 1/14/08; and

- **ANY/ALL Subconsultant firms** (*If Subconsultants are allowed under this RFLOI*) to be, or anticipated to be, utilized by your firm.
  - Subconsultant Form RS-2 Rev 1/15/08.
  - In the event the firm has no subconsultant, it is required that this be indicated on the Subconsultant Form RS-2 by entering the word "None" or the number "ZERO" and signing the form.

Complete and sign each Form RS-2 (instructions are listed on the form).

The required forms are available on the Department's website at:
https://connect.ncdot.gov/business/consultants/Pages/Guidelines-Forms.aspx

Prime Consultant Form RS-2

Subconsultant Form RS-2

All submissions, correspondence, and questions concerning this RFLOI should be directed to **Justin Wright** at **justin.wright@cityofshelby.com**.

IF APPLICABLE, questions may be submitted electronically only, to the contact above. Responses will be issued in the form of an addendum available to all interested parties. Interested parties should also send a request, by email only, to the person listed above to be placed on a public correspondence list to ensure future updates regarding the RFLOI or other project information can be conveyed. Questions must be submitted to the person listed above no later than May 16th 2025. The last addendum will be issued no later than May 20th, 2025

SUBMISSION SCHEDULE AND KEY DATES

RFLOI Release – **May 2nd, 2025**

Deadline for Questions – **May 16th, 2025**

Issue Final Addendum – **May 20th, 2025**

Deadline for LOI Submission – **May 27th, 2025**

Firm Selection and Notification ** – **June 17rd, 2025**

Anticipated Notice to Proceed – **August 1st, 2025**

.

** Notification will **ONLY** be sent to selected firms.

RFQ for Carolina Harmony Trail Phase II Construction Engineering and Inspection (CEI)

Firm	Committee Member #1	Committee Member #2	Committee Member #3	Committee Member #4	Committee Member #5	Average Score	Notes
AMT	3	2	3	2	2	2.4	1) Project Engineer and Senior Inspector both have 29 years of experience with NCDOT Division 10. 2) Several previous greenway/trail projects that are NCDOT and federal related. 3) Utility coordination on staff.
RK&K	2	3	2	3	3	2.6	1) Field inspection team has experience with NCDOT Division 12. 2) Team has availability for the current project. 3) Cloud based system used for project storage. 4) CEI experience for Greenway, NCDOT, and federally funded projects.
TGS Engineers	1	1	1	1	1	1.0	1) Completed CEI Services for Phase IA of the Carolina Harmony Trail Project. 2) Completed design services for Phase II of the Carolina Harmony Trail Project. 3) Staff has good working relation with the City and NCDOT Division 12.
UES	4	4	4	4	4	4.0	1) Only rail trial in-project experience with virtual design consulting. 2) Lacks NCDOT and federal experience 3) Project experience did not include NCDOT or LMPO projects. Projects listed included utility, subdivision, library, and playground projects.

RESOLUTION NO. 65-2019

A RESOLUTION AUTHORIZING SELECTION OF TGS ENGINEERS BASED ON QUALIFICATIONS FOR ENGINEERING DESIGN SERVICES FOR THE CITY OF SHELBY PORTION OF THE RAIL TRAIL

WHEREAS, the City of Shelby desires to design a project entitled the City of Shelby Portion of the Rail Trail with the primary objectives being to complement ongoing and future community and economic development efforts in the City of Shelby; and,

WHEREAS, this project would consist of design of a rail trail that would begin behind the Sunset Cemetery at Grover Street and follow the Norfolk Southern rail line to the intersection of the rail corridor with Dekalb Street; and,

WHEREAS, the City of Shelby must contract with an engineering design firm to provide the Engineering Design Services needed for the design of the City of Shelby Rail Trail Portion of the Rail Trail; and,

WHEREAS, City staff issued a Request for Qualifications to professional engineering firms interested in providing Engineering Design Services related to this project; and,

WHEREAS, five (5) proposals were received from engineering design firms interested in performing the work associated with this project; and,

WHEREAS, a City staff selection committee was formed and reviewed the proposals and determined that TGS Engineers is the most qualified firm to perform and provide the services as outlined in the advertised 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 TGS Engineers to negotiate a contract for the above referenced project.

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

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

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

Adopted and approved this the 7th day of October 2019.

O. Stanhope Anthony III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

RESOLUTION NO. 47 – 2025

A RESOLUTION AUTHORIZING THE SELECTION OF TGS ENGINEERS BASED ON QUALIFICATIONS FOR CONSTRUCTION ENGINEERING AND INSPECTION SERVICES FOR THE CAROLINA HARMONY TRAIL PHASE II PROJECT

WHEREAS, Resolution 65-2019 authorized City Staff to have the Engineering Design Services completed for the design of the Carolina Harmony Trail Phase II Project; and

WHEREAS, this construction project will consist of a 1.55 mile greenway that will begin on Marion Street and follow the Norfolk Southern rail corridor to the intersection of the rail corridor and S. Dekalb Street; and,

WHEREAS, City staff issued a Request for Letters of Interest to professional engineering firms on May 2, 2025 for the Construction Engineering and Inspection (CEI) for the Carolina Harmony Trail Phase II Project; and,

WHEREAS, the City of Shelby received four (4) proposals from qualified professional engineering firms for the inspections Carolina Harmony Trail Phase II Project; and,

WHEREAS, City staff has reviewed proposals and determined that TGS Engineers is the most qualified firm to perform the Construction Engineering and Inspection (CEI) services for the Carolina Harmony Trail Phase II Project as outlined in the Request for Letters of Interest.

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 TGS Engineers. in accordance with North Carolina General Statute 143-64.31 to negotiate a contract for the above referenced project.

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

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

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

Adopted and approved this the 16th day of June 2025.

O. Stanhope Anthony III
Mayor

ATTEST:

Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-6

6) Approval of the Dog Park Rules and Regulations set forth for the future dog park located on W. Sumter Street

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

Summary of Available Information:

- Memorandum dated June 10, 2025, from Justin Longino, Assistant City Manager to Rick Howell, City Manager
- Dog Park Rules and Regulations

City Manager's Recommendation / Comments

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

TO: Mr. Rick Howell, City Manager

FROM: Justin Longino, Assistant City Manager

DATE: June 10, 2025

SUBJECT: Dog Park

The City of Shelby Dog Park is close to completion. Some final grading has been completed and, pending some drier weather, we will be able to pour concrete early next week, with fencing going up about 1 week later. We still hope to be able to have a ribbon-cutting shortly thereafter.

At the meeting on June 2, 2025, I presented a set of proposed rules and regulations to the City Council and asked for their feedback on a fee and/or registration process. Based on research conducted by the City Attorney, Parks & Rec Director, and myself, we've formulated the attached rules for the dog park and are recommending it be open to all users without a fee or registration process. The caveat to this is that the rules will be posted at the park and those rules will be mandatory. City staff will periodically check the area for compliance and there will be a posted process for users of the park to report issues for staff for further investigation.

We also recommend that the fee/registration process be reviewed regularly (every 6 months) to ensure the upkeep of the facility and the safety of the users. If it is found that tighter restrictions are needed (i.e. a registration process) this should be reviewed by the City Council and could result in a formal process for users to follow as well as the potential for a fee to be added to the fee schedule.

Recommendation

Approval of the attached rules and regulations with City staff monitoring the usage and any issues at the new facility and a progress report to the City Manager in 6 months.

Dog Park Rules and Regulations

1. **Park Hours**: Open daily from dawn to dusk.
2. **Eligible Animals**: Only dogs are permitted within the fenced area.
3. **Leash Requirements:**
    a. Dogs must be leashed until inside the designated off-leash area and re-leashed before exiting.
    b. Handlers must carry a leash for each dog at all times.
4. **Supervision**:
    a. Handlers must remain within the fenced area and maintain visual and voice control over their dogs.
5. **Age Restrictions:**
    a. Handlers must be at least 16 years old.
    b. Children under 16 must be accompanied by an adult.
    c. Children under 12 are not recommended inside the off-leash area.
6. **Dog Eligibility:**
    a. Dogs must be at least four months old.
    b. Female dogs in heat are prohibited.
    c. Sick or injured dogs are not allowed.
7. **Vaccinations and Licensing:**
    a. Dogs must have current vaccinations.
    b. Dogs must wear current license and rabies tags on their collars at all times.
8. **Behavior:**
    a. Aggressive dogs must be immediately leashed and removed from the park.
    b. Handlers are responsible for any injury or damage caused by their dogs.
9. **Cleanliness:**
    a. Handlers must clean up after their dogs and dispose of waste in designated containers.
    b. If a dog digs a hole, the handler must fill it before leaving.
10. **Prohibited Items and Activities:**
    a. No food (animal or human) or glass containers are allowed within the off-leash area.
    b. Smoking and the use of tobacco products within the dog park are prohibited.

11. **Health and Safety:**
    a. Handlers must report any dog bites or aggressive incidents to local animal control authorities.
    b. Handlers must provide accurate identification and information when requested by authorities.
12. **Use at Own Risk:**
    a. Use of the dog park is at your own risk.
    b. The city is not liable for any injury or damage to persons or property within the off-leash area.

These rules are designed to ensure a safe and enjoyable experience for all dog park users. Owners are expected to adhere to them and to be considerate of others while using the facility. A violation of these rules may result in a ban from the dog park.

To report a problem, please call 704-484-6821
or email dogpark@cityofshelby.com
[QR Code]

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-7

7) 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, 2024

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- Memorandum dated June 2, 2025, from Beth Beam, Director of Finance to Rick Howell, City Manager
- Letter(s) of Notification of the Award
- Certificate of Achievement for Excellence in Financial Reported

City Manager's Recommendation / Comments

The City has achieved this award dating back more than 15 years and is a testament to the commitment of past and present management and finance directors to full public disclosure and communication of the financial condition of the City of Shelby. As I do every year, I urge you to pay close attention to the CAFR. A hard copy is routinely provided to Council at the time the audit is presented and an electronic pdf version of the CAFR is maintained on the City's website dating back three fiscal years. It can be found at www.cityofshelby.com under the Finance Department heading.

Please join me in congratulating the Finance Department staff for their good work on behalf of the citizens of Shelby.

To: Rick Howell, City Manager

From: Beth B. Beam, Director of Finance

Date: June 2, 2025

Subject: FY24 GFOA Certificate of Achievement for Excellence in Financial Reporting

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

Review:
In December 2024, the Director of Finance submitted application to the GFOA for the annual comprehensive financial report for Fiscal Year ending June 30, 2024. On May 28th, 2025, the City was notified of the successful award for the annual financial report for FY24. The Certificate for Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. This is the twenty-eighth year that the award has been received by the City of Shelby.

Recommendation:
It is requested that the Mayor congratulate the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association for the Fiscal Year ended June 30, 2024.

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

5/28/2025

O. Stanhope Anthony
Mayor
City of Shelby, North Carolina

Dear O. Stanhope:

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2024 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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

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

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

Sincerely,



Michele Mark Levine
Director, Technical Services

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

5/28/2025

Beth Beam
Director of Finance
City of Shelby, North Carolina

Dear Beth:

Congratulations!

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2024 has met the requirements to be awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting. The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Certificate Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. Congratulations, again, for having satisfied the high standards of the program.

Your electronic award packet contains the following:

- **A "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements**. We strongly encourage you to implement the recommended improvements in your next report. Certificate of Achievement Program policy requires that written responses to these comments and suggestions for improvement be included with your 2025 fiscal year end submission. If a comment is unclear or there appears to be a discrepancy, please contact the Technical Services Center at (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.
- **Certificate of Achievement**. A Certificate of Achievement is valid for a period of one year. A current holder of a Certificate of Achievement may reproduce the Certificate in its immediately subsequent annual comprehensive financial report. Please refer to the instructions for reproducing your Certificate in your next report.
- **Award of Financial Reporting Achievement**. When GFOA awards a government the Certificate of Achievement for Excellence in Financial Reporting, we also present an Award of Financial Reporting Achievement (AFRA) to the department identified in the application as primarily responsible for achievement of the Certificate.
- **Sample press release**. Attaining this award is a significant accomplishment. Attached is a sample news release that you may use to give appropriate publicity to this notable achievement.

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

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

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

Sincerely,



Michele Mark Levine
Director, Technical Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Shelby
North Carolina

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department

City of Shelby, North Carolina

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

Executive Director

Christopher P. Morrill

Date: 5/28/2025

GOVERNMENT FINANCE OFFICERS ASSOCIATION

NEWS RELEASE

FOR IMMEDIATE RELEASE

5/28/2025

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

(Chicago, Illinois)—Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to **City of Shelby** for its annual comprehensive financial report for the fiscal year ended June 30, 2024. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

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

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources, and practical research for more than 25,000 members and the communities they serve.

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-8

8) Special Event application:

a) Concert on the Corner (ALWS), requested date: August 9, 2025

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Memorandum dated June 9, 2025, from Carol Williams, City Clerk to Rick Howell, City Manager
- Special Event Application

City Manager's Recommendation / Comments

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

OFFICE OF THE CITY CLERK SHELBY, NC

Memo

To: Rick Howell, City Manager

From: Carol Williams, City Clerk

Date: June 9, 2025

Re: Special Event Application

BACKGROUND:

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

- ✓ Concert on the Corner, requested date: August 9, 2025

REVIEW:

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

RECOMMENDATION:

Please place the attached Special Event Permit Application on the Consent Agenda of June 16, 2025 for Council's review and approval.

ATTACHMENT:

A. Special Event Permit Application packet received June 5, 2025

RECEIVED
JUN - 5 2025

CITY OF SHELBY
SPECIAL EVENT PERMIT APPLICATION

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

.. **EVENT NAME**: Concert On The Corner (Formerly ALWS Festival)

2. PURPOSE AND BRIEF DESCRIPTION OF EVENT: To kickoff festivities for the upcoming American Legion World Series and celebrate the community support by providing a night of free music. This year's event will shine spotlight on Uptown Shelby businesses putting them at the forefront!

3. LOCATION OF EVENT (ATTACH MAP):
Lafayette Street from Marion to Graham

Warren Street from Morgan to Dekalb

. **PLEASE INDICATE**:

Approximately how many people will attend the event? 20,000-30,000

Approximately how many vehicles will be present? no vehicles permitted in the concert area except behind staging area for artists/entertainment

Approximately how many animals will be present? only those brought by attendees

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

Single lane N/A

All lanes in travel direction N/A

Whole street N/A

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

Name: Adrian Hamrick

Address: 117-A West Warren Street, Shelby, NC 28150

Phones: 704-466-3103 (Daytime) 704-692-0546 (Evening)

E-mail address: adrian@alws.us

Name: Wendy Cobb

Address: 117-A West Warren Street, Shelby, NC 28150

Phones: 704-466-3103 (Daytime) 704-300-9896 (Evening)

Email address: wendy@alws.us

6. PLEASE LIST THE FOLLOWING:

Requested day(s) and date(s) August 9, 2025
Alternate day(s) and date(s)_____
Requested hours of operation, from 5 PM to 11 PM
Road closures needed August 9 from 12:01 AM to August 10, 3:00 AM.
1. Lafayette Street from Marion to Graham
2. Warren Street from Morgan to Dekalb

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

American Legion World Series and Uptown Shelby will partner to notify businesses and residents in the Uptown Shelby area affected by the road closures.

8. SANITATION: Please attach your "Plan for Clean-Up." Please check Application Instruction sheet for details.
Use the permanent trash cans in the concert area. Request additional trash cans to be delivered the day before the event. Request city sanitation to pick up trash and clear streets after 10:00 PM the day of the concert. Additionally, we will have volunteers to assist throughout the evening keeping the area clean and moving full cans to the staging area and pickup empty cans.

9. AVAILABILITY OF FOOD, BEVERAGES, AND/OR ENTERTAINMENT: If there will be music, sound amplification, or any other noise impact, please describe on attached sheet, including the intended hours of the music, sound, or noise.
Live music with sound systems from 4:00 PM to 10:00 PM.

Will alcoholic beverages be served? No

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

Will food and/or no-alcoholic beverages be served? No

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

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

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

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

Name: Cleveland County EMS
Address: 100 Justice Place and in concert area
Phones: 911 and 704-484-4984

American Legion World Series Public Safety Coordinator:
Jeff Ledford, 980-522-6010

Indicate medical services that will be provided for the event.

AMBULANCE: _____
DOCTOR (S): _____
PARAMEDICS: _____

11. CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:

Police Department (security)
Electrical Department (electricity to be turned on for electrical/stage panels) Requesting street lights and twinkle lights be on during the event at a low level and brought to maximum strength as the concert ends.
City Utilities Department for street closures, additional trash cans, and trash pickup on Saturday.
ALWS Staff will be on site during the event and will contact all department representatives prior to the event. ALWS contracts for adequate portable restroom facilities. Written permission from the County for Court square use has been approved. ALWS coordinates with Shelby PD and Shelby FD to ensure proper procedures are followed.

Event Power Request Form and Pricing

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

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

Name of Special Event: ALWS Concert on the Corner

Authorize Event/Vendor Coordinator: Adrian Hamrick, ALWS Dir of Ops

Phone No.: 704-466-3103 Mobile No.: 704-692-0546

Email: adrian@alws.us

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

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

Full Day Rentals only

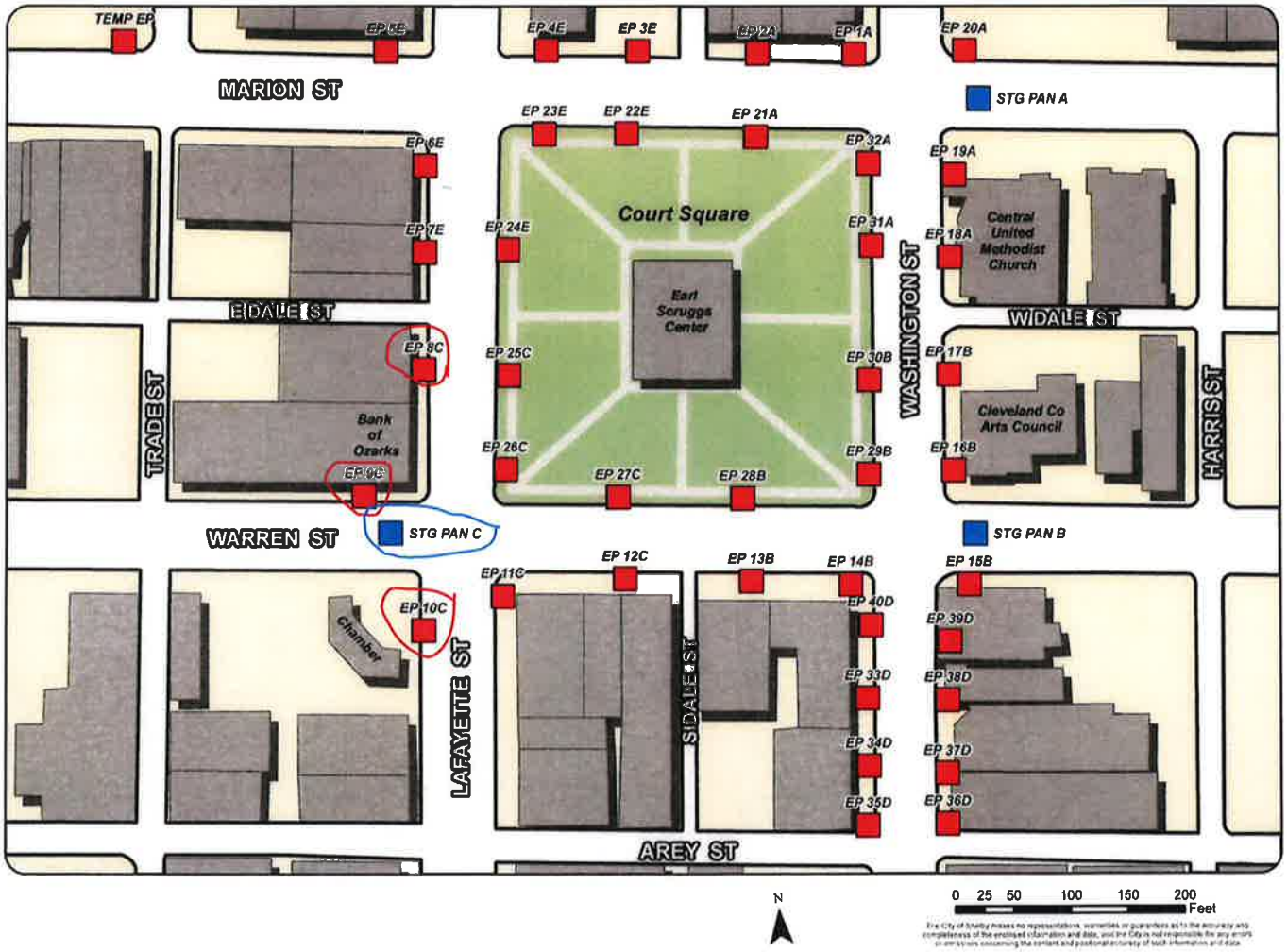
Total Number of Event Panels:
3 x $15.00 x Number of Days 1 = $ 45.00 EP 8C, 9C, 10C

Total Number of Stage Panels:
1 x $110.00 x Number of Days 1 = $ $110.00 STG PAN C

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

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

City of Shelby Uptown Event Panels



Shelby
NORTH CAROLINA

Legend

Event Panel

Stage Panel

12. ANY ADDITIONAL COMMENTS:

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

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

SIGNATURE

American Legion World Series | 704.466.3103

APPLICANT | PHONE

117-A West Warren Street, Shelby, NC 28150

PHYSICAL ADDRESS

adrian@alws.us

E-MAIL ADDRESS

06/03/2025

DATE

SUMTER STREET
N MORGAN STREET
N LAFAYETTE STREET
N WASHINGTON STREET
N DEKALB STREET
W MARION STREET
E MARION STREET
W WARREN STREET
E WARREN STREET
S MORGAN STREET
W GRAHAM STREET
E GRAHAM STREET
S LAFAYETTE STREET
S WASHINGTON STREET
S DEKALB STREET
UPTOWN SHELBY

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-9

9) Management Report:

a) ABC Board Budget Report FY 2025-2026

Consent Agenda Item: (Rick Howell, City Manager)

Summary of Available Information:

- FY 25-26 ABC Budget Report

City Manager's Recommendation / Comments

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

SHELBY ABC BOARD

Budget for the fiscal year 2025-2026

RE: BUDGET MESSAGE

To the Shelby ABC Board

The Annual Budget for the fiscal year July 1, 2025 through June 30, 2026 (FY 25-26) has been prepared in accordance anticipated changes to North Carolina General Statue 18B-702 "Financial operations of local boards." The ABC Board determines, through adoption of an annual budget the level of customer services that the ABC system will provide and the resources available for operations and capital projects.

The primary drivers during the preparation of this budget included projects operating costs required to sustain acceptable levels of customer services during fiscal year 25-26; and the need for revenues sufficient to fund capital improvements as well as to provide distribution to beneficiaries.

Highlights of the Budget: Key elements include:

- Only modest increases in liquor sales
- An increase in mixed beverage sales is projected due to current market conditions.
- The assumption is that no debt will be incurred: all capital improvements scheduled will be funded through cash.
- Equipment maintenance contracts and building repairs will increase slightly due to technology changes and the aging of the structure.
- Cost-of-living increases of employees pay will be considered this fiscal year.
- Health Insurance changes are difficult to predict; however, we feel a slight increase from the prior year's budget is prudent for 2025-2026.

The Board's Budget Process: This is the fifteenth year of the Board's budget process. A budget calendar has been created for future years.

Debt: The Board does not have any debt at this time; there is no anticipation of incurring debt during the budget year.

Employees: The Board currently has 7 fulltime employees, 5 part-time and 1 seasonal employee.

Conclusion: This budget reflects the Board's commitment to fulfill its mission based on known information.

Kelly Carpenter
General Manager

Attached: Adopted budget for Fiscal Year 2025-2026

BUDGET DOCUMENT
SHELBY ABC BOARD
2025-2026

BE IT ORDAINED by the Shelby ABC Board, of Cleveland County, North Carolina, that the following ordinace establishing revenues and setting expense appropiations is hereby adopted and effective July 1, 2025, through June 30, 2026

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2025 and ending June 30, 2026 to meet the operational and functional appropriations as set forth in Section 2, in accordance with the chart of accounts prescribed by the State ABC Commission.

Estimated Revenues:	Total
Liquor Sales	$ 6,900,000
Mixed Beverage Sales	675,000
Wine/Mixer Sales	9,500
Investment Income	1,000
Other Income	-
Total	$ 7,585,500

Section 2: Appropriations. The following expenses hereby appropriated for fiscal year 2025 - 2026 and are funded by the revenues made available through Section 1, herein.

Appropriations:	
Taxes Based on Revenue	
NC Excise Tax	$ 2,070,000
MXB Tax (Dept. of Rev.)	74,250
MXB Tax (DHHS)	7,425
Rehabilitation Tax	31,050
Wine/Mixer Sales Tax	-
Total	$ 2,182,725

Cost of Sales:	
Cost of Liquor Sold	$ 3,717,025
Total Gross Profit	$ 1,685,750

Operating Expenses:	**Total**
Salaries and Wages	675,000
Payroll Taxes	67,500
Retirement	101,250
Group Insurance	140,000
Repairs & Maintenance - Buildings	20,000
Repairs & Maintenance - Equipment	20,000
Rent	4,500
Utilities	25,000
Telephone	20,000
Insurance - General & Bonds	25,000
Store Supplies	30,000
Employee Travel	0
Office Supplies	10,000
Janitorial Services	0
Professional Fees	35,000
Dues & Subscriptions	4,000
Maintenance Agreements	40,000
Training	0
Security	65,000
Vehicle	6,500
Credit Card Processing Fees	85,000
Board expenses	25,000
Contingencies/Miscellaneous	10,000
Total	$ 1,408,750
	0

Capital Outlay:	
Various small jobs (detailed)	$ -
Upgrades	20,000
Total	$ 20,000

Distributions:	
Law Enforcement	$ 10,000
Alcohol Education & Rehab.	7,000
County	120,000
Municipal	120,000
Total Distributions	$ 257,000
Total Expenses, Distributions & Capital Outlay	$ 1,685,750

Section 3. Copies of this Budget Ordinance shall be furnished to Cleveland County Board of Commissioners, The Shelby City Council, the state ABC Commission, and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted by the Shelby ABC Board this 27th day of May 2025

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: D-10

10) Notice of Cancellation of the Regular Meeting Schedule of Shelby City Council

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

- Notice of Cancellation

City Manager's Recommendation / Comments

After reviewing with staff, the upcoming agenda schedule and any upcoming items requiring action by City Council it is my recommendation that the regular meeting slated for Monday, July 7, 2025 be cancelled and rescheduled to Monday, June 30, 2025 via the Consent Agenda. If approved by City Council your next regularly scheduled meeting would be held on Monday, July 21, 2025.

NOTICE OF CANCELLATION
IN THE
REGULAR MEETING SCHEDULE
OF
SHELBY CITY COUNCIL

This notice is to inform the general public and the media and is conducted in accordance with the mandates of North Carolina General Statutes 160A-71 and 143-318.12 (a), that the regularly scheduled July 7, 2025, meeting of the Shelby City Council will be held on Monday, June 30, 2025. The regular meeting schedule, as adopted by the Council, remains in place for all other regular meetings of the Council and will resume on Monday, July 21, 2025, at 6:00 p.m. at the Don Gibson Theatre located at 318 South Washington Street, Shelby, North Carolina next to City Hall.

Dated: June 12, 2025

E. Unfinished Business

None

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

F. New Business

Agenda Item: F-1

1) Approval of resolution for acceptance of the reimbursement agreement with South Fork Ventures, LLC for the replacement of the Kemet Lift Station: Resolution No. 48-2025

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

Summary of Available Information:

- Memorandum dated June 10, 2025, from Ben Yarboro, Assistant City Manager to Rick Howell, City Manager, copied to Jason Lunsford, City Attorney and Beth Beam, Director of Finance
- Memorandum dated June 11, 2025, from Brian Wilson, Director of Water Resources to Ben Yarboro, Assistant City Manager and copied to Jason Lunsford, City Attorney
- Reimbursement Agreement
- Exhibit A – Blanton Farm Sewer Map
- Exhibit B – Blanton Farm CZ – Conditions and Guidelines
- Exhibit C – Kemet Lift Station Preliminary Opinion of Probable Construction Cost
- Resolution No. 48-2025

City Manager's Recommendation / Comments

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: **Rick Howell, City Manager**

Cc: **Jason Lunsford, City Attorney**
Beth Beam, Director of Finance

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

Date: **June 10, 2025**

Subject: **Reimbursement Agreement with South Fork Ventures, LLC for Kemet Sewer Lift Station Improvements**

Background

As growth and development occurs within the City of Shelby, our City staff continuously review the impacts of the proposed developments on the existing infrastructure and utility systems. In early 2023, City staff was made aware of a development on a property referred to as the "Blanton Farm." As the details of this project evolved, the City of Shelby Water Resources Staff have worked closely with independent third-party consulting engineers to analyze the impact of the additional sanitary sewer flow that will be generated by the proposed project.

As noted in the detailed memorandum from Brian Wilson, Director of Water Resources, the existing lift station (referred to as the Kemet Lift Station) located on Old Boiling Springs Rd. must be upgraded to be able to reliably handle the additional sewer flow. The existing lift station equipment, which has served the former Kemet site and surrounding area for over 44 years, is at the end of its useful life and is need of replacement. The timing of the additional flow from the Blanton Farm Development has created a situation where the lift station needs to be replaced in a shorter timeframe than if the City proceeded under its planned Capital Improvement Project. Based on this scenario, the Developer (South Fork Ventures, LLC) has proposed to pay for a portion of the Kemet Lift Station replacement project. This will require the City to also fund a portion of the project. Based on a preliminary cost estimate of $1,814,880 for the new lift station that was prepared by McGill Engineers for the City, the Developer has agreed to fund $825,000 of the project and the City will reimburse the Developer the balance of the project cost (not to exceed $1,000,000 in total City contribution).

The proposed "Reimbursement Agreement" has been reviewed to ensure compliance with NC General Statute 160A-320. If the proposed agreement is approved, the Developer (at their expense via their NC Licensed Engineer) will be responsible for the design, bidding, construction administration, and final certification of the proposed new lift station. Upon satisfactory

completion of the proposed lift station and acceptance by the City, the City will own, operate, and maintain the lift station.

This proposed development provides the City with an opportunity to share costs with a Developer to upgrade an older sewer lift station in our system.

Please let me know if any additional information is required.

Attachments

Memo (with attachments) from Brian Wilson, Director of Water Resources

Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

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

CC: **Jason Lunsford, City Attorney**

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

Date: **Wednesday, June 11, 2025**

Subject: **Acceptance of Reimbursement Agreement for Replacement of the Kemet Lift Station**

Background

The Kemet Lift Station, built in 1981, is nearing the end of its useful life. While the concrete wet-well/dry-well structure is sound, the pumps have logged more than 10,000 operating hours. The station also lacks both a flow meter and a permanent bypass connection, making failures difficult to manage and costly to repair. Given its age and the forecasted flows, the station is no longer suitable for long-term demands.

Rapid growth in the east has accelerated the need for a replacement. South Fork Ventures LLC (SFV) has plans to develop approximately 850 acres (the "Blanton Farm" tract) for a mixed-use development that will add about 1,650 homes, several commercial outparcels, and potentially some light-industrial acreage. At full build-out, Blanton Farm will generate an average daily flow of ~250,000 gpd, with peaking factors pushing required lift-station capacity to nearly 1.5 MGD. Additional capacity is also needed for other potential residential and industrial growth in the area.

SFV has offered to design, permit, and construct the new lift station in exchange for cost-sharing reimbursement. Staff have negotiated a draft Reimbursement Agreement under N.C.G.S. 160A-320 that assigns design and construction responsibility to the developer while preserving the City's ownership interests.

Review

Under the proposed Agreement, SFV will deliver a turnkey submersible lift station rated for approximately 1.5 MGD peak flow, complete with a standby generator and SCADA integration. Design submittals will meet City standards and receive written approval by the City before being publicly bid in accordance with applicable NC General Statutes.

Construction costs for the lift station are capped at $1.825 million. The City will reimburse up to $1,000,000—payable within 60 days of final acceptance after the City receives a formal reimbursement request—while SFV contributes the first $825,000 towards the construction contract.
Upon Council acceptance of the completed sewer lift station, the City of Shelby will assume all ownership, operation, and maintenance of lift station. The sewer capacity created by this lift station replacement project will provide reliable service to the proposed development on the Blanton Farm property along with other existing and future users in this area.

Recommendation
City staff recommend that Council approve the attached Reimbursement Agreement authorizing the City Manager to execute the Reimbursement Agreement with South Fork Ventures LLC as outlined above. The Agreement secures critical sewer infrastructure and ensures the lift station is built to City standards while providing sewer capacity to both Blanton Farm and other future economic-development projects that will flow through this new sewer lift station.

Please let me know if you need any further information or clarification.

Attachments:
- Reimbursement Agreement
- Exhibit A – Blanton Farm Sewer Map
- Exhibit B – Blanton Farm CZ – Conditions and Guidelines
- Exhibit C – Kemet Lift Station Preliminary Opinion of Probable Construction Cost

STATE OF NORTH CAROLINA
CLEVELAND COUNTY

REIMBURSEMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made this ____ day of _____, 2025, by and between the **City of Shelby** (the "City"), a municipal corporation existing under the laws of the State of North Carolina, and **South Fork Ventures, LLC,** a South Carolina corporation (the "Developer"), collectively hereinafter referred to as the "Parties" and individually as a "Party".

W I T N E S S E T H :

WHEREAS, the City of Shelby is implementing System Development Fees (SDF) pursuant to N.C. Gen. Stat. § 162A-200 et seq. and is authorized to enter into reimbursement agreements pursuant to N.C. Gen. Stat. § 160A-320; and

WHEREAS, the City of Shelby provides public enterprise utility services, as defined under N.C. Gen. Stat. 160A-11, throughout city limits including clean potable water and sanitary sewer; and

WHEREAS, the Developer owns or is under contract to purchase and develop certain real property located in Shelby, North Carolina commonly referred to as Blanton Farm, and more formally identified by Tax Parcel ID 30492 and 28474, and as shown in Exhibit A attached hereto and incorporated herein by reference (the "Developer Property"); and

WHEREAS, the Developer plans to develop the Developer Property into a multi-phased residential community comprising of approximately 1,645 planned homes over a phased development plan to include detached homes and town homes as well as dedicated industrial use acreage as depicted in Exhibit B (the "Developer's Project"); and

WHEREAS, the Developer will be required to extend certain City water and sewer mains and pipelines to serve the Developer's Property; and

WHEREAS, the City's present Kemet Lift Station is ancillary to and adjacent to the Developer Property, as depicted on Exhibit A, and is currently utilized for the flow of wastewater to surrounding businesses and residences; and

WHEREAS, the Kemet Lift Station requires improvements to meet the increased demands of the Developer's Property; and

WHEREAS, the Developer has agreed to construct and perform necessary improvements to the existing Kemet Lift Station and other sewer improvements necessary to service the Developer's Project for which the City has agreed to reimburse Developer according to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the Parties hereto agree as follows:

1. **Incorporation of Recitals**. The recitals set forth above are expressly incorporated into this Agreement by reference as if fully set forth herein.

2. **Flow Allocation**. It is hereby agreed that City can only allocate and provide flow to Developer at the time of flow allocation, and that the development and improvement to this lift station will directly impact the City's ability to increase flow and thereby increase capacity at the City of Shelby wastewater treatment plant. Such increased flow constitutes a public benefit and improvement to the City. Notwithstanding any increased flow allocation that may result from this Agreement and improvements, it is expressly understood that Developer's contribution does not constitute and will not result in guaranteed flow allocation to the Developer Property. It is further agreed and understood by the Parties that the City of Shelby cannot predict the amount of flow that may exist upon completion of the Utility Improvements and that allocation of flow may not be reserved or provided through this Agreement.

3. **Design of the Utility Project**. The Developer shall design at Developer's sole cost the Utility Project pursuant to the City's Code of Ordinances and City specifications. All drawings and plans for the Utility Project shall be approved by the City (the "Project Plans") through the City's usual permitting process. Final design approval shall be in the City's sole discretion. The Developer is also responsible for obtaining all required permits for the Utility Project at Developer's sole cost.

4. **Acquisition of Easements**. The Developer shall acquire all easements necessary to construct, operate, and maintain the Utility Project at Developer's sole cost in the form and manner prescribed in the City's Code of Ordinances, as may be amended from time to time.

5. **Cost Estimate for the Utility Project**. The projected cost of the Utility Project is one million eight hundred and twenty-five thousand dollars ($1,825,000.00) as shown on Exhibit C and incorporated herein by reference.

6. **Bidding the Utility Project**.

    a. The Developer shall publicly bid the Utility Project pursuant to Article 8 of Chapter 143 of the North Carolina General Statutes using forms, documents, and processes customarily used by the City for City projects. The Developer shall coordinate with the City to schedule the bid opening at the City's offices on a date and time mutually agreeable to the Parties. Developer shall select the lowest responsive and responsible bidder pursuant to Article 8 of Chapter 143 of the North Carolina General Statutes and promptly notify the City of Developer's selected contractor and cost of constructing the Utility Project. All costs related to bidding and entering into a contract with the selected contractor shall be the Developer's sole costs.

    b. The Developer shall use the City's standard contract form for construction costs, including supplemental conditions required for the Utility Project. The contract awarded for the Utility Project shall cause the City to be a third-party beneficiary of the construction contract.

c. The Developer shall disclose to the City any financial interest in, existing financial relationship with, or familial relationship between any owner or principal management of the Developer and any owner or principal management of the lowest responsible bidder.

d. If the lowest responsible bid results in the City's portion of the cost exceeding one million dollars ($1,000,000.00), the City shall have the right to terminate this Agreement by providing written notice to Developer within thirty (30) days of the City's receipt of the lowest responsible bid, unless the Developer agrees in writing to pay all costs exceeding one million eight hundred and twenty-five thousand dollars ($1,825,000.00). This right is in addition to the Developer's option to reject the bid pursuant to Section 8.a. herein.

7. **Constructing the Utility Project**.

a. The Developer shall ensure that the construction of the Utility Project is performed pursuant to the Project Plans and standards practiced by reputable contractors and other professionals in the engineering, construction, landscaping and contracting disciplines and professions. Developer will further ensure that all construction is performed in compliance with all applicable laws and regulations and that all required permits and governmental authorizations are obtained prior to initiating any activities requiring such permits and authorizations.

b. The Developer acknowledges and agrees that any field orders approved by the City's inspection staff for the Utility Project shall not constitute approval of any related change orders that affect the cost of the Utility Project.

8. **Funding for the Utility Project**.

a. The Developer shall initially fund the full cost of the Kemet Lift Station improvements. The City shall reimburse the Developer for all eligible costs except for eight hundred twenty-five thousand dollars ($825,000.00), which shall remain the Developer's responsibility. If the lowest responsive, responsible bid for the construction of the Lift Station exceeds one million eight hundred and twenty-five thousand dollars ($1,825,000.00), the Developer shall be responsible for an amount exceeding one million eight hundred and twenty five thousand dollars ($1,825,000.00), or Developer may, at its sole discretion, reject the bid and decline to proceed with the Utility Project.

b. The Developer must submit in writing any change orders requested by the construction contractor that affect the cost of the Utility Project promptly to the City's designated project manager for the Utility Project for review and approval. The City will respond to the request for a change order no later than fifteen (15) days following receipt of the request. The City shall not be obligated to pay for any change orders requested by the construction contractor that it did not approve before the work subject to the change order is conducted. The cost of any change orders approved by the City will be split between the Developer and the City up to the City's reimbursement cap of one million dollars

($1,000,000.00). Any approved change orders that cause the City's reimbursement cost to exceed one million ($1,000,000.00) dollars shall be subject to a written amendment to this Agreement signed by both parties.

c. Any change orders requested by the Developer or that benefit only the Developer and affect the cost of the Utility Project shall be at the Developer's sole cost. Such determination shall be based on the bid Project Design Contract and review by the City and final determination shall be in the City's sole discretion.

9. **Ownership and Maintenance of Infrastructure**. The Utility Project will be owned, operated, and maintained by the City exclusively following the City's acceptance of the completed Utility Project. Developer shall ensure the transfer of any and all easements, rights-of-way, and all other rights of use, access, ingress and egress necessary or desirable for the existence, improvement, use, operation, inspection, maintenance, repair, reconstruction, replacement, and/or removal of the Utility Project and such improvements, facilities, fixtures, equipment, markers and appurtenances thereto as may be necessary or desirable for the collection of wastewater.

10. **Reimbursement of Eligible Expenses**. The City will reimburse the Developer for the cost of constructing the Utility Project pursuant to this Agreement (the "Eligible Costs"). The City shall not reimburse the Developer for any construction costs that are necessary to serve only the Developer's Project. No later than one year following the City's acceptance of the Utility Project, the Developer shall submit a request for reimbursement for the City's share of the Eligible Costs. The Developer's reimbursement request must include a certified statement of an engineer licensed in North Carolina regarding the construction costs of the Utility Project, with a breakdown of unit and quantity costs, and such other expenses and descriptions of the Utility Project as the City may request. The City will remit payment to Developer of the Eligible Costs within sixty (60) days of receipt of a complete reimbursement request.

11. **Term and Termination**. The term of this Agreement shall be from the date of execution of this Agreement until the Utility Project is complete and the City has reimbursed the Developer for the City's share of the Eligible Costs, except that the indemnification provisions and non-waiver of qualified immunity provisions of this Agreement shall survive the termination of this Agreement. Notwithstanding the foregoing, in the event the Utility Project is not completed within five (5) years from entry of this Agreement, plus any additional days attributable to a Force Majeure pursuant to Section 18 herein, City shall have the right to terminate this Agreement and City shall have no further responsibility for any additional or other credits, payments, reimbursements, compensation, or other remuneration to the Developer in connection with this Agreement.

12. **Non-Discrimination**. To the extent permitted by North Carolina law, the Parties for themselves, their agents, officials, directors, officers, members, representatives, employees, and contractors agree not to discriminate in any manner or in any form based on actual or perceived age, mental or physical disability, sex, religion, creed, race, color, sexual orientation, gender identity or expression, familial or marital status,

economic status, veteran status or national origin in connection with this Agreement or its performance.

13. **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of both of the Parties hereto and their heirs, personal representatives, grantees, successors, and assigns.

14. **Choice of Law**. All matters relating to this Agreement shall be governed by the laws of the State of North Carolina, without regard to its choice of law provisions, and venue for any action related to the Agreement shall be Cleveland County Superior Court.

15. **Alternative Dispute Resolution**. In the event either Party to this Agreement raises a dispute, such dispute may be settled through nonbinding mediation as prescribed by the rules and requirements of the Superior Court Civil Division of Cleveland County and the North Carolina Dispute Resolution Commission pursuant to N.C. Gen. Stat. 7A-38.3. The Parties may, by agreement, select a certified mediator to conduct its mediated settlement conference within 21 days of providing written notice of a dispute to this Agreement. Preference is for remote mediation based upon the mutual agreement and selection of a certified mediator by the Parties utilizing the directory of certified mediators maintained by the NC Dispute Resolution Commission located at www.NCDRC.gov. Once selected, the mediator shall schedule the date, time, and location of the conference and timely notify all attorneys.

16. **Notices**. Any notice given pursuant to this Agreement, shall be deemed given (a) upon receipt if delivered by hand, (b) three (3) business days after deposit in the United States Mail, postage paid, certified mail, return receipt requested, or (c) on the first business day after having been delivered to a nationally recognized overnight express delivery service and addressed as follows:

If to City:	City of Shelby Post Office Box 207 300 South Washington Street Shelby, North Carolina 28151 Attention: City Manager
And a copy to:	Jason Lunsford City Attorney City of Shelby Post Office Box 207 300 South Washington Street Shelby, North Carolina 28151
If to the Developer:	South Fork Ventures, LLC Care of Rick Walliser 3712 Rivergrass Lane York, South Carolina 29745
With copies to:	

17. **Mutual Representations**. The Parties have full legal and corporate power and authority to enter into this Agreement. No Party is subject to any agreement or other constraint that would prohibit, restrict or adversely affect its right or ability to enter into, or carry out its obligations under this Agreement. This Agreement, when executed, will become the legal, valid and binding obligation of and inure to the benefit of the respective Parties and their agents, grantees, successors, and assigns.

18. **Non-Performance; Force Majeure**

    a. **City**. To the extent any non-performance or delay by City results from or is caused by (a) the actions, omissions or interference of the Developer, or its employees, contractors or agents or other third parties or (b) the failure or delay of any of the foregoing to perform any conditions required for the City's performance of its responsibilities, such non-performance or delay will be excused. The City will not be liable for any delay or inability to perform its obligations or otherwise if such delay or inability arises from any act of God, fire, natural disaster, act of government, act of war (declared or undeclared), act of terrorism (domestic or international), riot, civil disturbance, manufacturer's shortages or constraints of parts or products, or any other cause beyond the reasonable control of the City, whether or not foreseeable. For each day City seeks to have excused as a result of a Fore Majure, City must provide documentation to Developer and an accounting for how many days credit City seeks. Any dispute as to the above shall be resolved through dispute mediation, as provided for herein, or through court.

    b. **Developer**. To the extent any non-performance or delay by Developer results from or is caused by (a) the actions, omissions or interference of City, or its employees, contractors or agents or other third parties or (b) the failure or delay of any of the foregoing to perform any conditions required for the Developer's performance of its responsibilities, such non-performance or delay will be excused. The Developer will not be liable for any delay or inability to perform its obligations or otherwise if such delay or inability arises from any act of God, fire, natural disaster, act of government, act of war (declared or undeclared), act of terrorism (domestic or international), riot, civil disturbance, manufacturer's shortages or constraints of parts or products, or any other cause beyond the reasonable control of the City, whether or not foreseeable. For each day Developer seeks to have excused as a result of a Fore Majure, Developer must provide documentation to City and an accounting for how many days credit Developer seeks. Any dispute as to the above shall be resolved through dispute mediation, as provided for herein, or through court.

19. **Applicability of North Carolina Public Records Law**. Notwithstanding any other provisions of this Agreement, this Agreement and all materials submitted by the Developer to the City are subject to the public records laws of the State of North Carolina and it is the responsibility of the submitting Party to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission of such materials to the City. The Parties understand and agree that the City may take any and all actions

necessary to comply with federal, state, and local laws and/or judicial orders and such actions will not constitute a breach of the terms of this Agreement. To the extent that any other provisions of this Agreement conflict with this paragraph, the provisions of this section shall control.

20. **Amendment**. Any amendment to this Agreement to be effective must be in writing, signed by all Parties, and executed with the same formality and approvals as the foregoing Agreement.

21. **Relationship of Parties**. The Parties are, and shall remain, independent entities with respect to any service or function performed under this Agreement. Except as provided for in this Agreement, each Party shall select the means, method, and manner of performing their respective services herein. Each Party is independent of the other and shall not represent itself or be deemed as an officer, agent or employee of the other Party for any purpose. Nothing under this Agreement is intended or should be construed in any manner to create a joint agency, body or organization between the Parties. Each Party agrees to be individually responsible to comply with all relevant State and Federal statutes, rules and regulations which are applicable to any responsibility or duty outlined herein.

22. **Insurance**.

Developer shall purchase at its own expense insurance coverages to satisfy the following minimum requirements and any policy shall include City as a named beneficiary. A certificate reflecting the following minimum coverages shall accompany the construction contract for the Utility Project:

Workers' Compensation Insurance:

Limits:	
Workers Compensation:	Statutory for the State of North Carolina
Employers Liability:	Bodily Injury by Accident $1,000,000 each accident
Bodily Injury by Disease	$1,000,000 policy limit
Bodily Injury by Disease	$1,000,000 each employee

Commercial General Liability:

Limits:	
Each Occurrence:	$1,000,000
Personal and Advertising Injury	$1,000,000
General Aggregate Limit	$5,000,000
Products and Completed Operations Aggregate	$5,000,000

The aggregate limit must apply per project. The form of coverage must be the ISO CG 00 01 policy (or equivalent), as approved by the State of North Carolina Department of Insurance. Completed Operations coverage must be maintained for the period of the applicable statute of limitations.

Commercial Automobile Liability:
Limits:
$1,000,000 combined single limit.

Additional Insured – Developer shall require the Contractor to endorse the City as an Additional insured on the Commercial General Liability, Auto Liability and Umbrella Liability if being used to meet the minimum liability limits for General Liability and Automobile Liability. The Additional Insured shall read **"City of Shelby is named additional insured as their interest may appear".**

The Certificate Holder address should read:

City of Shelby
Post Office Box 207
Shelby, NC 28151

Builders Risk Coverage:
Limits:
Minimum limit in the amount of total bid price.

The Builder Risk policy must be endorsed to increase the limit of insurance for all change orders.

Policy Form:
Builder Risk coverage must be on a direct physical loss basis and contain no exclusion for theft, collapse or damage to foundations or underground structures, pipes or conduits.

Named Insured:
The Named Insured shall be the City of Shelby, the Contractor and all sub-contractors with a contractual assumption of responsibility for damage to the project.

All insurance companies must be admitted to do business in North Carolina and be acceptable to City's risk manager. If the insurance company(s) is a permitted surplus lines insurer, the insurance company name, and NAIC number must be submitted to the City's risk manager for approval before commencing work. Contractor shall be required to provide City no less than thirty (30) days' notice of cancellation, or any material change, to any insurance coverage required by this Agreement.

A Certificate of Insurance (COI) must be issued by an authorized representative of the insurance carrier(s). Certificates of Insurance must have the insurance company name and NAIC number clearly identified. The acceptance of or the review of Certificates of Insurance by the City does not relieve Contractor of any requirements in this Agreement to provide specific insurance coverage required by this Agreement, nor does the acceptance of or review of Certificates of Insurance covenant all insurance requirements have been met.

23. Indemnification.

A. To the fullest extent allowed by law, the Developer shall indemnify, defend, and hold harmless the City, its officers, officials, employees, agents, or indemnities (collectively called "Indemnified Parties") from and against those Losses, liabilities,

damages, and costs caused by the sole negligence of the Developer, the Developer's agents, or the Developer's employees and not resulting from the gross negligence or intentional misconduct of any of the Indemnified Parties.

B. In matters other than those covered by subsection 23A. above, and to the fullest extent allowed by law, the Developer shall indemnify, defend, and hold harmless the Indemnified Parties from and against those Losses, liabilities, damages, and costs caused by, arising out of, resulting from, or in connection with the execution of the work provided for in this Agreement when the Fault of the Developer or its Derivative Parties is the cause of the Loss, liability, damage, or expense indemnified and not resulting from the negligence, gross negligence or intentional misconduct of any of the Indemnified Parties.

C. Costs and expenses shall include attorneys' fees, litigation or arbitration expenses, or court costs actually incurred by the Indemnified Parties to defend against third-party claims alleged in any court, tribunal, or alternative dispute resolution procedure required of any of the Indemnified Parties by law or by contract, only if the Fault of the Developer or its Derivative Parties is the cause of the attorney's fees, litigation or arbitration expenses, or court costs to be indemnified and not resulting from the negligence, gross negligence or intentional misconduct of any of the Indemnified Parties.

D. The Developer's duty to indemnify, defend, and hold harmless described hereinabove shall survive the termination or expiration of this Agreement.

E. Definitions:

1. For the purposes of this Section 23, the term "Fault" shall mean any breach of contract; negligent, reckless, or intentional act or omission constituting a tort under applicable statutes or common law; or violation of applicable statutes or regulations.

2. For the purposes of this Section 23, the term "Loss" or "Losses" shall include, but not be limited to, fines, penalties, and/or judgments issued or levied by any local, state, or federal governmental entity.

3. For the purposes of this Section 23, the term "Derivative Parties" shall mean any of the Contractor's subcontractors, agents, employees, or other persons or entities for which the Contractor may be liable or responsible as a result of any statutory, tort, or contractual duty.

24. **Non-Assignment**. No Party shall assign any portion of this Agreement, or the rights and responsibilities hereunder, to another person or entity without the prior written consent of the other Parties of the Agreement, which consent shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, Developer may collaterally assign this Agreement to its lender in order to effectuate the financing of the Developer's Project without first obtaining such written consent.

25. **No Waiver of Qualified Immunity**. No officer, agent or employee of either Party shall be subject to any personal liability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute this Agreement in their official capacities only, and not in their individual capacities. This section shall not relieve any such officer, agent or employee from the performance of any official duty provided by law. This section shall survive the termination of this Agreement.

26. **Performance of Government Functions**. Nothing contained in this Agreement shall be deemed or construed to in any way stop, limit, or impair City from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions, or shall limit City's discretion in the exercise of such powers and functions.

27. **Entire Agreement**. The terms and provisions herein contained constitute the entire agreement by and between the Parties and shall supersede all previous communications, representations or agreements, either oral or written between the Parties hereto with respect to the subject matter hereof.

28. **Severability**. The titles of each section are for convenience and readability of this Agreement only. If any provision of this Agreement shall be determined to be unenforceable by a court of competent jurisdiction, such determination will not affect any other provision of this Agreement.

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

30. **Counterparts**. This Agreement may be executed in several counterparts, each of which shall be deemed an original. Delivery of an executed counterpart of a signature page to this Agreement in electronic format (e.g., .pdf or .tif, or DocuSign, PandaDoc or similar electronic signature program) shall be effective as delivery of a manually executed counterpart of this Agreement.

31. **Electronic Version of Contract**. City may covert a signed original of the Contract to an electronic record pursuant to a North Carolina Department of Natural and Cultural Resources approved procedure and process for converting paper records to electronic records for record retention purposes. Such electronic record of the Agreement shall be deemed for all purposes to be an original signed Contract.

32. **E – Verify**. Developer shall comply with E-Verify, the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law and as in accordance with N.C. Gen. Stat. §64-25 *et seq*. In addition, to the best of Developer's knowledge, any subcontractor employed by Developer as a part of this Agreement shall be in compliance with the requirements of E-Verify and N.C. Gen. Stat. §64-25 *et seq*.

33. **Iran Divestment Act Certification**. Developer certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C. Gen. Stat. § 147-86.55, et seq. In compliance with the requirements of the Iran Divestment Act and N.C. Gen. Stat. § 147-86.59, no Party shall utilize in the performance of this Agreement any subcontractor that is identified on the Final Divestment List.

34. **Companies Boycotting Israel Divestment Act Certification**. Developer certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C. Gen. Stat. § 147-86.81.

[Signature page to follow]

IN WITNESS WHEREOF, the Developer has executed the foregoing with the signature(s) of its duly authorized officer(s), under seal, and the City has executed with the signature of its City Manager, attested by its Clerk, with the official seal affixed, the day and year first above written:

DEVELOPER:

_____

By:

_____

_____
Printed Name/Title

(If corporate)

ATTEST:

By:_____

_____
Printed Name/Title
(Affix Seal)

CITY:

By: Rick Howell

_____
City Manager

ATTEST:

By:_____
Carol Williams, City Clerk

(Affix Seal)

THIS INSTRUMENT APPROVED AS TO FORM:

_____
Jason Lunsford, City Attorney

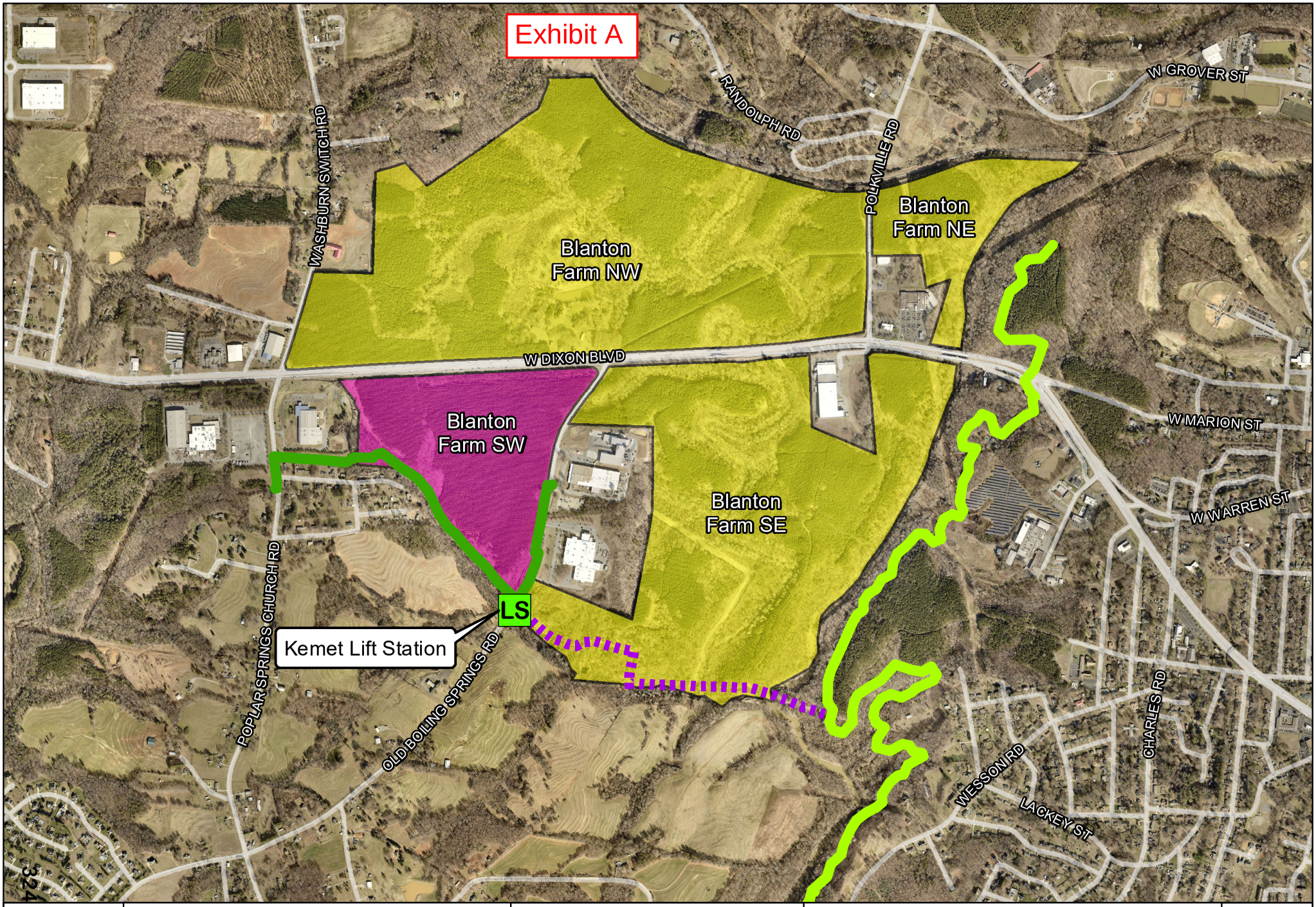


Exhibit A
Blanton Farm NW
Blanton Farm NE
Blanton Farm SW
Blanton Farm SE
LS
Kemet Lift Station
WASHBURN SWITCH RD
RANDOLPH RD
POLKVILLE RD
W GROVER ST
W DIXON BLVD
W MARION ST
W WARREN ST
POPLAR SPRINGS CHURCH RD
OLD BOILING SPRINGS RD
CHARLES RD
WESSON RD
LACKEY ST
Blanton Farm Industrial
Blanton Farm Residential
Gravity Sewer
Force Sewer Main
First Broad Outfall
LS
Lift Stations
Blanton Farm Sewer
1 inch = 1,500 feet
0 750 1,500 3,000
Feet
N

Exhibit B

CONDITIONAL ZONING
BLANTON FARM
(CZ-BLANTON FARM)

CONDITIONS AND GUIDELINES
for
APPROX. 835-ACRE MIXED-USE DEVELOPMENT
December 15th, 2023

Shelby
NORTH CAROLINA

DEVELOPER

SOUTHFORK
VENTURES

ENGINEER

RJH

R. Joe Harris & Associates, Inc.

1186 Stonegate Blvd., Tega Cay, S.C. 29708
(803) 802-1799

PROJECT PURPOSE AND OVERVIEW:

As allowed under North Carolina Law, South Fork Ventures LLC (SFV) is proposing to develop this project as a Conditional Zoning. The purpose of a Conditional Zoning is to allow for flexibilities in the design and zoning requirements that may not exist within the current Unified Development Ordinance and Development Regulations.

With the goal of providing a variety of housing, commercial development and industrial development under a single, master-planned development, Conditional Zoning will allow all such components to be regulated under a single development plan. The benefits of a master-planned, Conditional Zoning development are as follows:

- ✓ defines development patterns and uses for all portions of the property
- ✓ provides for a cohesive integration of traffic circulation and pedestrian connectivity
- ✓ allows flexibility in the zoning and development requirements that are needed and unique to this project
- ✓ provides assurances to both the City of Shelby and the Developer of what is expected and what will be provided

The following information presented within this document can readily be found within the Conditional Zoning – Blanton Farm development plan. This document is supplemental to and part of the rezoning documents for Conditional Zoning – Blanton Farm.

GENERAL INFORMATION:

PROJECT:	BLANTON FARM
DEVELOPER:	SOUTH FORK VENTURES, LLC PO BOX 178 WADMALAW ISLAND, SC 29487
PROPERTY OWNER:	THE BLANTON FARM LLC GENE & CHARLENE WASHBURN ETAL
PARCEL NOs:	30492 (The Blanton Farms LLC) 28474 (Washburn Etal)
ACREAGE:	834.57 GROSS ACRES± (14.47 Acres in CSXT RW) (0.35 Acres in NCDOT RW) 819.75 NET ACRES±
EXISTING ZONING:	R20 - RESIDENTIAL (The Blanton Farm LLC) LI - LIGHT INDUSTRIAL (Washburn Etal)

PROPOSED ZONING: CONDITIONAL ZONING - BLANTON FARM
> R6 RESIDENTIAL (CZ-R6)
> GENERAL BUSINESS (CZ-GB)
> GENERAL INDUSTRIAL (CZ-GI)

TAX PARCELS: 30492 | 2527835357 - THE BLANTON FARM LLC
30492 | 2527701995 - THE BLANTON FARM LLC
30492 | 2537008942 - THE BLANTON FARM LLC
30492 | 2537239783 - THE BLANTON FARM LLC
28474 | 2526988818 - GENE & CHARLENE WASHBURN ETAL

DEVELOPMENT INFORMATION:

LAND DISTRICTS:

R6 RESIDENTIAL (CZ-R6)	- 697.21 ACRES±
GENERAL BUSINESS (CZ-GB)	- 15.83 ACRES±
GENERAL INDUSTRIAL (CZ-GI)	- 106.71 ACRES±
RAILROAD R/W *	- 14.47 ACRES±
NCDOT R/W *	- 0.35 ACRES±

* PART OF PARCELS ZONED R6 RESIDENTIAL (CZ-RG)
> ALL DISTRICTS ARE APPROVED AS CONDITIONAL ZONING DISTRICTS AS OUTLINED WITHIN THIS PLAN

DENSITY:

RESIDENTIAL DISTRICT (CZ-R6)
- 20' WIDE TOWNHOMES 322 UNITS
- 22' WIDE TOWNHOMES 169 UNITS
- 40' WIDE DETACHED SFR 789 LOTS
- 50' WIDE DETACHED SFR 364 LOTS

COMMERCIAL DISTRICT (CZ-GC)
- 62,000-SF RETAIL/COMMERCIAL (MAX.)
- SELF STORAGE OR OUTDOOR STORAGE (MAX. 6.48 ACRES)

INDUSTRIAL DISTRICT (CZ-GI)
- UP TO 5 INDUSTRIAL LOTS
- ACTUAL PARCEL CONFIGURATIONS MAY VARY AND PARCELS CAN BE COMBINED

OPEN SPACE: 20% OF RESIDENTIAL DEVELOPMENT ACREAGE AND MAY INCLUDE THE FOLLOWING:
- PERIMETER BUFFERS NOT PART OF LOTS
- AMENITY CENTERS AND POCKET PARKS
- FLOODPLAINS
- COMMON AREAS NOT PART OF LOT

THE BLANTON FARMHOUSE WILL BE INCORPORATED INTO SITE AMENITY LOT AND MAINTAINED BY THE HOA/POA. ACCESSORY STRUCTURES ADJACENT TO THE FARMHOUSE ARE NOT REQUIRED TO BE PRESERVED.

OPEN SPACE WILL NOT BE REQUIRED FOR COMMERCIAL OUTPARCELS AND INDUSTRIAL DISTRICT

BUFFERS: AS SPECIFED ON DEVELOPMENT PLAN
- WILL NOT BE REQUIRED FOR DIFFERENT USES INTERNAL TO THE DEVELOPMENT

ALL PROPOSED USES ARE SUBJECT TO ANY SPECIFIED MAXIMUM DENSITIES OR SIZE REQUIREMENTS OUTLINED WITHIN THIS REZONING PLAN.

DEVELOPER MAY CONVERT AREAS PROPOSED AS TOWNHOMES (OR PORTION OF) TO DETACHED SINGLE FAMILY LOTS MEETING THE MIN. 40'-WIDE LOT STANDARDS SPECIFIED WITHIN THIS PLAN WITHOUT HAVING TO AMEND THE CONDITIONAL ZONING PLAN. DEVELOPER MUST PROVIDE NOTICE AND SKETCH PLAN FOR PROPOSED CHANGES TO THE PLANNING DIRECTOR AND SUBMIT CONSTRUCTION DRAWINGS FOR REVIEW AND APPROVAL.

THIS CONDITIONAL ZONING PLAN SHALL TAKE PRECEDENCE OVER ANY CONFLICTS WITH THE CITY OF SHELBY UNIFIED DEVELOPMENT ORDINANCE AND STANDARDS FOR DEVELOPMENT.

UPON CITY COUNCIL APPROVAL OF THE PROPOSED CONDITIONAL ZONING DISTRICTS, AND UPON WRITTEN AGREEMENT BY DEVELOPER, ANY FUTURE CHANGES THAT CONSTITUTE A MAJOR CHANGE FROM THE AGREEMENT MUST BE RESUBMITTED BY DEVELOPER TO COUNCIL FOR FUTURE APPROVAL. DEFINITIONS OF WHAT CONSTITUTES A MAJOR CHANGE OR MINOR CHANGE SHALL BE ALIGNED WITH THE CITY OF SHELBY'S UNIFIED DEVELOPMENT ORDINANCE IN SECTION 8-7.

GENERAL CONDITIONAL NOTES

1. THIS IS A CONDITIONAL ZONING MASTER PLANNED DEVELOPMENT PLAN MEANT TO PROVIDE A VARIETY OF USES AND PROVIDE FLEXIBILITY FROM BASE ZONING ORDINANCES AND DEVELOPMENT STANDARDS TO FIT THE UNIQUE DEVELOPMENT GOALS FOR THIS PROPERTY.
2. ANY SPECIFIC STANDARDS AND CONDITIONS FOUND WITHIN THIS CONDITIONAL ZONING PLAN SHALL TAKE PRECEDENCE OVER THE UNIFIED DEVELOPMENT ORDINANCE AND DEVELOPMENT STANDARDS.
3. ANY ITEMS NOT SPECIFICALLY ADDRESSED WITHIN THIS CONDITIONAL ZONING PLAN SHALL BE SUBJECT TO THE CITY OF SHELBY'S UNIFIED DEVELOPMENT ORDINANCE AND DEVELOPMENT STANDARDS.

4. MINOR CHANGES (MINOR SHIFTS IN ROAD, SMALL CHANGES TO LOT CONFIGURATION, SMALL CHANGES TO OPEN SPACE) SHALL BE APPROVED BY THE PLANNING DIRECTOR. SUCH CHANGES SHALL NOT RESULT IN AN INCREASE IN THE TOTAL PERMITTED DENSITY.

5. CHANGE IN USES NOT SPECIFICALLY OUTLINED WITHIN THIS CONDITIONAL ZONING PLAN SHALL BE CONSIDERED A MAJOR CHANGE. MAJOR CHANGES SHALL BE SUBJECT

ARCHITECTURAL STANDARDS FOR INDUSTRIAL BUILDINGS

1. INDUSTRIAL STRUCTURES/BUILDINGS MUST MEET THE CURRENT STANDARDS SET FORTH IN THE UNIFIED DEVELOPMENT ORDINANCE (UDO) AT TIME OF BUILDING PERMIT APPLICATION.

ARCHITECTURAL STANDARDS FOR COMMERCIAL BUILDINGS

1. PRINCIPAL BUILDING FRONTS (PUBLIC ACCESS) SHALL PROVIDE ARCHITECTURAL CHARACTER WITH USE OF EITHER MIX OF MATERIALS, MIX OF TEXTURES (SCALLOPS, PLANKS, BOARD & BATTEN) AND/OR MIX OF COLORS.

2. PRINCIPAL BUILDING FRONTS (PUBLIC ACCESS) SHALL PROVIDE FOR AT LEAST 15% OF THE TOTAL FACADE COMPRISED OF WINDOWS AND DOORS.

3. THE FACADES OF BUILDINGS FACING EXTERNAL ROADS SHALL INCORPORATE A MINIMUM OF MASONRY MATERIALS SUCH AS BRICK, STUCCO, STONE (NATURAL OR MANUFACTURED), SPLIT-FACED BLOCK OR FIBER CEMENT SIDING AND PROVIDE FOR AT LEAST 15% OF TOTAL FACADE COMPRISED OF WINDOWS AND DOORS. THE USE OF EIFS WILL ALSO BE PERMITTED.

4. VINYL SIDING IS NOT PERMITTED AS PRIMARY MATERIAL, BUT MAY BE USED FOR DOORS, WINDOWS, FASCIAS, SOFFITS, RAILINGS, BRACKETS AND OTHER TRIM.

5. EXPOSED FOUNDATIONS, WHEN PROVIDED, EXTENDING MORE THAN 8" ABOVE ADJACENT GRADE SHALL BE CONSTRUCTED AS A DISTINCT BUILDING ELEMENT THAT CONTRASTS WITH THE PRIMARY FACADE MATERIALS. EXPOSED FOUNDATIONS SHALL BE TREATED WITH COLORED PARGING (CEMENT), STUCCO, BRICK OR STONE. SPLIT FACED BLOCK MAY BE USED. RAW CONCRETE OR UNFINISHED BLOCKS (OTHER THAN SPLIT FACED BLOCK) SHALL NOT BE LEFT VISIBLE.

6. THESE STANDARD WILL NOT APPLY TO THE PHASE 3 COMMERCIAL AREA UNLESS THE PARCEL IS DEVELOPED AS AN ENCLSOED SELF STORAGE BUILDING (WILL NOT APPLY TO TRADITIONAL ROLL-UP DOOR SELF STORAGE UNITS).

ARCHITECTURAL STANDARDS FOR ATTACHED MULTI-FAMILY AND SINGLE FAMILY DETACHED BUILDINGS

1. EXTERIOR BUILDING MATERIALS SHALL BE COMPRISED OF MASONRY MATERIALS INCLUDING BRICK, STUCCO, STONE OR FIBER CEMENT SIDING. TEXTURED SIDING SUCH AS SCALLOPS, SHAKES OR BOARD AND BATTEN MAY BE VINYL.
2. EXTERIOR BUILDING MATERIALS SHALL ALSO INCLUDE UPGRADED VINYL SIDING SO LONG AS IT MEETS "STANDARD" GRADE THICKNESS (0.044"). "BUILDER" GRADE VINYL SIDING IS NOT PERMITTED.
3. VINYL SHALL BE PERMITTED FOR DOORS, WINDOWS, FASCIAS, SOFFITS, RAILINGS, BRACKETS AND OTHER TRIM.
4. GARAGE DOORS SHALL BE NO WIDER THAN 16-FT IN WIDTH FOR ANY SINGLE DOOR AND MUST BE PROVIDED WITH CARRIAGE-STYLE HARDWARE AND/OR WINDOWS.
5. GARAGES SHALL NOT EXTEND MORE THAN 10-FT IN FRONT OF THE PRIMARY FACADE OF A HOME FOR TOWNHOMES.
6. GARAGES SHALL NOT EXTEND MORE THAN 6-FT IN FRONT OF THE PRIMARY FRONT FACADE OF A DETACHED RESIDENTIAL HOME. THIS MEASUREMENT CAN BE TAKEN FROM THE FRONT OF A PORCH IN LIEU OF THE PRIMARY FACADE OF HOME WHEN COVERED PORCHES ARE PROVIDED.
7. ANTI-MONOTONY STANDARDS ARE HEREBY ESTABLISHED AS FOLLOWS FOR SINGLE FAMILY HOMES:
   - HOMES ADJACENT TO AND LOCATED DIRECTLY ACROSS THE STREET FROM EACH OTHER SHALL NOT HAVE THE SAME FRONT HOME ELEVATION OR SIDING SCHEME (FRONT ELEVATION ONLY)
8. ANTI-MONOTONY STANDARDS ARE HEREBY ESTABLISHED AS FOLLOWS FOR TOWNHOMES:
   - EACH TOWNHOME BUILDING SET SHALL PROVIDE EITHER UNIT FRONT SIDING PATTERN VARIATIONS WITHIN THE UNITS OR PROVIDE AT LEAST 2 FRONT ELEVATIONS MIXED WITHIN THE BUILDING OR MIX OF COLORS BETWEEN UNITS
   - NO MORE THAN TWO (2) CONSECUTIVE UNITS SHALL HAVE SAME ELEVATION, FRONT FACADE SIDING PATTERN OR COLORS
   - THIS DOES NOT PRECLUDE SAME ELEVATION BEING UTILIZED FOR ENTIRE BUILDING SET SO LONG AS ELEVATIONS OR COLORS ARE VARIED AS NOTED ABOVE
9. MINIMUM HEATED SQUARE FOOTAGE FOR EACH HOME TYPE IS AS FOLLOWS:

ATTACHED DWELLINGS/TOWNHOMES	- 1,100 SQ.FT.
SINGLE STORY DETACHED HOME	- 1,200 SQ.FT.
TWO STORY DETACHED HOMES	- 1,400 SQ.FT.

10. MINIMUM GARAGE AND DRIVEWAY STANDARDS FOR EACH TYPE OF DWELLING UNIT SHALL BE AS FOLLOWS:

    20-FT WIDE ATTACHED DWELLING UNIT/TOWNHOME:
    - 1-CAR GARAGE AND 1-CAR DRIVEWAY

    22-FT WIDE ATTACHED DWELLING UNIT/TOWNHOME:
    - 1-CAR GARAGE AND 1-CAR DRIVEWAY (INTERIOR UNITS)
    - 2-CAR GARAGE AND 2-CAR DRIVEWAY (END UNITS)

    DETACHED SINGLE FAMILY HOMES:
    - 1-CAR GARAGE AND 2-CAR DRIVEWAY (UP TO 25% OF DETACHED HOMES)
    - 2-CAR GARAGE AND 2-CAR DRIVEWAY

11. DRIVEWAYS SHALL BE CONCRETE AND HAVE 12-FT MINIMUM WIDTH FOR 1-CAR DRIVEWAY AND 18-FT MINIMUM WIDTH FOR 2-CAR DRIVEWAY

12. DRIVEWAYS SHALL BE A MIN. OF 20-FT IN LENGTH AS MEASURED FROM FACE OF GARAGE TO THE RIGHT-OF-WAY (R/W) OR NEAREST EDGE OF SIDEWALK, WHICHEVER IS MORE RESTRICTIVE

13. ALLOWABLE SETBACK AND YARD ENCROACHMENTS WILL BE AS FOLLOWS (IN ADDITION TO ALLOWANCES THAT MAY BE GRANTED IN OTHER SECTIONS OF THIS CONDITIONAL ZONING):

    FRONT YARD
    - PORCHES AND STOOPS UP TO 5-FT (PORCH ROOF OVERHANGS/CORNICES/EAVES MAY EXTEND AN ADDITIONAL 18-INCHES)
    - PORCH AND STOOP STAIRS NO CLOSER THAN 10-FT TO PUBLIC RIGHT-OF-WAY
    - STAIRS/STEPS NOT ASSOCIATED WITH PORCH OR STOOP
    - BAY WINDOWS AND CHIMNEYS UP TO 2-FT
    - ROOF OVERHANGS (CORNICES AND EAVES) UP TO 18-INCHES
    - RETAINING WALLS LESS THAN 4-FT IN HEIGHT (AS MEASURED FROM LOWEST ADJACENT GRADE TO TOP OF WALL)

    SIDE YARD
    - ROOF OVERHANGS (CORNICES AND EAVES) UP TO 18-INCHES

    REAR YARD
    - COVERED DECKS UP TO 5-FT (DECK ROOF OVERHANGS/CORNICES/EAVES MAY EXTEND AN ADDITIONAL 18-INCHES)
    - UNCOVERED DECKS AND PATIOS UP TO 8-FT
    - STAIRS/STEPS
    - BAY WINDOWS AND CHIMNEYS UP TO 2-FT
    - ROOF OVERHANGS (CORNICES AND EAVES) UP TO 18-INCHES
    - MECHANICAL EQUIPMENT (HVAC) UP TO 10-FT
    - RETAINING WALLS

14. ACCESSORY STRUCTURES PER CITY OF SHELBY ZONING CODES, EXCEPT THAT ACCESSORY STRUCTURES SHALL BE PROHIBITED FROM BEING PLACED WITHIN THE FRONT SETBACK/YARD (MUST BE PLACED BEHIND FRONT FACADE OF RESIDENTIAL DWELLING)

15. MAXIMUM BUILDNG HEIGHT SHALL BE 35-FT AS MEASURED FROM PRIMARY ENTRANCE GRADE TO HIGHEST POINT OF ROOF (EXCLUDES SPIRES, CUPOLAS AND OTHER DECORATIVE FEATURES)

DEVELOPMENT/PROJECT PHASING

MASTER DEVELOPMENT PHASING AS SHOWN BUT DEVELOPER MAY AT ANY TIME CHANGE THE PHASING AND IS PERMITTED TO SUB-PHASE WITHIN A MASTER DEVELOPMENT PHASE. MASTER DEVELOPMENT PHASING IS SHOWN FOR REZONING REFERENCE PURPOSES ONLY AND DOES NOT INDICATE ORDER OF DEVELOPMENT.

DEVELOPMENT CAN BE SUBMITTED FOR MAJOR SUBDIVISION APPROVAL AND/OR SITE PLAN APPROVAL IN PHASES AND SUB-PHASES.

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UTILITY INSTALLATION AND COORDINATION OF THE PLANNED INFRASTRUCTURE INSTALLATION IS REQUIRED TO ENSURE THAT THE DEVELOPER'S PLANNED PHASING AND POTENTIAL CHANGES TO THE DEVELOPMENT PLAN CORRESPOND TO THE CITY OF SHELBY'S ABILITY TO MEET THE STATUTORY AND REGULATORY REQUIREMENTS OF THE STATE OF NORTH CAROLINA AND THE CITY OF SHELBY BASED ON ACTUAL AND FORECASTED DEMAND REQUIREMENTS RELATING TO EACH PHASE OF THE PLAN. DEVELOPER FURTHER ACKNOWLEDGES THAT ANY DECISION TO PROCEED WITHOUT SUFFICIENT NOTICE TO THE CITY MAY RESULT IN SIGNIFICANT DELAYS IN PROVIDING THE NECESSARY INFRASTRUCTURE DUE TO MARKET RESTRAINTS TO PROCURE THE NECESSARY MATERIALS AND THE CITY'S ABILITY TO SECURE THE REQUIRED INFRASTRUCTURE.

DEVELOPMENT STANDARDS

RESIDENTIAL USES | ALL PHASES (CZ-R6 RESIDENTIAL):

PERMITTED USES - ATTACHED MULTI-FAMILY DWELLINGS(TOWNHOMES)
* UP TO 322 - 20' WIDE TOWNHOMES
* UP TO 169 - 22' WIDE TOWNHOMES
* TOWNHOMES MAY BE CONVERTED TO DETACHED SINGLE FAMILY DWELLINGS (MIN. 40'-WIDE LOTS) SO LONG AS THE TOTAL NUMBER OF DWELLINGS WITHIN EACH TOWNHOME AREA DOES NOT EXCEED THE NUMBER OF DWELLINGS ALLOTTED FOR THAT SPECIFIC AREA

	- DETACHED SINGLE FAMILY DWELLINGS * 789 - 40' WIDE DETACHED LOTS + ANY TOWNHOMES CONVERTED TO MIN. 40'-WIDE LOTS (SUBJECT TO DENSITY CONVERSION ALLOWANCE NOTED ABOVE FOR THE TOWNHOME AREAS * 364 - 50' WIDE DETACHED LOTS
NON-RESIDENTIAL USE	- AMENITIES TO SERVE RESIDENTIAL COMMUNITY (POOLS, CABANAS, PLAYGROUNDS, ETC.)
PERIMETER SETBACKS	- 50' SETBACK FROM NC HIGHWAY 74 - 25' SETBACK FROM OLD BOILING SPRINGS ROAD, POLKVILLE ROAD AND WASHBURN SWITCH ROAD
MAX. BUILDING HEIGHT	- 35' (MEASURED FROM ADJACENT GRADE AT PRIMARY ENTRANCE TO TOP OF ROOF EXCLUSIVE OF SPIRES, CUPOLAS, STAIRS, AND OTHER ARCHITECTURAL FEATURES
MIN. LOT SIZE	- 2,200-SF FOR ATTACHED DWELLING/TOWNHOME SUBLOT - 4,800-SF FOR DETACHED RESIDENTIAL LOTS
MIN. LOT WIDTHS	- 20' FOR TOWNHOMES AND 40' FOR SINGLE FAMILY DETACHED DWELLINGS - LOT WIDTHS MEASURED AT MIN. FRONT YARD SETBACK
SETBACKS & YARDS (ATTACHED MFR/ TOWNHOMES)	- FRONT SETBACK - 20' - CORNER SETBACK - 15' - SIDE YARD - 0' INTERIOR LOT LINES AND 15' BETWEEN BUILDINGS - REAR YARD - 15'
SETBACK & YARDS (DETACHED DWELLINGS)	- FRONT SETBACK - 20' - CORNER SETBACK - 15' - SIDE YARD - 5' - REAR YARD - 20'
SETBACK & YARDS (AMENITIES)	- FRONT SETBACK - 30' (BUILDINGS & POOLS) AND 20' FOR ALL OTHER STRUCTURES - SIDE & REAR SETBACK - 20' (BUILDINGS & POOLS) AND 20' FOR ALL OTHER STRUCTURES - POOL DECKS SUBJECT TO 10' SETBACK - SIDEWALKS, TRAILS, BENCHES AND OTHER PASSIVE TYPE AMENITIES NOT SUBJECT TO SETBACKS

ESTABLISHMENT OF HOA - RESIDENTIAL DEVELOPER(S) WILL ESTABLISH A HOMEOWNERS ASSOCIATION (HOA) PRIOR TO THE RECORDATION OF A FINAL PLAT WITH THE FOLLOWING MINIMUM CONDITIONS:

* DRAFT OF HOA COVENANTS, CONDITIONS AND RESTRICTIONS (CCRs) WILL BE SUBMITTED WITH EACH PRELIMINARY PLAT/PLAN SUBMITTAL FOR REVIEW BY THE CITY OF SHELBY
* HOA CCRs MUST PROVIDE FOR ESTABLISHMENT OF A GOVERNING BOARD, VOTING RIGHTS, DUES, MAINTENANCE OF COMMON FACILITIES (WATER QUALITY & DETENTION PONDS, AMENITIES, COMMON AREAS, LANDSCAPING, ETC.), ENFORCEMENT OF CCRs, ADOPTION OF MINIMUM ARCHITECTURAL STANDARDS, AND OTHER ITEMS TO BE CONSIDERED
* MULTIPLE HOAs ARE PERMITTED TO BE ESTABLISHED FOR THIS PROJECT
* NON-RESIDENTIAL PORTIONS OF THE DEVELOPMENT WILL NOT BE INCLUDED AS PART OF THE HOA

CITY NOTICE REGARDING HOA'S - THE CREATION OF A HOMEOWNERS ASSOCIATION (HOA) IS MANDATED BY THE NORTH CAROLINA PLANNED COMMUNITY ACT (N.C. GENERAL STATUTE 47F-1-101 et.al.) AND UPON THE CREATION OF THE HOA(S), THE RIGHTS, PRIVILEGES, AND RESPONSIBILITIES COVENANTED AND MADE PART OF THE DEED OF SALE IS BETWEEN THE COLLECTIVE PROPERTY OWNERS AND NOT BETWEEN NOR WITH THE CITY OF SHELBY. AS SUCH, THE PROPERTY COMPRISING THE HOMEOWNERS ASSOCIATION(S) OR PROPERTY OWNERS ASSOCIATION(S) IN PRIVATE OWNERSHIP SHALL NOT BE DEDICATED TO NOR BECOME THE RESPONSIBILITY OF THE CITY OF SHELBY.

COMMERCIAL USES | PHASE 1-B AND PHASE 2-A (CZ-GENERAL BUSINESS):

PERMITTED USES - AS PERMITTED IN GB ZONING DISTRICT BUT EXCLUDES FOLLOWING USES:

* RESIDENTIAL USES UNLESS IN MIXED-USE BUILDING ABOVE COMMERCIAL
* ADULT ENTERTAINMENT USES (BOOKSTORE/CLUBS)
* FLEA MARKETS
* WAREHOUSING
* SELF-STORAGE (UNLESS ENCLOSED)

	* BULK STORAGE/OUTDOOR STORAGE UNLESS PART OF DEALERSHIP * TATTOO STUDIO
NON-RESIDENTIAL USE	- 62,000 GSF (MAX.) COMBINED FOR PHASE 1-B AND PHASE 2-A COMMERCIAL PARCELS
MAX.BUILDING HEIGHT	- 50' (MEASURED FROM ADJACENT GRADE AT PRIMARY ENTRANCE TO TOP OF ROOF EXCLUSIVE OF SPIRES, CUPOLAS, STAIRS, ELEVATORS AND OTHER ARCHITECTURAL FEATURES) - PARAPET WALLS MAY EXTEND UP TO 5-FT ABOVE THE FLAT ROOF
MIN. LOT SIZE	- N/A
MIN. SETBACKS & YARDS	- 50' FROM NC HIGHWAY 74 RIGHT-OF-WAY - 25' FROM ALL OTHER EXTERNAL ROADS (EXISTING) AND INTERNAL ROADS RIGHTS-OF-WAY - 20' FROM ALL OTHER PROPERTY LINES (PROPOSED OR EXISTING)
MIN. BUILDING SEPARATION	- 20' (MEASURED FROM PRIMARY WALLS AND EXCLUDES ROOF OVERHANGS, AWNINGS)
PARKING SETBACK	- 25' FROM HIGHWAY 74 RIGHT-OF-WAY - 15' FROM OLD BOILING SPRINGS ROAD AND POLKVILLE ROAD RIGHTS-OF-WAY - 10' FROM OTHER PROPERTY LINES (ACCESS DRIVES WITH NO ASSOCIATED PARKING EXCLUDED FROM THIS SETBACK)

COMMERCIAL USES | PHASE 3 (CZ-GENERAL BUSINESS):

PERMITTED USES	- THE FOLLOWING USES WILL BE PERMITTED: * SELF STORAGE (ENCLOSED BUILDING) * SELF STORAGE - TRADITIONAL MINI-STORAGE WITH ROLL-UP DOORS * OUTDOOR STORAGE OF RECREATIONAL VEHICLES AND FUNCTIONING AUTOMOBILES * OFFICE BUILDINGS (MEDICAL/PROFESSIONAL/BUSINESS) * CHILD CARE FACILITY/DAYCARE * CAR WASH
NON-RESIDENTIAL USE	- N/A (NO SPECIFIED LIMIT SUBJECT TO SPACE PARAMETERS)
MAX. BUILDING HEIGHT	- 50' (MEASURED FROM ADJACENT GRADE AT PRIMARY ENTRANCE TO TOP OF ROOF EXCLUSIVE OF SPIRES, CUPOLAS, STAIRS, ELEVATORS AND OTHER ARCHITECTURAL FEATURES) - PARAPET WALLS MAY EXTEND UP TO 5-FT ABOVE THE FLAT ROOF

MIN. LOT SIZE	- N/A
SETBACKS & YARDS	- 25' FROM EXISTING AND PROPOSED ROAD RIGHTS-OF-WAY - 20' FROM ALL OTHER PROPERTY LINES (PROPOSED OR EXISTING)
MIN. BUILDING SEPARATION	- 20' (MEASURED FROM PRIMARY WALLS AND EXCLUDES ROOF OVERHANGS, AWNINGS)
PARKING SETBACK	- 25' FROM HIGHWAY 74 RIGHT-OF-WAY - 15' FROM POLKVILLE ROAD RIGHT-OF-WAY - 10' FROM OTHER PROPERTY LINES (ACCESS DRIVES WITH NO ASSOCIATED PARKING EXCLUDED FROM THIS SETBACK)

INDUSTRIAL USES (GENERAL INDUSTRIAL - MODIFIED):

PERMITTED USES	- AS PERMITTED IN GENERAL INDUSTRIAL (GI) DISTRICT
STANDARDS	- AS PER CURRENT ZONING & DEVELOPMENT STANDARDS AT TIME OF DEVELOPMENT UNLESS STIPULATED WITHIN THIS REZONING DOCUMENT

PARKING

OFF-STREET PARKING, STACKING AND LOADING AREAS PER CITY OF SHELBY'S UNIFIED DEVELOPMENT ORDINANCE

90 DEGREE PARKING WILL BE ALLOWED AS SHOWN ON CONDITIONAL ZONING MASTER PLAN OFF CUL-DE-SAC FOR TRAILHEAD ACCESS
AND WILL NOT BE ADA ACCESSIBLE AS PRIVATE TRAILS ARE NOT INTENDED TO BE, NOR IMPLIED TO BE ADA ACCESSIBLE

ENCLOSED (FENCED) STORAGE YARDS ARE NOT REQUIRED TO BE PAVED, BUT MUST BE CONSTRUCTED WITH AN ALL-WEATHER SURFACE. FOR PURPOSES OF THIS CONDITIONAL ZONING PLAN, ENCLOSED STORAGE YARDS ARE NOT CONSIDERED "PARKING"

OPEN SPACE

THE RESIDENTIAL PORTION OF THE DEVELOPMENT SHALL PROVIDE A MINIMUM OF 20-PERCENT (20%) OF THE NET RESIDENTIAL DEVELOPMENT ACREAGE AS OPEN SPACE. OPEN SPACE MAY INCLUDE THE FOLLOWING:
- PERIMETER BUFFERS NOT PART OF LOTS
- AMENITY CENTERS AND POCKET PARKS
- FLOODPLAINS
- COMMON AREAS NOT PART OF LOTS

OPEN SPACE IS NOT REQUIRED FOR NON-RESIDENTIAL DEVELOPMENT AREAS (COMMERCIAL AND INDUSTRIAL)

THE BLANTON FARMHOUSE SHALL BE INCORPORATED AS PART OF THE DEVELOPMENT AMENITIES AND MAINTAINED BY THE HOA/POA
- MISC. SHEDS AND BUILDNGS NOT PART OF THE MAIN FARMHOUSE ARE NOT REQUIRED TO BE PRESERVED

EXISTING TREES AND NATURAL VEGETATION WITHIN GREENSPACE, BUFFER, OR OPEN SPACE AREAS ARE TO REMAIN UNDISTURBED TO THE MAXIMUM EXTENT PRACTICAL AS DETERMINED DURING THE DESIGN PHASE AND SHALL BE DELINEATED DURING CONSTRUCTION WITH A TREE PROTECTION FENCE. HOWEVER, DEAD, DISEASED, AND NUISANCE OR INVASIVE VEGETATION SUCH AS KUDZU, POISON IVY, AND BRAMBLES MAY BE REMOVED FROM THE TREE PRESERVATION AREAS. ADDITIONALLY, SUPPLEMENTAL TREES AND SHRUBS MAY BE PLANTED IN THE TREE PRESERVATION AREA.

LANDSCAPING/BUFFERS

STREET TREES: STREET TREES SHALL BE PROVIDED AS FOLLOWS:
- BOTH SIDES OF ALL INTERIOR ROADS WITH ONE (1) LARGE MATURING TREE PLANTED AT APPROX. 50-FT O.C.
- ALONG EXISTING ROADS WHERE NO TREES OR UNDISTURBED BUFFERS EXIST WITH ONE (1) LARGE MATURING TREE PLANTED APPROX. 50-FT O.C.
- TREE LOCATIONS MAY BE ADJUSTED TO AVOID DRIVEWAYS, SIGHT TRIANGLES, UTILITIES AND OTHERS BUT SHALL NOT BE SPACED MORE THAN 75-FT APART
- STREET TREES SHALL BE LARGE MATURING TREES WITH MIN. 2-INCH CALIPER AT A MIN. 12-FEET TALL AT TIME OF PLANTING AND MAY BE DECIDUOUS OR EVERGREEN
- LARGE MATURING TREES MUST REACH AVERAGE HEIGHT OF 35-FEET AT MATURITY AND HAVE A MATURE CROWN SPREAD OF 30-FEET
- STREET TREES MUST BE PLANTED OUTSIDE OF THE PUBLIC ROAD RIGHTS-OF-WAY WITHIN A 10' PLANTING EASEMENT
  > ON RESIDENTIAL LOTS, STREET TREES SHALL BE PLANTED BY THE BUILDER AS PART OF HOME CONSTRUCTION AND PRIOR TO ISSUANCE OF A CERTIFICATE OF OCCUPANCY
  > ON COMMERCIAL LOTS, STREET TREES SHALL BE PLANTED BY THE COMMERCIAL BUILDER AS PART OF COMMERCIAL SITE CONSTRUCTION AND PRIOR TO ISSUANCE OF A CERTIFICATE OF OCCUPANCY

> DEVELOPER SHALL BE RESPONSIBLE FOR THE INSTALLATION OF STREET TREES ADJACENT TO COMMON AREAS (NOT PART OF RESIDENTIAL OR COMMERCIAL LOTS)
> FOR INDUSTRIAL PARK DEVELOPMENT, STREET TREES SHALL BE PLANTED AS PART OF PUBLIC ROAD CONSTRUCTION BY THE SAME ENTITY RESPONSIBLE FOR CONSTRUCTION OF THE ROAD

RAILROAD BUFFERS

A 50-FT WIDE NATURAL (UNDISTURBED) BUFFER, AS MEASURED FROM THE NEARSIDE EDGE OF THE RAILROAD RIGHT-OF-WAY AND EXTENDING INTO THE PROPERTY, SHALL BE PROVIDED FOR THE RESIDENTIAL DISTRICTS THAT ARE ADJACENT TO EXISTING RAILROAD AS FOLLOWS:

- BUFFER SHALL NOT BE PART OF ANY RESIDENTIAL LOTS AND PLATTED AS COMMON OPEN SPACE
- WHERE VOIDS IN BUFFERS EXIST, SUCH VOIDS SHALL BE PLANTED WITH EVERGREEN TREES SPACED AT 30-FT O.C.
- TEMPORARY CONSTRUCTION GRADING CAN ENCROACH UP TO 15-FT WITHIN THE BUFFER BUT SHALL BE VEGETATED WITH GRASSES (PLANT TREES IF IT CREATES A VOID THROUGH THE DEPTH OF THE BUFFER)

HIGHWAY BUFFERS

A 50-FT WIDE NATURAL (UNDISTURBED) BUFFER, AS MEASURED FROM THE NEARSIDE EDGE OF THE HIGHWAY RIGHT-OF-WAY AND EXTENDING INTO THE PROPERTY, SHALL BE PROVIDED FOR THE RESIDENTIAL DISTRICTS THAT ARE ADJACENT TO HIGHWAY 74 AS FOLLOWS:

- BUFFER SHALL NOT BE PART OF ANY RESIDENTIAL LOTS AND PLATTED AS COMMON OPEN SPACE
- WHERE VOIDS IN BUFFERS EXIST, SUCH VOIDS SHALL BE PLANTED WITH A DOUBLE ROW OF EVERGREEN TREES SPACED AT 30-FT O.C.
- FOR SINGLE FAMILY DETACHED AND ATTACHED DWELLING (TOWNHOME) LOTS THAT HAVE PROPERTY LINES WITHIN 100-FT OF THE HIGHWAY R/W, A 6-FT TALL PRIVACY FENCE SHALL BE INSTALLED AT THE BACK EDGE OF THE 50-FT BUFFER FOR THE LENGTH OF THE LOTS
  > EXCEPTION WILL BE FOR ATTACHED DWELLING (TOWNHOME) LOTS THAT ARE WITHIN 100-FT OF THE HIGHWAY R/W BUT ARE SKEWED AT AN ANGLE FROM THE HIGHWAY R/W (REAR LOT LINE IS NOT PARALLEL TO THE HIGHWAY R/W) AND A SINGLE ROW OF ARBORVITAE OR OTHER APPROVED EVERGREEN TREES SHALL BE PLANTED AT 15-FT O.C. WITH MIN. PLANTING HEIGHT OF 8-FT IN LIEU OF A FENCE
- THESE ADDITIONAL PLANTINGS SHALL BE LOCATED BETWEEN THE 50-FT HIGHWAY BUFFER AND THE RESIDENTIAL DWELLING LOT

- THESE PLANTINGS ARE IN ADDITION TO THE 50-FT HIGHWAY BUFFER SPECIFIED WITHIN THIS SECTION

STREAM BUFFERS

PERENNIAL STREAMS: A 50-FT BUFFER SHALL BE PROVIDED ON BOTH SIDES OF PERENNIAL STREAMS SUBJECT TO FOLLOWING CONDITIONS:

- SUBJECT TO REVIEW AND APPROVAL BY THE CITY ENGINEER, TEMPORARY IMPACTS TO VEGETATIVE AREAS WITHIN THE 50-FT PERENNIAL STREAM BUFFER MAY BE PERMITTED BUT MUST BE RESTORED AS CLOSELY AS POSSIBLE TO ITS CONDITION PRIOR TO THE WORK
- EXCEPT FOR PUBLIC UTILITIES, ROADWAYS AND COMMUNITY TRAILS, THE BUFFER SHALL NOT BE DISTURBED EXCEPT AS PERMITTED ON A CASE-BY-CASE BASIS FOR LIMITED GRADING AND INSTALLATION OF STORMWATER CONTROLS

INTERMITTENT STREAMS/WETLANDS: A 30-FT BUFFER SHALL BE PROVIDED ON BOTH SIDES OF INTERMITTENT STREAMS AND ALONG EDGES OF JURISDICTIONAL WETLANDS SUBJECT TO THE FOLLOWING CONDITIONS:

- GRADING MAY ENCROACH UP TO 10-FT ALONG THE OUTER EDGES OF THE BUFFERS FOR GRADING OF SITE AND/OR INSTALLATION OF STORMWATER CONTROL MEASURES
- EXCEPT FOR PUBLIC UTILITIES, ROADWAYS AND COMMUNITY TRAILS, THE BUFFER SHALL NOT BE DISTURBED EXCEPT AS PERMITTED FOR LIMITED GRADING AND INSTALLATION OF STORMWATER CONTROLS
- LIMITED ACCESS TO PONDS/LAKES WILL BE PERMITTED FOR RECREATIONAL USES (KAYAK LAUNCH, FISHING ACCESS/PIERS, ETC.)

INDUSTRIAL BUFFERS

A 50-FT WIDE NATURAL (UNDISTURBED) BUFFER, AS MEASURED FROM THE NEARSIDE EDGE OF THE HIGHWAY RIGHT-OF-WAY AND EXTENDING INTO THE PROPERTY, SHALL BE PROVIDED ALONG THE FRONTAGE OF HIGHWAY 74 AND MAY BE PART OF AN INDUSTRIAL LOT

A 75-FT WIDE NATURAL (UNDISTURBED) BUFFER SHALL BE PROVIDED WHEN ADJACENT TO A RESIDENTIALLY ZONED OR RESIDENTIALLY USED PROPERTY

BUFFERS: (GENERAL)

BUFFERS SHALL APPLY AS SHOWN AND NOTED WITHIN THIS CONDITIONAL ZONING PLAN

IN CONTEXTS WHERE BUFFERS ARE NOT SPECIFICALLY ADDRESSED BY THIS DOCUMENT (E.G., BETWEEN PROPOSED COMMERCIAL USES AND EXISTING/PROPOSED RESIDENTIAL USES), THE CITY OF SHELBY'S UDO SHALL APPLY SUBJECT TO FOLLOWING ADMINISTRATIVE ALLOWANCES:

- PLANNING DIRECTOR MAY WAIVE ANY REQUIRED BUFFERS WHERE NATURAL BUFFERS OR FEATURES EXIST THAT WOULD PROVIDE EQUAL OR BETTER SCREENING THAN THE REQUIRED BUFFER
- SUCH AREAS MUST BE INTERNAL TO THE BLANTON FARM CONDITIONAL ZONING PLAN BUT DOES NOT HAVE TO BE ON THE LOT REQUIRED TO PROVIDE THE BUFFER (CAN BE ON ADJOINING USE PARCEL)

PUBLIC INFRASTRUCTURE (ROADS, TRAILS/GREENWAYS, UTILITIES) MAY BE CONSTRUCTED WITHIN ANY BUFFER AS NEEDED/REQUIRED

TRAILS & GREENWAYS

GREENWAY: DEVELOPER SHALL DEDICATE A 50-FT WIDE GREENWAY TRAIL EASEMENT TO THE CITY OF SHELBY ADJACENT TO THE FIRST BROAD RIVER (ALONG THE WASHBURN PROPERTY) AND BUILD THE GREENWAY TRAIL AS FOLLOWS AND AS GENERALLY DEPICTED ON FIRST BROAD RIVER GREENWAY TRAIL EXTENSION DETAIL FOUND ON SHEET RZ-8 AND LOCATIONS SHOWN ON CONDITIONAL ZONING PLAN:

- GREENWAY TRAIL SHALL BE 10-FT IN WIDTH WITH CRUSHED CONCRETE AT MIN. 4-INCH (4") DEPTH ON TOP OF COMPACTED SUBGRADE
- DEVELOPER WILL TERMINATE GREENWAY CONSTRUCTION PRIOR TO REACHING BRUSHY CREEK
- A 2-FOOT CLEAR ZONE (FREE OF TREES AND OTHER OBSTRUCTIONS) WILL BE PROVIDED ON EACH SIDE OF THE GREENWAY TRAIL

PRIVATE TRAILS: DEVELOPER WILL PROVIDE INTERNAL CRUSHED STONE TRAILS AS GENERALLY DEPICTED ON COMMUNITY NATURE TRAIL DETAIL FOUND ON SHEET RZ-8 AND LOCATIONS SHOWN ON CONDITIONAL ZONING PLAN

DESIGN PARAMETERS FOR PRIVATELY MAINTAINED TRAILS WILL BE AS FOLLOWS:

- TRAILS SHALL BE MIN. 6-FT IN WIDTH WITH CRUSHED STONE AT MIN. 4-INCH (4") DEPTH ON TOP OF COMPACTED SUBGRADE

- A 2-FOOT CLEAR ZONE (FREE OF TREES AND OTHER OBSTRUCTIONS) WILL BE PROVIDED ON EACH SIDE OF THE COMMUNITY TRAILS
- PEDESTRIAN FOOT BRIDGES, IF PROPOSED, CAN BE MADE OF TIMBER AND SHALL HAVE MINIMUM TRAVEL WIDTH OF 8-FT AND BE CAPABLE OF CARRYING AN EMERGENCY RESPONSE ALL-TERRAIN VEHICLE
- IF PEDESTRIAN FOOT BRIDGE IS PROPOSED OVER BRUSHY CREEK, THE BRIDGE WILL NOT BE REQUIRED TO BE ELEVATED ABOVE THE SPECIAL FLOOD HAZARD AREA (SFHA) BASE FLOOD ELEVATION, BUT SHOULD EXTEND FROM TOP-OF-BANK TO TOP-OF-BANK
- DUE TO POTENTIAL REGULATORY AND SAFETY ISSUES, A PEDESTRIAN FOOTBRIDGE CROSSING BRUSHY CREEK IS NOT MANDATORY IF REGULATORY APPROVAL OF SUCH STRUCTURE ACROSS THE FEMA SPECIAL FLOOD HAZARD (SFHA) IS NOT PRACTICAL

INTERNAL STREETS AND SIDEWALKS

INTERNAL STREETS	INTERNAL STREETS SHALL BE DESIGNED IN ACCORDANCE WITH DETAILS AND STANDARDS SET FORTH WITHIN THIS REZONING PLAN (SEE DETAILS ON SHEET RZ-8)
SIDEWALKS:	SIDEWALKS SHALL BE PROVIDED ON BOTH SIDES OF ALL INTERNAL STREETS AND EXTEND AROUND ALL CUL-DE-SACS
	SIDEWALKS WILL NOT BE REQUIRED ALONG EXISTING ROAD FRONTAGES EXCEPT ALONG THE EASTERN SIDE OF POLKVILLE ROAD AS DETERMINED BY CITY OF SHELBY AND PERMITTED BY NCDOT
	SIDEWALKS SHALL BE CONCRETE AND BE MIN. WIDTH OF 5-FT
	ADA RAMPS SHALL BE PROVIDED AT ALL INTERNAL ROAD INTERSECTIONS, BUT NOT REQUIRED ON THE NON-ROAD INTERSECTION OF THREE (3) LEG INTERSECTIONS WHEN LOTS AND/OR DRIVEWAYS WOULD CONFLICT WITH ADA RAMP LOCATIONS
	AT INTERSECTIONS, ADA RAMPS SHOULD GENERALLY BE SPLIT, DUAL RAMPS BUT CITY ENGINEER MAY APPROVE SINGLE RAMPS CENTERED AT MID-POINT OF RADIUS

WATER QUALITY/STORMWATER MANAGEMENT

WATER SUPPLY WATERSHED: N/A
RIVER BASIN: BROAD RIVER

- THE DEVELOPER MAY CHOOSE TO TREAT ALL RESIDENTIAL AND COMMERCIAL ZONED PROPERTIES AS A SINGULAR STORMWATER PROJECT OR TREAT EACH PHASE/AREA SEPARATELY TO MEET PHASE II STORMWATER REQUIREMENTS (INDUSTRIAL PROPERTY WILL BE TREATED SEPARATELY SUBJECT TO CURRENT CITY STORMWATER ORDINANCES AT TIME OF DEVELOPMENT)

- LOW DENSITY DEVELOPMENT (LESS THAN 24% BUILT UPON AREA) WILL NOT REQUIRE USE OF WATER QUALITY BMP'S BUT SHALL PROVIDE DETENTION FOR THE 1-YEAR, 24-HOUR STORM EVENTS
  > USE OF CLOSED STORM DRAINAGE SYSTEM AND CURB AND GUTTER IS ALLOWED SO LONG AS DISCHARGE FROM CLOSED STORM DRAINAGE SYSTEM IS ROUTED THROUGH A PERMANENT DETENTION POND

- HIGH DENSITY DEVELOPMENTS (24% BUILT UPON AREA OR GREATER) SHALL PROVIDE WATER QUALITY TREATMENT IN COMPLIANCE WITH APPLICABLE CITY OF SHELBY AND NCDEQ REQUIREMENTS

- DEVELOPMENT MAY BE BROKEN INTO DIFFERENT TREATMENT AREAS (CLASSIFY TREATMENT AREAS AS EITHER LOW DENSITY OR HIGH DENSITY) AS ALLOWED BY CITYOF SHELBY AND NCDEQ POLICIES AND PERMITS

TRAFFIC

IMPACT ANALYSIS: DEVELOPER WILL PROVIDE TRAFFIC IMPACT ANALYSIS AND FINDINGS/CONCLUSIONS WILL BE CONSIDERED PART OF THIS CONDITIONAL ZONING PLAN AND DEVELOPER AGREES TO BE RESPONSIBLE FOR ANY TRAFFIC IMPROVEMENTS THAT ARE SPECIFIED, AT HIS/HER SOLE COST

PHASING: UPON APPROVAL OF THE MASTER TRAFFIC IMPACT ANALYSIS BY THE CITY OF SHELBY AND NCDOT, DEVELOPER WILL COMPLETE AND SUBMIT A TRAFFIC IMPROVEMENT PHASING STUDY THAT WILL OUTLINE TIMING OF EACH REQUIRED IMPROVEMENT, SUBJECT TO THE REVIEW AND APPROVAL OF THE CITY AND NCDOT

BRIDGES: A BRIDGE WILL BE DESIGNED AND CONSTRUCTED BETWEEN PHASE 2-A AND PHASE 2-B OVER BRUSHY CREEK AND WILL BE DESIGNED TO NCDOT

STANDARDS, SUBJECT TO REVIEW AND APPROVAL BY THE CITY

BRIDGE WILL BE DESIGNED WITH 24-FT WIDE TRAVEL SURFACE (24-FT / FACE OF CURB TO FACE OF CURB) AND PROVIDE FOR 5-FT WIDE PEDESTRIAN PATHS ON EACH SIDE OF BRIDGE

BRIDGE WILL BE DEDICATED TO THE CITY FOR OWNERSHIP AND MAINTENANCE DURING THE ROAD ACCEPTANCE PROCESS

SEE SHEET RZ-8 FOR TYPICAL ROAD SECTIONS AND DESIGN PARAMETERS OF INTERNAL DEVELOPMENT ROADS

CITY OF SHELBY UTILITIES

WATER & SEWER: EXTENSIONS WILL BE REQUIRED FOR SERVICE AND SHALL BE COORDINATED WITH THE CITY OF SHELBY UTILITIES AND ENGINEERING DEPARTMENTS. DEVELOPMENT IMPROVEMENTS WILL INCLUDE BUILD AND/OR UPGRADE OF PUMP STATIONS, FORCEMAINS, GRAVITY SEWERS AND WATERMAIN EXTENSIONS.

SCHEDULING AND IDENTIFICATION OF IMPROVEMENTS NEEDED FOR EACH PHASE OF DEVELOPMENT MUST BE COORDINATED WITH THE CITY ENGINEER.

NATURAL GAS: NATURAL GAS IS AVAILABLE AND IF REQUESTED, BUT BE COORDINATED WITH THE CITY OF SHELBY UTILITIES AND ENGINEERING DEPARTMENTS.

ELECTRICITY: DEVELOPER WILL DONATE A MIN. 200-FT BY 200-FT (200'x200') ELECTRIC SUBSTATION EASEMENT IN THE GENERAL AREA SPECIFIED WITHIN PHASE 2B, ALONG WITH ANY NECESSARY ACCESS EASEMENTS AT NO COST TO THE CITY OF SHELBY.

FINAL LOCATION OF SUBSTATION AND ACCOMPANYING ACCESS EASEMENTS TO BE DETERMINED DURING THE DESIGN AND PERMITTING PHASE OF THE PROJECT. THE DEVELOPER WILL GRADE OUT THE SUBSTATION PAD (150'x150') AS PART OF THE APPROPRIATE CIVIL DESIGN PHASE BUT WILL HAVE NO FURTHER CONSTRUCTION OBLIGATION THEREAFTER.

DEVELOPER WILL COORDINATE AND GRANT ANY NECESSARY EASEMENTS FROM THE SUBSTATION TO WASHBURN SWITCH ROAD THROUGH OFF-ROAD EASEMENTS AND/OR 5-FT GENERAL UTILITY EASEMENTS

	PARALLEL TO EXISTING/PROPOSED ROADS WITHIN THE DEVELOPMENT.
CITY RAW WATERLINE	AS PART OF DESIGN AND CONSTRUCTION PROCESS, DEVELOPER SHALL TAKE FOLLOWING STEPS TO PROTECT THE EXISTING RAW WATERLINE EXTENDING THROUGH THE PROPERTY: 1. PROVIDE SOFT DIGS AND GEOTECHNICAL REPORTS FOR AREAS OF THE RAW WATERLINE THAT WILL BE IMPACTED BY THE DEVELOPMENT 2. CONDUCT PRESSURE TESTING BEFORE AND AFTER CONSTRUCTION OF THE EXISTING RAW WATERLINE FOR EACH RESPECTIVE PHASE OF DEVELOPMENT 3. REPAIR ANY DAMAGE TO THE WATERLINE CAUSED BY THE DEVELOPMENT

REFER TO THE CONDITIONAL ZONING PLAN – BLANTON FARM FOR ALL SHEET REFERENCES FOUND WITHIN THIS DOCUMENT. DETAILS FOR LANDSCAPE BUFFERS, TRAILS, AND ROADWAY CROSS SECTIONS ALSO CAN BE FOUND ON THE CONDITIONAL ZONING PLAN.

BLANTON FARM

EXAMPLE HOUSING ELEVATIONS HANDOUT

(THIS HANDOUT IS FOR ILLUSTRATIVE PURPOSES ONLY AND NOT A FORMAL DECLARATION OF PRODUCTS TO BE UTILIZED FOR BLANTON FARM AND INFORMATION PROVIDED HEREIN WILL NOT BE CONSIDERED PART OF THE CONDITIONAL ZONING DOCUMENTS)

DEVELOPER

SOUTHFORK
VENTURES

ENGINEER

RJH

R. Joe Harris & Associates, Inc.

1186 Stonegate Blvd., Tega Cay, S.C. 29708
(803) 802-1799

ILLUSTRATIONS OF POTENTIAL TYPES OF ATTACHED DWELLING UNIT
(TOWNHOMES - 20' & 22' Wide Units)

ILLUSTRATIONS ARE PROVIDED FOR POTENTIAL TYPES OF DWELLINGS THAT COULD BE BUILT AS PART OF PROJECT AND ADDITIONAL ELEVATIONS/MODELS/VARIATIONS ARE LIKELY







ILLUSTRATIONS OF POTENTIAL TYPES OF SINGLE FAMILY HOMES
(40' Wide Lots - Up to 30' Wide Product)

ILLUSTRATIONS ARE PROVIDED FOR POTENTIAL TYPES OF DWELLINGS THAT COULD BE BUILT AS PART OF PROJECT AND ADDITIONAL ELEVATIONS/MODELS/VARIATIONS ARE LIKELY














ILLUSTRATIONS OF POTENTIAL TYPES OF SINGLE FAMILY HOMES
(50' Wide Lots - Up to 40' Wide Product)

ILLUSTRATIONS ARE PROVIDED FOR POTENTIAL TYPES OF DWELLINGS THAT COULD BE BUILT AS PART OF PROJECT AND ADDITIONAL ELEVATIONS/MODELS/VARIATIONS ARE LIKELY

















Exhibit C

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST

ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL
1	Mobilization (5.0%)	1	LS	$ 83,000	$ 83,000
2	Duplex Submersible Pumps & Controls	1	LS	$ 411,000	$ 411,000
3	Wetwell Coatings	700	SF	$ 54	$ 37,800
4	Valve Vault & Piping	1	LS	$ 90,000	$ 90,000
5	8" PVC Force Main at PS Site	100	LF	$ 200	$ 20,000
6	Bypass Pumping	21	DAY	$ 4,100	$ 86,100
7	PS Electrical Modifications	1	LS	$ 180,000	$ 180,000
8	Precast Concrete Wetwell & Piping	1	LS	$ 231,500	$ 231,500
9	Site Work (incl. Fencing & Erosion and Sed. Control)	1	LS	$ 110,000	$ 110,000
10	Influent Sewers Modification	1	LS	$ 85,000	$ 85,000
11	Pad-Mounted Davit Crane	1	EA	$ 20,000	$ 20,000
12	Connection to Existing Force Main	1	LS	$ 26,000	$ 26,000
13	Connection to Existing GS Manhole	1	LS	$ 22,000	$ 22,000
14	Natural Gas Powered Back-up Generator	1	LS	$ 110,000	$ 110,000
	CONSTRUCTION SUBTOTAL				**$ 1,512,400**
	CONTINGENCY	20%			$ 302,480
	TOTAL PROJECT COST				**$ 1,814,880**

NOTES

1. All costs shown are in current dollars and do not include any soft costs per City Request on 6/3/25.
2. The Engineer maintains no control of labor costs, materials, equipment or services furnished by others, the Contractor(s)' methods for determining prices, or competitive or market conditions. The opinions herein for project and construction costs represent the Engineer's best judgment and are based on experience and qualifications as a Professional Engineer who possesses familiarity with the construction industry. The Engineer does not guarantee the accuracy of the cost opinions which may vary from bids or actual project and construction costs.
3. Rock excavation or undercut of unsuitable material is not included in the above cost opinion.
4. Cost opinion based on LIDAR topographical data and conceptual site plan. Revisions to cost opinions should be expected after final design is complete.

RESOLUTION NO 48 – 2025

A RESOLUTION FOR ACCEPTANCE OF THE REIMBURSEMENT AGREEMENT WITH SOUTH FORK VENTURES, LLC FOR THE REPLACEMENT OF THE KEMET LIFT STATION

WHEREAS, the City of Shelby owns and operates an existing sanitary sewer lift station located on Old Boiling Springs Road that is referred to as the Kemet Lift Station; and,

WHEREAS, the Kemet Lift Station was constructed in 1981, and is nearing the end of its useful life and lacks the ability to provide reliable sewer service to an increase in sewer demands; and,

WHEREAS, South Fork Ventures, LLC intends to develop property within the City of Shelby, referred to as the Blanton Farm Property, as a large-scale mixed-use project that will result in an increase in the sewer flow to the Kemet Lift Station; and,

WHEREAS, the City of Shelby and South Fork Ventures, LLC have negotiated a Reimbursement Agreement pursuant to N.C. General Statute § 160A-320 to facilitate the timely design, permitting, and construction of a new sanitary sewer lift station that meets City standards; and,

WHEREAS, this proposed Kemet Lift Station replacement project will provide reliable, long-term sanitary sewer service to both current and future sewer customers in the area.

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 accepts the proposed Reimbursement Agreement with South Fork Ventures, LLC for the design, permitting, and construction of the Kemet Lift Station replacement project.

Section 2. The City Manager of the City of Shelby, or their designee, is hereby authorized and directed to execute the Reimbursement Agreement and to take all necessary actions to implement its terms in accordance with N.C. General Statute § 160A-320.

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

Adopted and Approved this the 16th day of June, 2025.

_____

O. Stanhope Anthony III
Mayor

ATTEST:

_____

Carol Williams, CMC
City Clerk

City of Shelby
Agenda Item Summary
June 16, 2025
Don Gibson Theatre

Agenda Item: G

City Manager's Report

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

Agenda Item: H

Council Announcements and Remarks

Agenda Item: I

Closed Session:

1) To 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).

J. Adjournment:

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

1) Motion to adjourn