Shelby City Council Agenda
Regular Meeting
May 4, 2026 at 6:00 p.m.

City Hall Council Chambers
300 South Washington Street
Shelby, North Carolina

Welcome and Call to Order by Mayor Pro Tem Violet Arth

Invocation

Pledge of Allegiance

A. Approval of Agenda

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

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

B. Public Hearings: Brian Burgess, presenting **1 - 18**

1) **Parcel 26964, located on W. Ross Grove Rd.:**

   a) **Adoption of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for: Ordinance No. 16-2026** ***(Legislative)***
   b) **Adoption of an ordinance granting permission by the City Council of the City of Shelby, North Carolina to use the 10%/70% development option available in the city's Unified Development Ordinance: Ordinance No. 17-2026**

2) **Adoption of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcel 71231, located on Morton St.: Ordinance No. 18-2026** ***(Legislative)*** **19 - 38**

3) **Approval of a resolution granting a special use permit to Hickory Creek LLC at 0 Gidney Street: Resolution No. 29-2026** ***(Quasi-judicial)*** **39 - 52**

C. Special Presentation:

1) **Fiscal Year 2026-2027 Budget Message, City Manager Justin Merritt presenting** **53 - 231**

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 April 20, 2026	**232 - 242**
2) Adoption of FY 2025-2026 Budget Ordinance Amendment: Ordinance No. 19-2026	**243 - 245**
3) Management Report:	**246 - 281**
a) Monthly Financial Summary, March 2026	

END OF CONSENT AGENDA

E. Unfinished Business:	**282**
None	
F. New Business:	**282**
None	
G. City Manager's Report	**282**
H. Council Announcements and Remarks	**282**
I. Adjournment:	**282**

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
May 4, 2026
Council Chambers

C. Public Hearings:

Agenda Item C-1:

1) Parcel 26964, located on W. Ross Grove Rd.:

    a) Adoption of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for: Ordinance No. 16-2026 *(Legislative)*
    b) Adoption of an ordinance granting permission by the City Council of City of Shelby, North Carolina to use the 10%/70% development option available in the city's Unified Development Ordinance: Ordinance No. 17-2026

Presenting: (Brian Burgess, Planning and Development Director)

- Memorandum dated April 24, 2026 from Brian Burgess, Planning and Development Director to Justin Merritt, City Manager
- Staff Report
- Future Land Use Map and Zoning map of area
- Record Report for Conditional Zoning District
- Notice of Public Hearing and letter sent to residents
- Ordinance No. 16-2026
- Ordinance No. 17-2026

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 call attention to Mr. Burgess's memorandum noting that the request is inconsistent with the City's future land use plan, however, the current zoning designation would allow for similar uses. 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 the action it believes is in the best interests of the City. That being said, City Council has adopted plans and established an advisory board for the purpose of providing reasonable guidance in the decision-making process.

Additionally, this development is in the WS-IV watershed, which has an impervious or built-upon standard limit of 24%. This development is proposing a 35% built-upon area, which would require a separate permit to be granted by City Council. The Watershed Protection Overlay is in place because of the 1989 Watershed Protection Act adopted by the NC General Assembly. The General Assembly recognized the importance of protecting water quality in those watersheds immediately upstream from public water system intakes. Protection of the water quality in this situation not only takes into consideration the public health aspect but also impacts on the City's ability and cost to treat the raw water from the First Broad River.

City of Shelby
Agenda Item Summary
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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.

§ 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).

After the conclusion of the public hearing, City Council may act upon Ordinance No. 16-2026 and Ordinance No. 17-2026

Post Office Box 207 • Shelby, NC 28151-0207

TO: Mr. Justin Merritt, City Manager

FROM: Brian Burgess, Director of Planning & Development

DATE: April 24, 2026

SUBJECT: W. Ross Grove Rd. – Conditional Rezoning and 10/70 Request

Background

The subject property is located on W. Ross Grove Rd. and is a request to rezone from a split zoned RO and R10 designation to RO-CZ. The site is on the northern side of the city along Ross Grove Rd. near the intersection with N. Lafayette St. The property is approximately 6 acres. The applicant is proposing 76 senior apartments.

If the CZ is approved, the applicant will also need a 10/70 Watershed Permit. 10/70 permits allow applicants to develop at a higher rate of impervious surface than the existing watershed regulations would allow. These are allowed on a first come first serve basis and are approved at the discretion of City Council. This ordinance should be voted on after consideration of the rezoning request only if the rezoning request is approved.

Recommendation

The request is inconsistent with the future land use plan, however, the current zoning designation would allow for similar development. Staff and the Planning & Zoning Board recommend approval of the rezoning and 10/70 request.

Staff Report

To:	Shelby Planning & Zoning Board	Date:	April 8, 2026
From:	Audrey Whetten Godfrey Senior Planner	Meeting: File:	April 16, 2026 #CZ-26-0001

OWNER: Mark Aremia **APPLICANT:** FGM Development, LLC

LOCATION: West Ross Grove Road **PARCEL ID #:** 26964

PRESENT ZONING: RO, R10 **REQUESTED ZONING:** RO-CZ

SURROUNDING ZONING: **North:** RO **South:** R10 **East:** R10 **West:** RO

UTILITIES: **Water:** Yes **Sewer:** Nearby **Floodplain:** No **Watershed**: Yes

ANALYSIS: The subject property is on W. Ross Grove Rd, just west of the intersection with N. Lafayette St. It is located in the WSIV watershed (protected area). The site is vacant and approximately 6 acres. Uses in the area include single-family and commercial.

The current zoning is RO and R10, and the request is to rezone the property to RO-CZ to allow for the construction of Ross Grove Manor, a 76-unit, 4-story multi-family senior housing development. The proposed density is 12.67 units per acre. W. Ross Grove Rd is an NCDOT road, and this proposal does not trigger NCDOT's requirement for a Traffic Impact Analysis.

The site plan proposes 35% built-upon (impervious) area, which exceeds the standard limit of 24% set by the City's watershed ordinance for multi-family developments with curb and gutter. As a result, the applicant has applied for a separate 10/70 permit from City Council, in order to exceed the 24% limit.

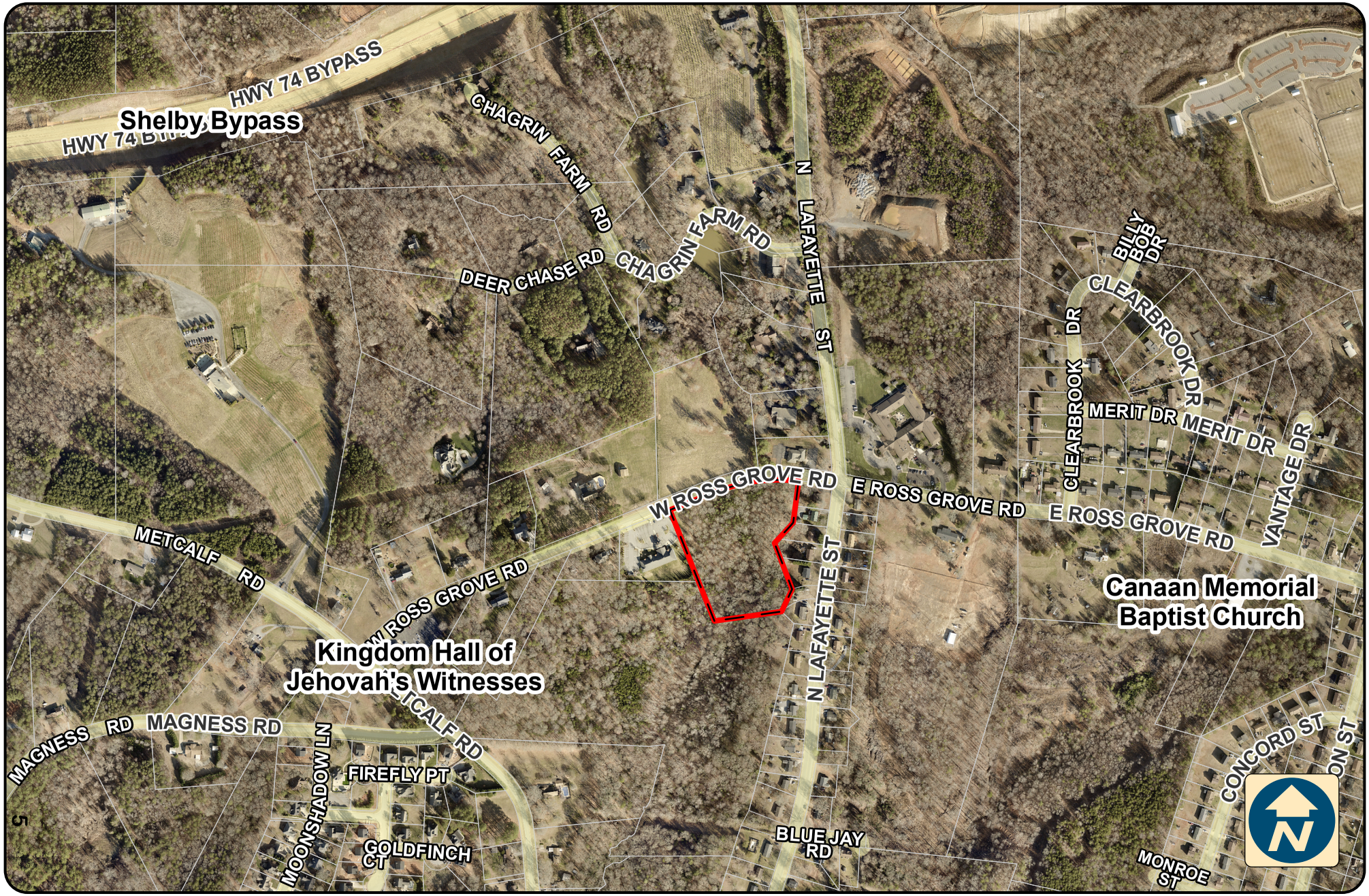
If this CZ is approved by City Council, compliance with the proposed conditions and site plan is required. The conditions requested by the applicant are outlined below.

- Parking ratio of 1.25 spaces per unit for both 1-bedroom and 2-bedroom units instead of 1.5 spaces per 1-bedroom and 1.75 spaces per 2-bedroom. Total of 96 spaces.
- Building length exceeding 250 feet with more than 8 units without central facilities for dining and recreation.
- Encroachment of stormwater control, grading, and retaining wall construction into the 75 ft buffer.

The RO Residential-Office district is primarily intended to accommodate high density multifamily residences; offices; public and institutional; business, professional, and personal services; and limited support retail businesses. Permitted residential uses include single-family detached dwellings, modular homes, apartments, townhomes, and condominiums. Maximum densities within the istrict range from approximately seven dwelling units per gross acre for single-family detached dwellings to over 19 dwellings per gross acre for multifamily dwellings. Public water and sewer service is generally available in areas zoned as RO. One of the objectives of this district is to encourage land uses that serve as an adequate buffer between intensive nonresidential uses and residential uses.

STAFF COMMENTS: The Future Land Use Map in the 2009 Comprehensive Land Use Plan identifies the area as Low Density Residential. However, the majority of the site is currently zoned RO, which allows for high density residential development. Staff recommends approval of the request.

Ross Grove Manor
Location Map



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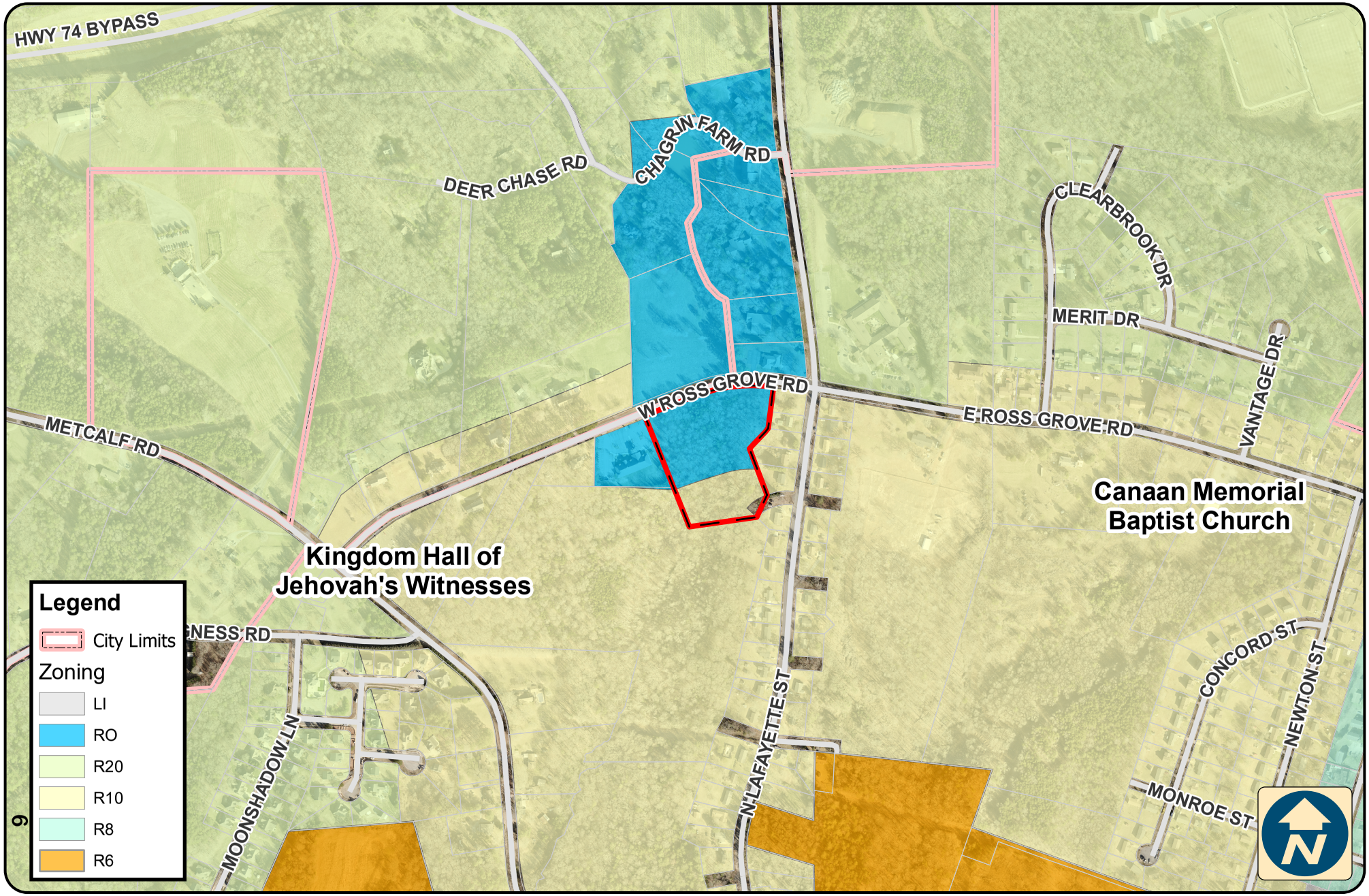
Date: 4/8/2026

Ross Grove Manor
Zoning Map



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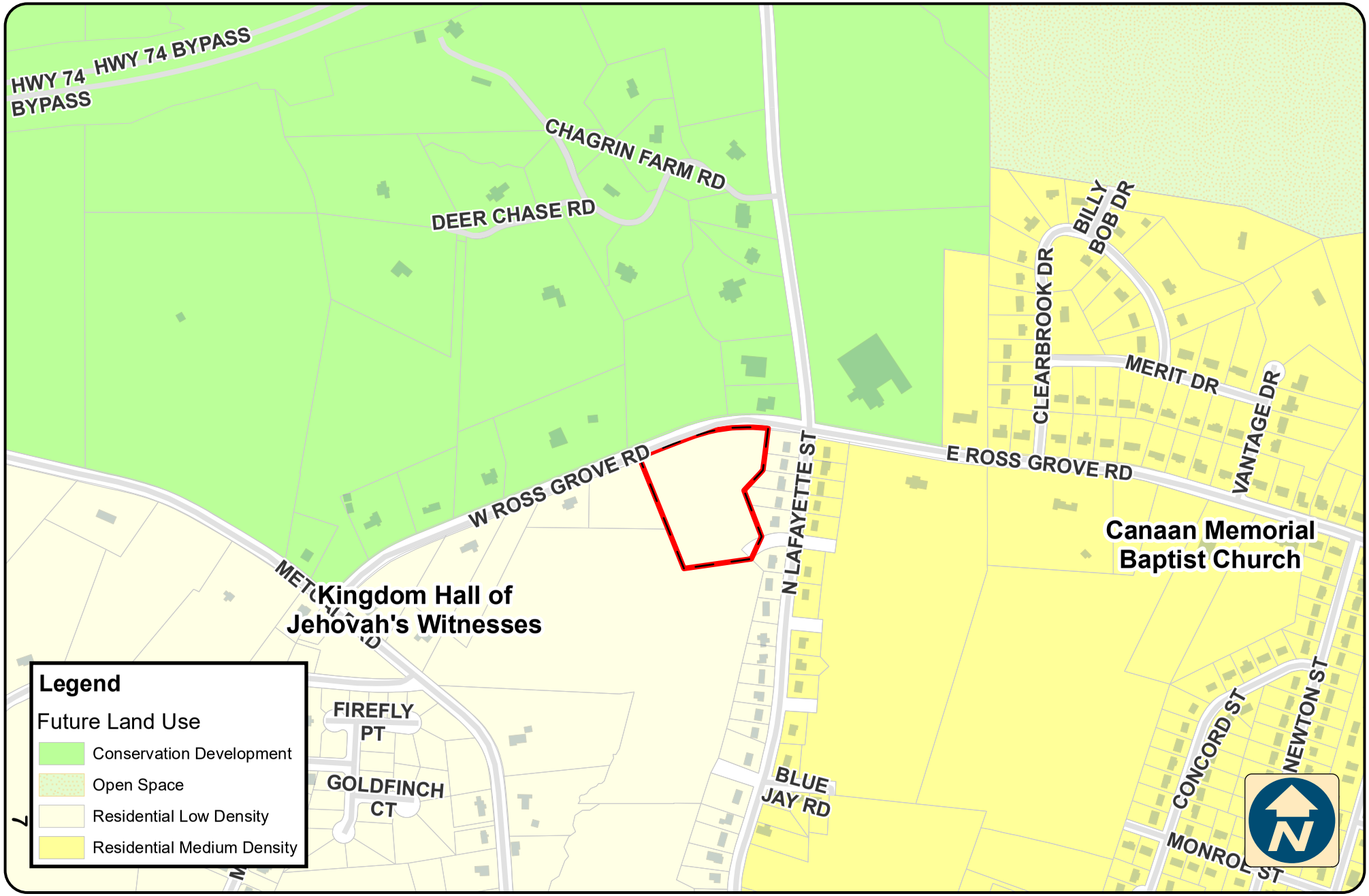
0 287.5 575 1,150 Feet

Date: 4/8/2026

Ross Grove Manor
Future Land Use Map



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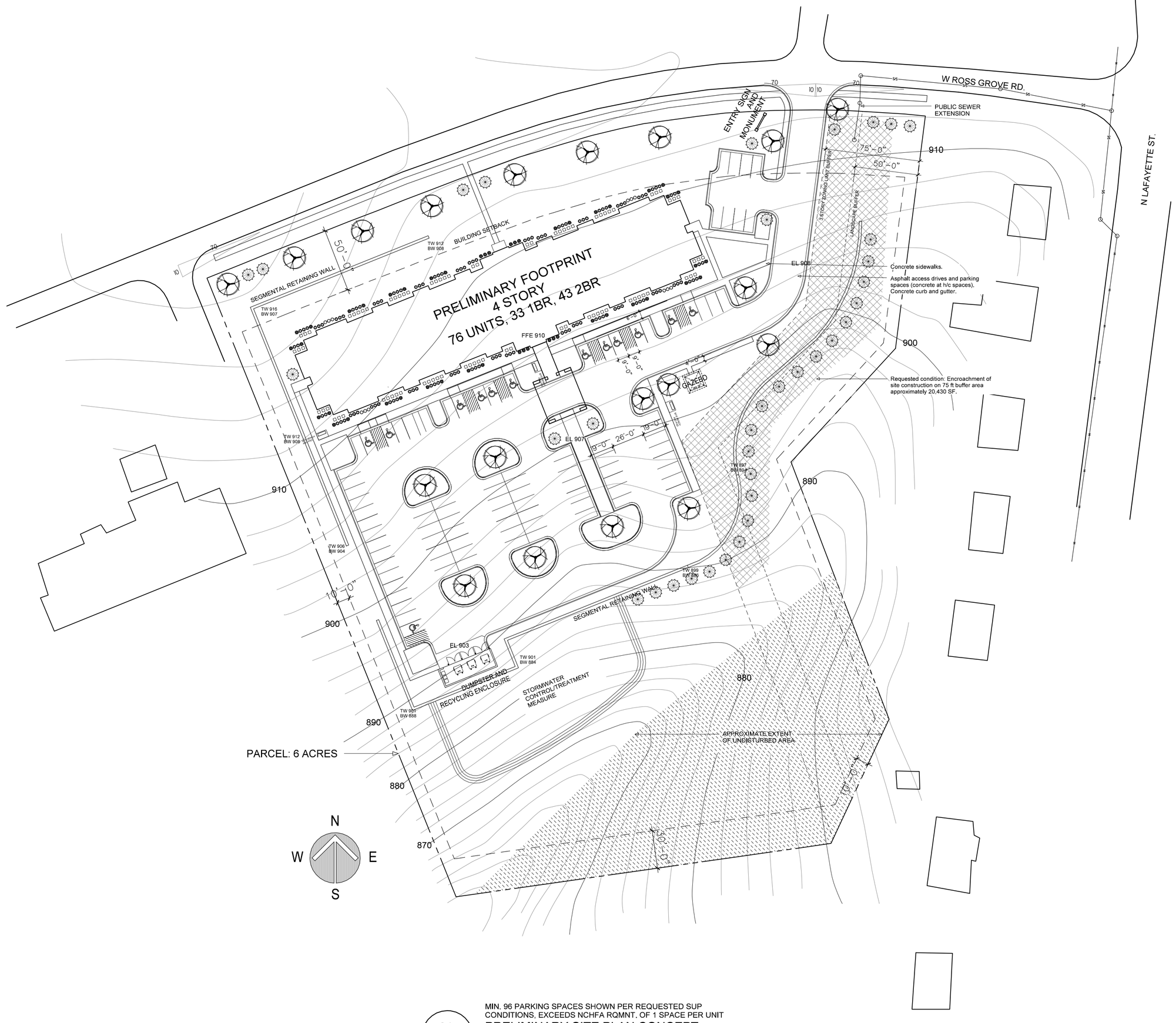
Date: 4/8/2026




W ROSS GROVE RD.
N LAFAYETTE ST.
ENTRY SIGN AND MONUMENT
PUBLIC SEWER EXTENSION
75'-0"
50'-0"
910
900
890
880
870
PRELIMINARY FOOTPRINT
4 STORY
76 UNITS, 33 1BR, 43 2BR
BUILDING SETBACK
SEGMENTAL RETAINING WALL
50'-0"
FFE 910
TW 912
BW 908
TW 916
BW 907
TW 912
BW 909
TW 909
BW 904
TW 905
BW 899
TW 901
BW 894
TW 899
BW 893
EL 907
EL 903
EL 902
10'-0"
26'-0"
19'-0"
10'-0"
10'-0"
10

315 S. Lafayette St.
P.O. Box 207
Shelby, NC 28151-0207

(704) 484-6805

Record Report for Conditional Zoning District #CZ-26-0001

Record Overview

Record Number: CZ-26-0001
Record Type: Conditional Zoning District
Record Status: In Progress
Record Submitted At: Friday January 23, 2026
Record Address: 135 West Ross Grove Rd, Shelby, NC
Record Owner: Brian Burgess
Record Applicant: Bobby Funk
Record Tags: Ross Grove Manor, senior, affordable

Form Submission

Have you discussed your project with City staff at a Technical Review Committee meeting? : Yes

What was the date of your Technical Review Committee meeting? : 1/05/26

TRC Review Number :
#TRC-25-0056 | FGM Development LLC | Bobby Funk | Submitted 12/18/25

Applicant Relationship to Property: Developer

Applicant:
FGM Development, LLC, Bobby Funk
PO Box 6171
Raleigh, NC 27628
bobby@millsconstructionco.com, (828) 551-6511

Current Owner:
Mark Aremia
mark.aremia@gmail.com, (828) 551-6511

Project Name: Ross Grove Manor

Project Description:

Ross Grove Manor will be an age-restricted 55+ apartment development housed in a single 4-story building. The exterior will feature gabled rooflines, with a mix of brick and vinyl siding for added visual appeal. See attached materials for examples of other properties developed by our team in North Carolina.

The property will have curb and gutter throughout with internal and external ADA accessible sidewalks for the residents. The property will feature on-site stormwater management to retain and treat any stormwater run off generated by the property. The development will include two elevators for residents as well as onsite amenities such as community room, exercise room, computer center, covered drive-through entry, and indoor and outdoor seating areas.

Address of Subject Property: 135 West Ross Grove Rd, Shelby, NC

Parcel Number(s): 2547296951

Current Zoning District: RO

Proposed Zoning District: RO-CZ

What uses would be allowed? :

Multifamily Housing

Name other proposed conditions:

This zoning request is asking for the the exemption of UDO Sec 11-1.48(H)(10) to allow for an 55+ age restricted housing development to have a building exceeding a length of 250 feet and contain more than 8 units without central facilities for dining and recreation. This development will be senior housing oriented toward residents who are still independently living, not in an assisted living facility where central dining facilities are more common. The development's site plan and floor plans outlines the particular amenities also being committed to on the development.
We are also requesting a parking ratio of 1.5 spaces per unit for both 1BR and 2BR units at this property. Based on the other 55+ communities we have building in North Carolina, this parking ratio is more than adequate to meet the parking needs of this development.

Current Land Use: Undeveloped

Approx. Total Acreage: 6

Provide a detailed description of the proposed project. Attach additional pages or documentation if necessary.:

Ross Grove Manor is a proposed 76-unit senior housing community which consists of one 4-story Energy Star-certified development containing leasing office, community room, computer center, laundry facility, exercise room and kitchenette.

Ross Grove Manor will house 33 one-bedroom/one bathroom, and 43 two-bedroom/one bathroom on a 6 acre site.

The proposed community will be generously and attractively landscaped with plants and trees indigenous to the area. Trees will be planted to create pleasant, natural shaded areas. Foundations will be luxuriously appointed with low-maintenance plantings. The landscape plan will seamlessly integrate the exterior seating areas to enhance the outdoor living experience for the residents.

Ross Grove Manor will incorporate the expertise of on-site property management and maintenance staff.

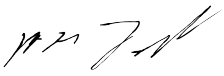
We have attached a list of properties with addresses that the Mills team has developed constructed and managed over the past 30 years as examples of how this property will look and be managed.

Builder:
Mills Construction Co. of S.C. Inc, Fred Mills, Jr
fmillsjr@millsconstructionco.com, (919) 621-9364

Surveyor:

Engineer:

Applicant Signature:



Signed in GovWell: Friday January 23, 2026, 3:52pm

NOTICE OF PUBLIC HEARING FOR ZONING MAP AMENDMENTS

The City Council of the City of Shelby will conduct public hearings during its regular meeting on Monday, May 4, 2026, at 6:00 p.m. in the City Council Chambers (300 S. Washington St, Shelby, North Carolina) to consider the following petitions to rezone properties within the City's jurisdiction:

A petition to rezone parcel 26964, 6 acres located on West Ross Grove Road, just west of North Lafayette Street, from Residential-Office RO and Residential R10 to Residential-Office Conditional Zoning RO-CZ for a proposed multi-family development.

A petition to rezone parcel 71231, 5.5 acres located at on Morton Street between Patterson Street and South Morgan Street, from Residential R6 to Residential R6 Conditional Zoning R6-CZ for a proposed multi-family development.

Maps of the properties are on file and available for inspection at the City of Shelby Planning & Development Services office, 311 South Lafayette Street, Shelby, North Carolina.

Persons interested in being heard are invited to comment on the proposed zoning amendments at the hearings, whether for or against. Comments may be presented orally at the hearings, in writing prior to the hearings, 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 Monday, April 20, 2026 and the same ad again on Monday, April 27, 2026.

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

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

April 15, 2026

RE: Parcel 26964 – West Ross Grove Road – Proposed Conditional Zoning Map Amendment

The City Council of the City of Shelby will conduct a public hearing during its meeting on **Monday, May 4, 2026**, at 6:00 p.m. in the City Council Chambers (300 S. Washington St) to consider a petition to rezone parcel 26964, located on W. Ross Grove Rd, just west of the intersection with N. Lafayette St, from Residential-Office RO and Residential R10 to Residential-Office Conditional Zoning RO-CZ for a proposed multi-family development.

A more detailed description and map of this property is available for public inspection in the Planning and Development Services Department located at 311 South Lafayette Street, Shelby, North Carolina, during regular business hours, 8:00 AM until 5:00 PM. Also, you can call (704) 484-6829 for more information.

Persons interested in being heard on this matter are invited to comment on the proposed rezoning 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.

Enclosed are the location and zoning maps as well as the proposed site plan.

If you have any questions or require additional information, please contact the Shelby Planning Office at 704-484-6829.

Sincerely,

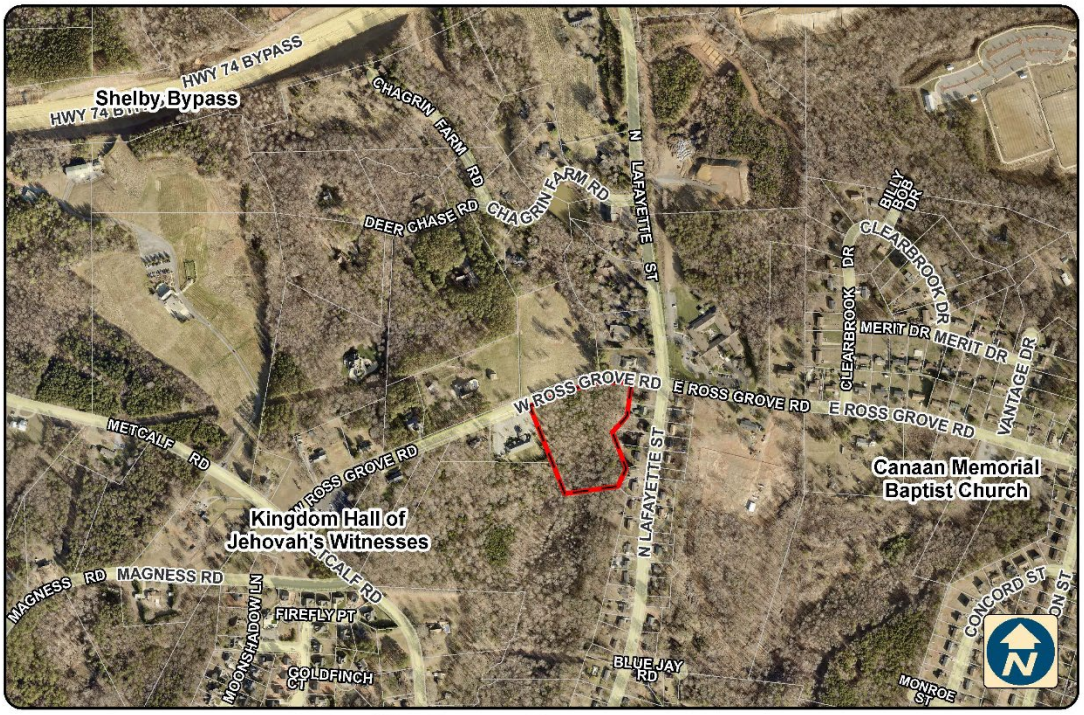
Audrey Godfrey
Senior Planner

Enclosures

YOU ARE RECEIVING THIS NOTICE BECAUSE THERE IS A REQUEST TO CHANGE THE ZONING DISTRICT OF A PARCEL NEAR YOUR PROPERTY IN SHELBY.

There is no change proposed to your property.

Ross Grove Manor
Location Map



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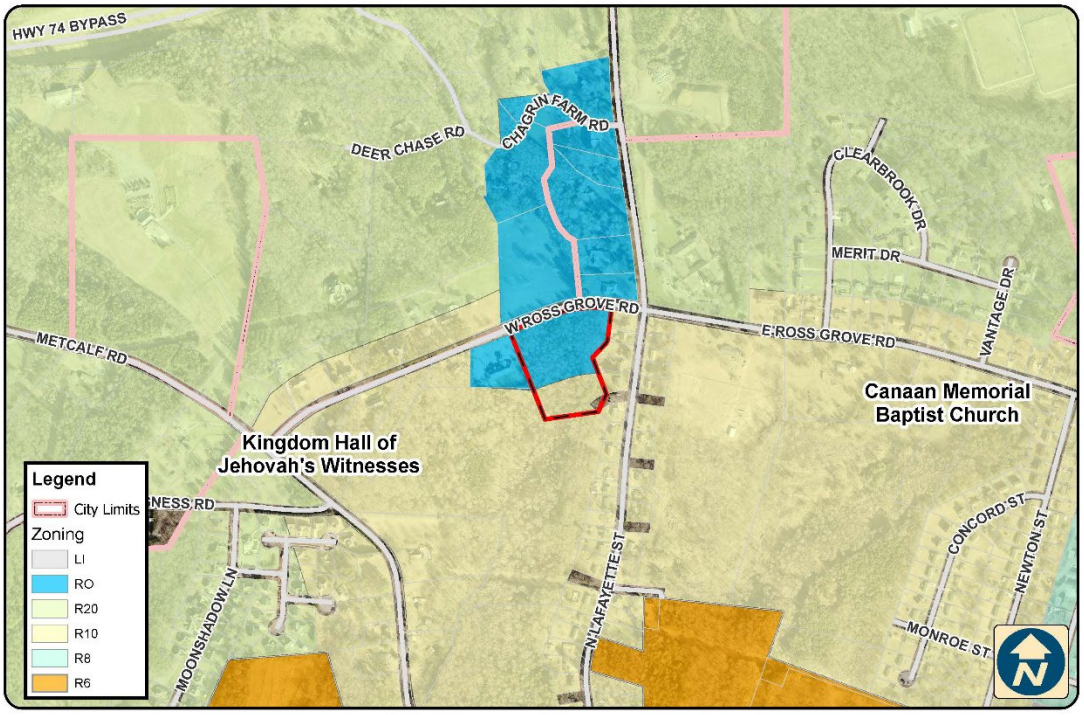
Ross Grove Manor
Zoning Map



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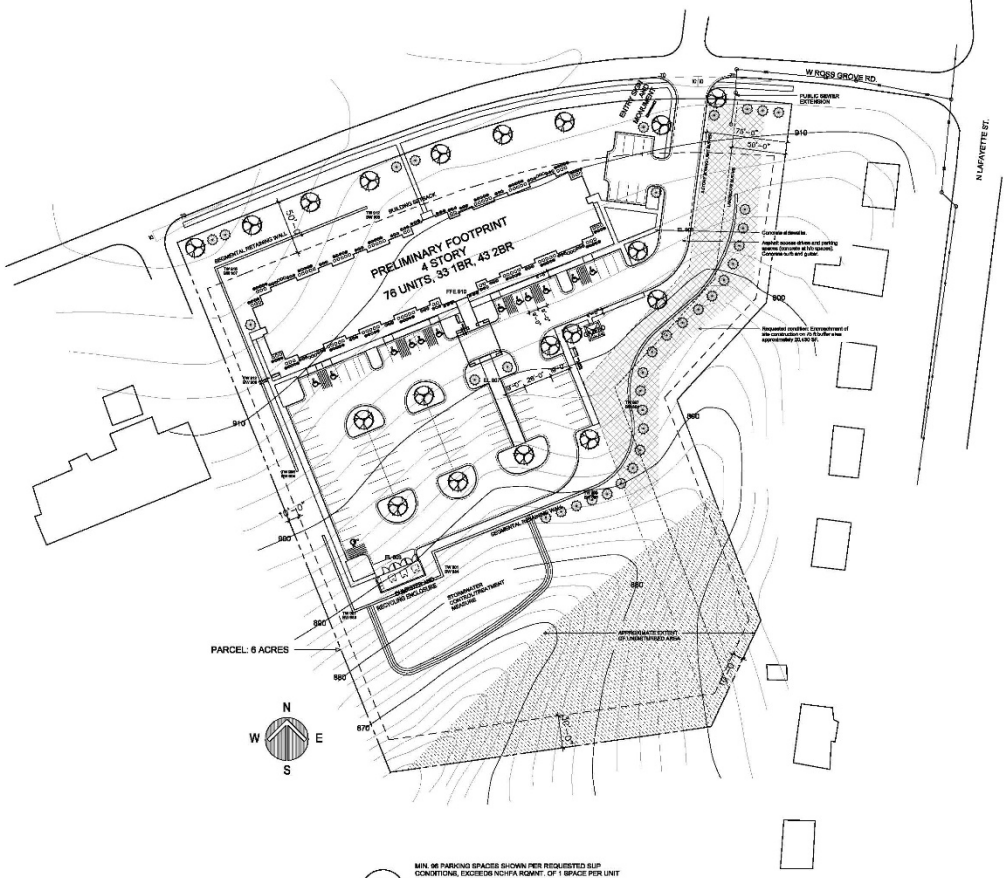


01
A1.00
PRELIMINARY SITE PLAN CONCEPT

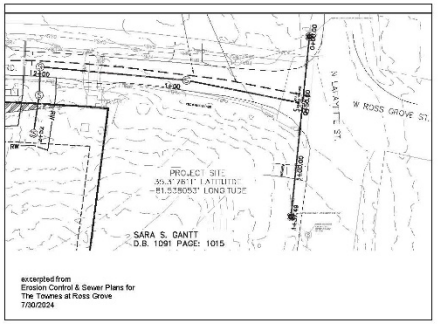
MIN. 96 PARKING SPACES SHOWN PER REQUESTED SUP CONDITIONS, EXCEEDS NCHFA REQMNT. OF 1 SPACE PER UNIT

GRAPHIC SCALE

0' 50' 100' 300'



Requested Conditions for approval of Special Use Permit	
1	Reduction of parking requirement to 1.25 spaces per unit. This ratio aligns with our property management team's assessment of parking needs for senior housing of this type in other communities.
2	Encroachment of site construction to include stormwater control, grading, and retaining wall construction within the 72' residential buffer, containing approximately 20,430 square feet of area.
3	Existing trees will be maintained to the maximum practical extent along the eastern edge of the property. A new landscaped buffer in accordance with Shelby's ordinance will be installed in the 75' residential buffer. The southern end of the property will maintain existing trees to the maximum practical extent. No existing trees have been identified or delineated on this submittal.



excerpted from
Erosion Control & Sewer Plans for
The Townes at Ross Grove
7/30/2024

JA
Jones Architecture, PLLC
2000 Kraft Drive, Suite 2000
Raleigh, NC 27607
Tel (919) 532-4404

NOT FOR CONSTRUCTION

ROSS GROVE MANOR
CLEVELAND COUNTY
SHELBY, NC
76 RESIDENTIAL UNITS

NOTE THAT ANS AIITI OTHER AGENCY REQUIREMENTS, ACCESSIBILITY COUNT FOR RESIDENTIAL UNITS DISTRIBUTION WITHIN PROJECT, SY UNIT CLASS, ETC), ACCESSIBLE ROUTES, AND ADA, ETC. REQUIREMENTS ARE NOT ILLUSTRATED ON THIS PLAN. FINAL CONSTRUCTION DOCUMENTS WILL BE PREPARED TO BE IN COMPLIANCE WITH THOSE REQUIREMENTS.

NOTE THAT THIS IS A PRELIMINARY SITE PLAN, AND IS AN APPROXIMATION OF EXISTING CONDITIONS BASED ON LIMITED INFORMATION AND IS NOT INTENDED TO REPRESENT THE PRACTICE OF PROFESSIONAL ENGINEERING.

THE PROPERTY BOUNDARY, AND OTHER EXISTING SITE INFORMATION, MAY HAVE BEEN APPROXIMATED FROM GIS OR SKETCH INFORMATION PROVIDED BY OTHERS. THE ACCURACY OF WHICH IS UNKNOWN. THIS DOCUMENT IS NOT INTENDED FOR THE CONVEYANCE OF PROPERTY RIGHTS.

THIS IS A PRELIMINARY PLAN TO ILLUSTRATE A DESIGN CONCEPT ONLY. EXISTING BOUNDARY, RIGHTS OF WAY, EASEMENTS, ZONING CONDITIONS, SETBACKS, PARKING REQUIREMENTS, STORMWATER REQUIREMENTS, UTILITY ACCESS, SEWER ACCESS, WETLANDS, RETAINING WALLS, EXTENT AND COST OF GRADING, ROAD DESIGN, AND OTHER FACTORS AFFECTING THIS PROJECT MUST BE VERIFIED BY OTHERS.

THESE DRAWINGS ARE THE PROPERTY OF JONES ARCHITECTURE, PLLC AND MAY NOT BE REPRODUCED WITHOUT WRITTEN PERMISSION.

COPYRIGHT BY JONES ARCHITECTURE, PLLC ALL RIGHTS RESERVED.

JA JOB#: 2501 04
DATE: 02/26/2025
FILE:
REV:
REV:
REV:

PRELIMINARY DOCUMENT

ARCHITECTURAL
SITE PLAN

A1.00

ORDINANCE NO. 16-2026

A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCEL 26964, LOCATED ON W. ROSS GROVE RD.

WHEREAS, the City of Shelby has received an application requesting the rezoning of property on W. Ross Grove Rd. (Parcel 26964) 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 surrounding development 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 May 4th 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 current zoning designation and surrounding development patterns 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 W. Ross Grove Rd. (Parcels 26964) is hereby amended from RO and R10 to RO-CZ.

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 May 4th, 2026 upon its adoption and approval.

ADOPTED AND APPROVED this the 4th day of May 2026.

_____
Violet Arth
Mayor Pro Tem

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

Per 160D-605 (plan consistency and reasonableness) action on this item requires a statement from Council in addition to a motion to approve/deny:

OPTION 1:

I make a motion to **APPROVE** the zoning request for the 6-acres on W. Ross Grove Rd. It is **INCONSISTENT** with Shelby's adopted comprehensive plan, however, this zoning request is REASONABLE because:

Example language: the request is consistent with current development patterns, it is consistent with planned future use, and there is similar development nearby.

OPTION 2:

I make a motion to **DENY** the zoning request for 6-acres on W. Ross Grove Rd. It is **INCONSISTENT** with Shelby's adopted comprehensive plan, therefore, this request is **UNREASONABLE** because:

Example language: the zoning designation negatively impacts the area, causes a negative impact to the city, neighborhood impact, detriment to Shelby, among other reasons.

ORDINANCE NO. 17-2026

ORDINANCE GRANTING PERMISSION BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA TO USE THE 10%/70% DEVELOPMENT OPTION AVAILABLE IN THE CITY'S UNIFIED DEVELOPMENT ORDINANCE

WHEREAS, FGM Development LLC is in the process of developing a new age restricted apartment complex at 0 West Ross Grove Road in the City of Shelby; and,

WHEREAS, the age restricted apartment complex is located in a state regulated water supply watershed; and,

WHEREAS, FGM Development LLC desires to cover more than 24% of the land totaling 6 acres with asphalt or other type of impervious surface; and

WHEREAS, staff has reviewed a site plan for the proposed development showing less than 70% impervious surface area; and

WHEREAS, less than 10% of the usable space for the 70/10 option has been developed with impervious surfaces in the WS-IV overlay district; and

WHEREAS, the Shelby City Council wishes to grant FGM Development LLC permission to use the 10%/70% development option;

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

Section 1. LGM Development LLC is hereby granted permission to develop up to 70% of the property at 0 West Ross Grove Road and having Cleveland County tax parcel number 26964 with an impervious surface, such property totaling 6 acres.

Section 2. This ordinance shall become effective upon its adoption and approval.

Adopted and approved this the 4th day of May A. D. 2026.

_____
Violet Arth
Mayor Pro Tem

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

City of Shelby
Agenda Item Summary
May 4, 2026
Council Chambers

Agenda Item C-2:

2) Adoption of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcel 71231, located on Morton St.: Ordinance No. 18-2026 *(Legislative)*

Presenting: (Brian Burgess, Planning and Development Director)

- Memorandum dated April 23, 2026 from Brian Burgess, Planning and Development Director to Justin Merritt, City Manager
- Staff Report
- Location, Zoning, and Future Land Use Maps
- Ramsey Pointe Conditional Zoning Standards Relief
- Record Report for Conditional Zoning District
- Notice of Public Hearing
- Letter sent to notify residents
- Ordinance No. 18-2026

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 call attention to Mr. Burgess's memorandum noting that the request is inconsistent with the City's future land use plan but is consistent with existing development in the area. 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 the action it believes is in the best interests of the City. That being said, City Council has adopted plans and established an advisory board for the purposes 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.

§ 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).

After the conclusion of the public hearing City Council may act upon Ordinance No. 18-2026.

Post Office Box 207 • Shelby, NC 28151-0207

TO: Mr. Justin Merritt, City Manager

FROM: Brian Burgess, Director of Planning & Development

DATE: April 23, 2026

SUBJECT: Ramsey Pointe–Conditional Rezoning

Background

The subject property is located on Morton Street and Patterson Street and is a request to rezone from R6 to R6-CZ. The site is on the southern side of the city along Morton Street. The property is approximately 5.35 acres. The applicant is proposing to transition from a general zoning district to a site-specific zoning designation.

Recommendation

The request is inconsistent with the future land use plan but consistent with existing nearby development. Staff and the Planning & Zoning Board recommend approval of the rezoning.

Staff Report

To:	Shelby Planning & Zoning Board	Date:	April 8, 2026
From:	Audrey Whetten Godfrey Senior Planner	Meeting: File:	April 16, 2026 #CZ-26-0002

OWNER: Vernon Baumrind **APPLICANT:** Connelly Builders
LOCATION: Morton Street **PARCEL ID #:** 71231
PRESENT ZONING: R6 **REQUESTED ZONING:** R6-CZ
SURROUNDING ZONING: **North:** R6 **South:** R10 **East:** R6 **West:** R6
UTILITIES: **Water:** Yes **Sewer:** Yes **Floodplain:** No **Watershed**: No

ANALYSIS: The subject property is located on Morton St between Patterson St and S. Morgan St. The site is vacant and approximately 5.5 acres. Uses in the area include single-family, industrial, commercial, and religious.

The current zoning is R6 and the request is to rezone the property to R6-CZ to allow for the construction of Ramsey Pointe, an 84-unit, 3-story multi-family development. The proposed density is 15.27 units per acre. Morton St is an NCDOT road, and this proposal does not trigger NCDOT's requirement for a Traffic Impact Analysis.

The applicant has agreed to provide a sidewalk connection to Carolina Harmony Trail to facilitate connectivity for both residents of this development as well as other residents in the neighborhood.

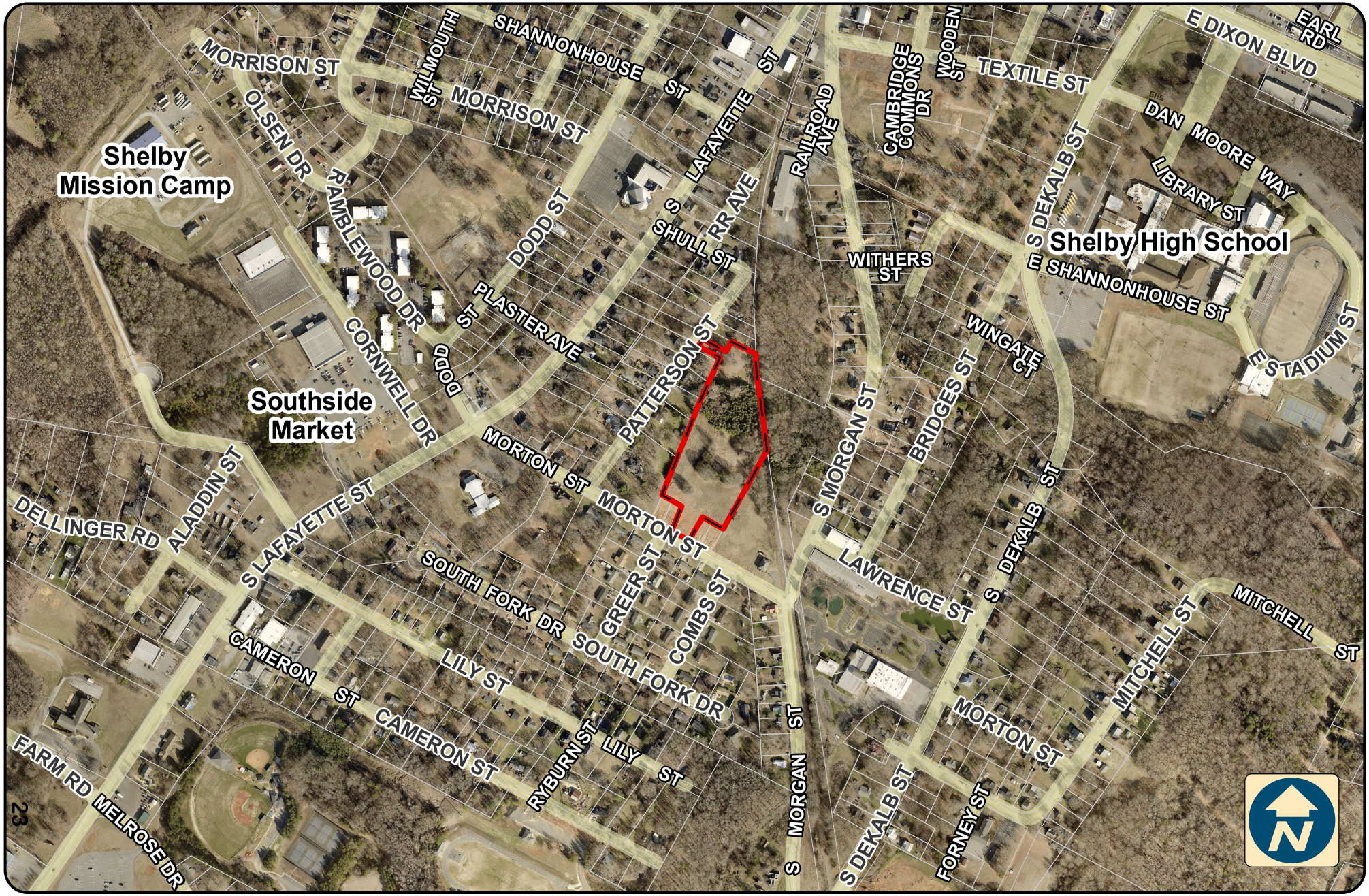
If this CZ is approved by City Council, compliance with the proposed conditions and site plan is required. The conditions requested by the applicant are detailed in the agenda packet; the more significant requests for relief are outlined below.

- Standard rear setbacks for 41-ft-high multi-family in R6: 36 ft (additional setback required due to building height over 35 ft).
    - Applicant has proposed a 5 ft setback along the Carolina Harmony Trail right-of-way.
- Standard buffer for multi-family in R6: 75 ft of undisturbed buffer where adjoining a residential district, except along the property line adjacent to a non-residential use (New Covenant Baptist Church).
    - Applicant has proposed buffers ranging from 8 ft to 30 ft that will include a 6' fence (vinyl or wood) and plantings.

The R6 residential district is primarily intended to accommodate a variety of high density single-family detached dwellings, modular homes, apartments, townhomes, and condominiums. Maximum densities within the R6 district range from approximately seven dwelling units per gross acre for single-family detached dwellings to over 19 dwellings per gross acre for multifamily dwellings. Public water and sewer service are generally available in areas zoned as R6. Nonresidential uses permitted within this district include customary accessory, recreational, educational, and institutional land uses that are compatible with the high-density residential character of the R6 district.

STAFF COMMENTS: The Future Land Use Map in the 2009 Comprehensive Land Use Plan identifies the area as Medium Density Residential adjacent to an area of Neighborhood Revitalization. Recent development in the area includes a large multi-family complex approximately 0.5 miles to the southeast, across S. Dekalb St. Staff recommends approval of the request.

Ramsey Pointe
Location Map

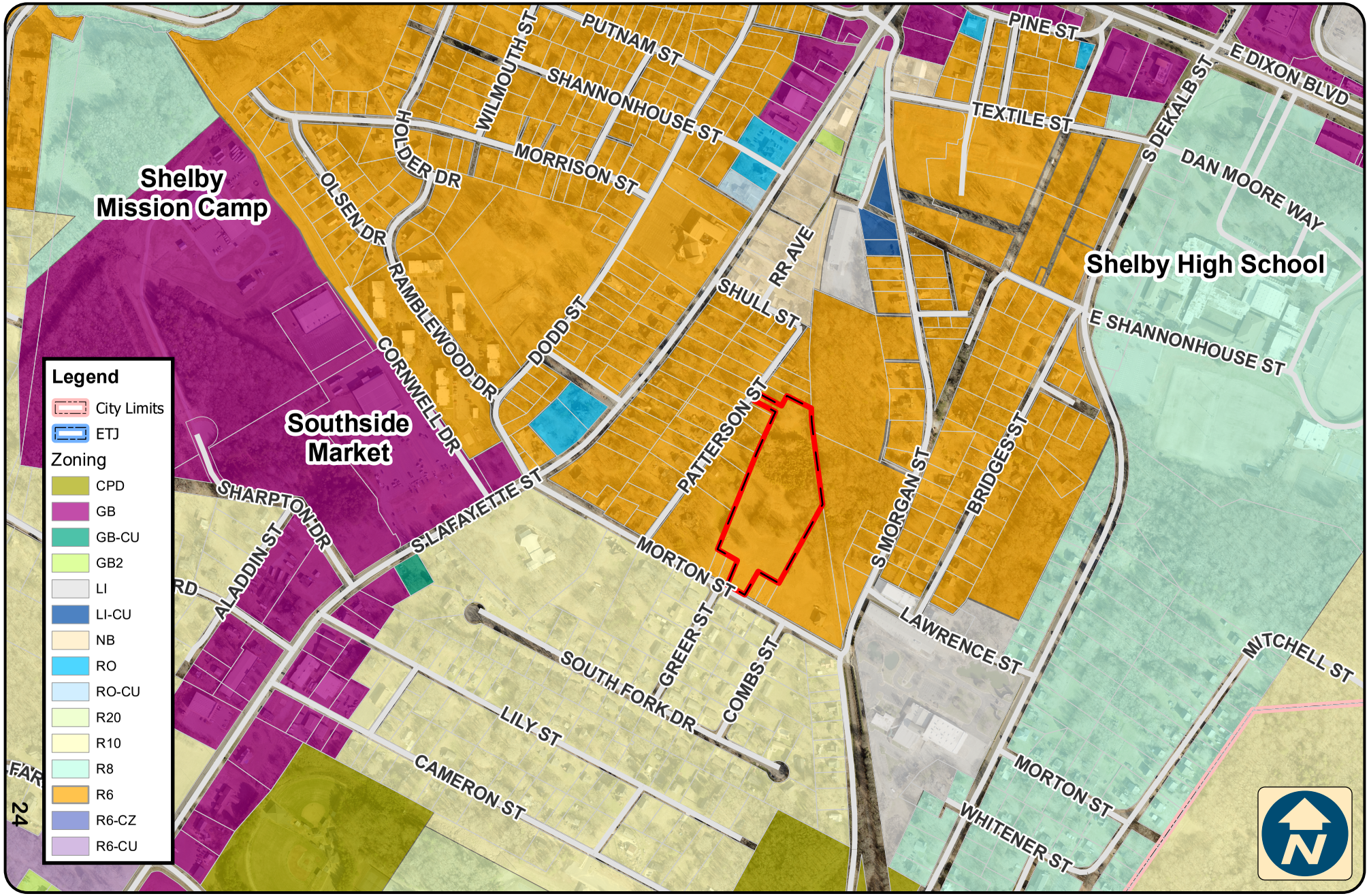


Scale 1:6,946 1:6,946

0 287.5 575 1,150 Feet

Date: 4/8/2026

Ramsey Pointe
Zoning Map

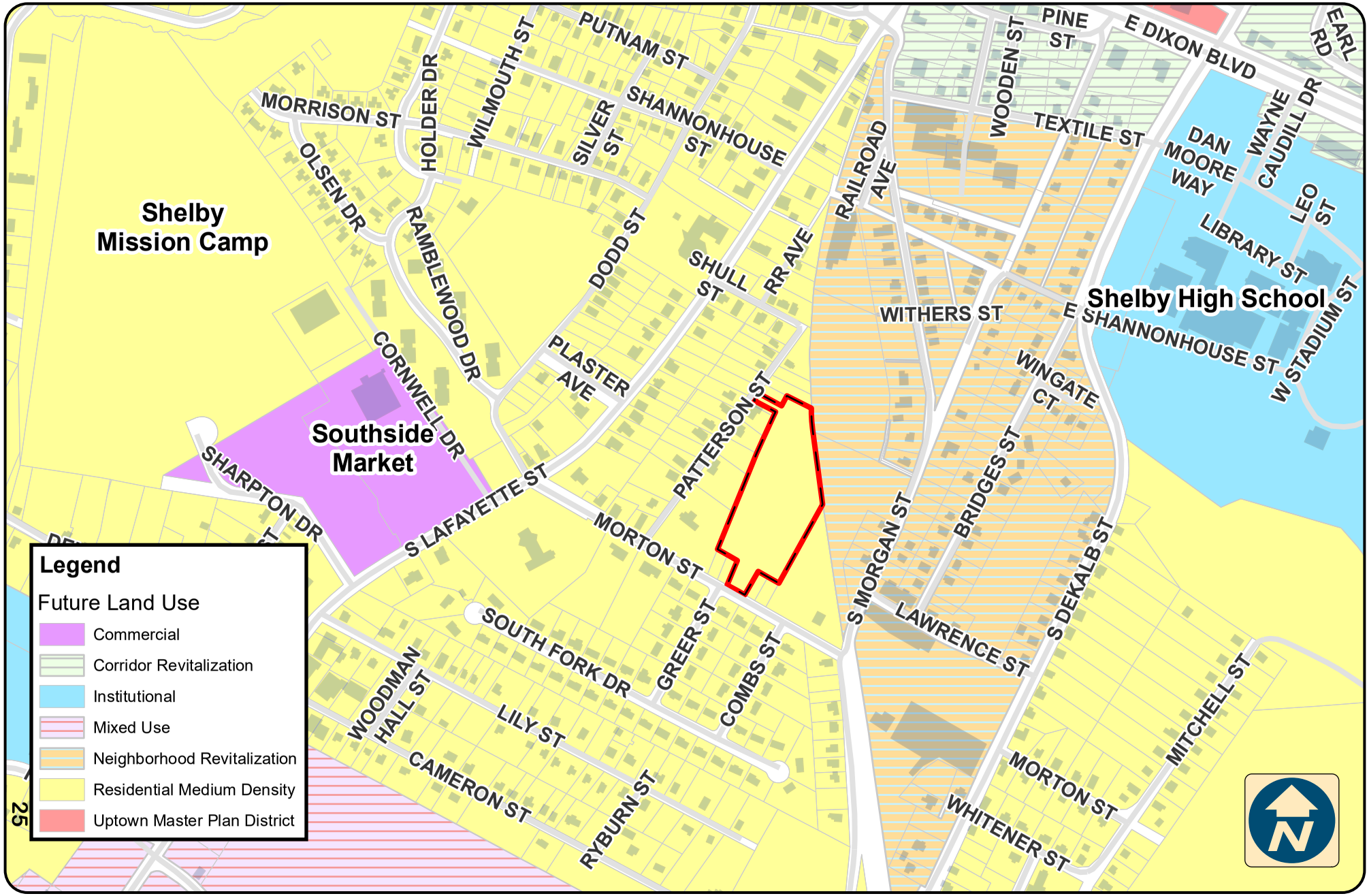


Scale 1:6,946 1:6,946

0 287.5 575 1,150 Feet

Date: 4/8/2026

Ramsey Pointe
Future Land Use Map



Scale 1:6,946 1:6,946

0 287.5 575 1,150 Feet

Date: 4/8/2026

SITE = ± 5.49 ACRES
PARCEL # 71231
ZONED R6
DENSITY: 116 UNITS MAX.
PARKING:
137 PARKING SPACES
13 H.C. PARKING SPACES
150 TOTAL PARKING SPACES = 1.75 SPACES PER UNIT
SETBACKS:
SEE SITE PLAN
6' HIGH FENCE (WOOD OR VINYL W/ LANDSCAPING ALONG PROPERTY LINE
BUILDING HEIGHT: 41'
BUILDING MATERIALS: VINYL SIDING
BUILDING SEPARATION: 20' MIN. BETWEEN BLDGS.

AMENITIES: COVERED PICNIC AREA W/ 2 TABLES & ONE GRILL, PLAYGROUND, MULTI-PURPOSE ROOM,COMPUTER ROOM, OUTDOOR SITTING AREA W/ BENCHES (3 MIN.) & TOT LOT

BUILDING BREAKDOWN					
BUILDING #	BUILDING TYPE	1 BR	2 BR	3 BR	TOTAL
BLDG. #1	C		12	12	24
BLDG. #2	B	12	6	6	24
BLDG. #3	A		6	6	12
BLDG. #4	D	6	12	6	24
TOTAL		18	36	30	84

NOTES: PARKING SPACES SHOWN 9' X 20'

NOTES: ALL TRAFFIC 2 WAY THROUGHOUT SITE

NOTES: AISLES 24' WIDE BETWEEN GUTTERS

NOTES: TO OUR KNOWLEDGE AND BELIEF THE PRELIMINARY SITE PLAN COMPLIES WITH THE REQUIREMENTS SET FORTH BY THE CITY'S UDO, INCLUDING DEVELOPMENT STANDARDS FOR MULTI-FAMILY.

NOTES: ALL EXISTING AND NEW PUBLIC UTILITY INFRASTRUCTURE WILL REQUIRE UTILITY EASEMENTS.

NOTES:
1) ALL LANDSCAPING MATERIAL AND INSTALLATION PRACTICES ARE TO ADHERE TO THE STANDARDS SET FORTH IN THE CITY OF SHELBY, NC UNIFIED DEVELOPMENT ORDINANCE - ARTICLE XIV. LANDSCAPING AND SCREENING INCLUDING BUT NOT LIMITED TO STREET YARDS (14-5.1.), VEHICULAR PARKING AREAS (14-5.2), SCREENING (14-5.3 & 14-10.), SIGHT TRIANGLES (14-10.2), & EXISTING VEGETATION TO REMAIN (14-4.2).
2) ALL TREE PROTECTION TO ADHERE TO THE STANDARDS SET FORTH IN THE CITY OF SHELBY, NC UNIFIED DEVELOPMENT ORDINANCE - ARTICLE XIV. LANDSCAPING AND SCREENING

REQUESTING RELIEF FROM THE STANDARD 36' SETBACK AND 75' BUFFER OFF ROW LINE. WILL INCLUDING PLANTINGS IN THE BUILDING AND TRAIL

1" = 30'

PROPERTY LINE

30' SETBACK / BUFFER

DETENTION

64.58

164.77

181.42

75' SETBACK/BUFFER

PARCEL # 71229
New Covenant Baptist Church
1276-0679
2.3 Acres
Zoned: R6

BV Properties LLC
3882-234
Zoned: R6

Martinez S Rivera
1899-1604
.13 Acres
Zoned: R6
PARCEL # 66133

MORTON STREET 42' R/W

LANDSCAPING ALONG ENTRY

Rosa L. Jaramillo
1899-1176
PARCEL # 66132 .13 Acres
Zoned: R6
6' HIGH FENCE (WOOD OR VINYL)

25' SETBACK / BUFFER

36' SETBACK

SIDEWALK TO STREET

ENTRANCE SIGN

25' SETBACK / BUFFER

30' SETBACK / BUFFER

PARCEL # 66131
Petronio S. De Souza
1901-2621
.13 Acres
Zoned: R6
6' HIGH FENCE (WOOD OR VINYL)

Patrick McDonald
1899-1920
.13 Acres
Zoned: R6
PARCEL # 66130

MAIL STATION

LEASING OFFICE, MAINTENANCE, MULTI-PURPOSE ROOM, COMPUTER CENTER & OTHER AMENITIES

COVERED PICNIC AREA W/ 2 TABLES & CHAIRS

TRASH / RECYCLE

PLAYGROUND

16' SETBACK - 8' BUFFER

OUTDOOR SEATING AREA - TYP (3 TOTAL)

TOT LOT

David S. Petty
1673-1012
1.86 Acres
Zoned: R6
PARCEL # 20680

6' HIGH FENCE (WOOD OR VINYL)

April D. Whisnant
1719-385
.80 Acres
Zoned: R6
PARCEL # 20683

Bellaire Dynamik LLC
1947-1835
.37 Acres
Zoned: R6
PARCEL # 20682

Bellaire Dynamik LLC
1947-1832
.30 Acres
Zoned: R6
PARCEL # 23171

PARCEL # 20679
Terry S. Melton
1863-2265
.27 Acres
Zoned: R6

6' HIGH FENCE (WOOD OR VINYL)

Terry S. Melton
1914-253
.06 Acres
Zoned: R6
16' SETBACK - 8' BUFFER

Kim Kee Bum
1940-2158
.13 Acres
Zoned: R6
PARCEL # 20678

5' BUFFER

5' BUFFER

16' SETBACK & BUFFER

Imperial Properties LLC
1927-2715
.8 Acres
Zoned: R6
PARCEL # 20677

30' SETBACK / BUFFER

SIDEWALK TO CAROLINA HARMONY TRAIL

Tube Enterprises Inc.
1692-0810
4.7 Acres
Zoned: R6
PARCEL # 20701

PARCEL # 71236
Jerry L. Allen
1154-1395
3.3 Acres
Zoned: R6

100' ROW - ABANDONED RAILROAD TRACK

36' SETBACK

PATTERSON STREET 25' R/W

24.00

20.00

24.00

20.00

15

14

11

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Ramsey Pointe Conditional Zoning Standards Relief

Buffers and Screening:

- Ramsey Pointe abuts single family residential on several sides except for two. According to the Shelby UDO, a 75-foot landscape buffer is required along any property that is zoned residential. We can achieve the 75-foot buffer behind TMS#s 66133 and 66132; however, we are unable to meet the 75-foot buffer on other property lines. We are requesting that buffers be approved per the site plan.

- No buffer is required where Ramsey Pointe abuts parcel # 71229, however a 30' buffer has been proposed.

- Where Ramsey Pointe abuts the Trail/Railroad ROW, the buffer is measured off the ROW line not the parcel line. Ramsey Pointe is not able to meet the 75' buffer required in this area. However, in the 50' ROW we are proposing plantings.

- According to the Shelby UDO, "Multifamily developments: All multifamily developments shall be screened from all other lots which lie in a residential (R) district except that screening shall not be required around a multifamily development whose side and rear boundaries abut multifamily development." Screening is being provided along specific property lines as shown on the site plan with the dashed black line. Screening will be provided on either side of the entrance off Morton Street and then behind TMS# 66132, 66133, 66131, 66130, 20680, 20683, 20682, 23171 and 20679, 67005. Screening will consist of a 6' high wood or vinyl fence and additional plantings as required for the buffers.

Setbacks:

- According to the Shelby UDO, all building setbacks shall increase one foot for every foot in height in excess of 35 feet. Proposed buildings are three stories and 41 feet tall, therefore all side setbacks are increased from 10' to 16' and rear setbacks are increased from 30' to 36'.

- We are able to meet setbacks on all sides except where the Trail/Railroad ROW is located and are requesting relief from that setback. Along the ROW, the setback is measured off the ROW line not the parcel line. So as we will not be able to meet the 36' rear setback off the ROW, all buildings will be outside of the ROW which is 50' from the closest property line.

- In some cases, we are able to exceed the 16' and 36' setbacks.

Building Unit Count:

- According to the Shelby UDO “no building shall exceed 250 feet in length or contain more than 8 units unless it is designed for the elderly, physically handicapped or developmentally disabled and has central facilities for dining and recreation”. All buildings meet the 250 ft requirement with their associated lengths notated on the attached site plan. However, all buildings are designated for families, and they exceed the 8-unit requirement. The unit count for each building is listed on the site plan. Building 1 has 24 units, Building 2 has 24 units, Building 3 has 12 units and Building 4 has 24 units. Therefore, we request that the building unit counts be approved as labeled on the site plan that is attached.

Building Materials:

- All buildings within the Ramsey Pointe development shall utilize high-quality, durable exterior materials, including but not limited to: Brick, stone, and vinyl siding. Soffits shall be low-maintenance vinyl, and fascia shall be painted aluminum, all color coordinated. These materials shall be used to create a cohesive architectural character and long-term durability.

Elevations:

- Pursuant to the Shelby Unified Development Ordinance “Variations in building facades, roofing, building layout, materials, etc. shall be used throughout the development site to avoid the appearance of identical buildings or units when viewed from the exterior.” The proposed Ramsey Pointe development will incorporate the architectural elevations attached hereto.

- The development will consist of garden-style residential buildings with pitched roof forms and a cohesive architectural theme utilizing brick and vinyl siding as the primary exterior materials. While the buildings will maintain a consistent material palette and architectural character throughout the site, variation will be achieved through:

  - Varied brick and siding distribution across building elevations
  - Window placement and grouping
  - Roofline elements, including gables and pitch transitions
  - Building orientation and placement across the site

- There will be four different “building types” as identified on the site plan and corresponding elevations are shown on the attached architectural plans.

- These design elements ensure that the development avoids a monotonous or institutional appearance while maintaining a high-quality and unified residential character.

- All buildings shall be constructed in substantial conformance with the attached elevations, which shall be considered binding as part of this Conditional Zoning approval.

Engineering:

- Minor adjustments to building placement, internal street alignment, parking configuration, utility locations, stormwater facilities, grading, and similar site elements may occur during the civil engineering, permitting, and construction phases to address site conditions, utility coordination, regulatory requirements, or technical design considerations. Such adjustments shall not constitute a material deviation from the approved Conditional Zoning so long as the overall development program, land use mix, density, buffer commitments, and general development character remain substantially consistent with the approved plan.

315 S. Lafayette St.
P.O. Box 207
Shelby, NC 28151-0207

(704) 484-6805

Record Report for Conditional Zoning District #CZ-26-0002

Record Overview

Record Number: CZ-26-0002
Record Type: Conditional Zoning District
Record Status: In Progress
Record Submitted At: Wednesday February 25, 2026
Record Address: adjacent to 207 Morton Street
Record Owner: Brian Burgess
Record Applicant User: Laura Nicholson
Record Applicant Company: Connelly Development LLC
Record Tags: Ramsey Pointe, Morton St affordable

Form Submission

Have you discussed your project with City staff at a Technical Review Committee meeting? : Yes

What was the date of your Technical Review Committee meeting? : 2/16/26

TRC Review Number :
#TRC-26-0003 | Connelly Development, LLC | Kevin Connelly | Submitted 1/29/26

Applicant Relationship to Property: Developer

Applicant:
President, Kevin Connelly
125 Old Chapin Road
Lexington, SC 29072
tkc@connellybuilders.com, (803) 798-0572

Current Owner:
Vernon Baumrind
vbaumrind@gmail.com, (704) 643-6300

Project Name: Ramsey Pointe

Project Description:
construction of an 84 multifamily apartment complex targeting families

Address of Subject Property: adjacent to 207 Morton Street

Parcel Number(s): 71231

Current Zoning District: R6

Proposed Zoning District: R6-CZ

What uses would be allowed? :
construction of an 84-unit multifamily apartment complex

Name other proposed conditions:
See attached for relief conditions requested as part of the development

Current Land Use: United States

Approx. Total Acreage: 5.5

Provide a detailed description of the proposed project. Attach additional pages or documentation if necessary.:
Development Narrative attached

Builder:
President, Kevin Connelly
tkc@connellybuilders.com, (803) 798-0572

Surveyor:

Engineer:

Applicant Signature:

Kevin Connelly

Signed in GovWell: Wednesday February 25, 2026, 10:37am

NOTICE OF PUBLIC HEARING FOR ZONING MAP AMENDMENTS

The City Council of the City of Shelby will conduct public hearings during its regular meeting on Monday, May 4, 2026, at 6:00 p.m. in the City Council Chambers (300 S. Washington St, Shelby, North Carolina) to consider the following petitions to rezone properties within the City's jurisdiction:

A petition to rezone parcel 26964, 6 acres located on West Ross Grove Road, just west of North Lafayette Street, from Residential-Office RO and Residential R10 to Residential-Office Conditional Zoning RO-CZ for a proposed multi-family development.

A petition to rezone parcel 71231, 5.5 acres located at on Morton Street between Patterson Street and South Morgan Street, from Residential R6 to Residential R6 Conditional Zoning R6-CZ for a proposed multi-family development.

Maps of the properties are on file and available for inspection at the City of Shelby Planning & Development Services office, 311 South Lafayette Street, Shelby, North Carolina.

Persons interested in being heard are invited to comment on the proposed zoning amendments at the hearings, whether for or against. Comments may be presented orally at the hearings, in writing prior to the hearings, 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 Monday, April 20, 2026 and the same ad again on Monday, April 27, 2026.

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

Shelby
NORTH CAROLINA

Post Office Box 207 · Shelby, NC 28151-0207

April 15, 2026

RE: Parcel 71231 – Morton Street – Proposed Conditional Zoning Map Amendment

The City Council of the City of Shelby will conduct a public hearing during its meeting on **Monday, May 4, 2026**, at 6:00 p.m. in the City Council Chambers (300 S. Washington St) to consider a petition to rezone parcel 71231, located on Morton St between Patterson St and S. Morgan St, from Residential R6 to Residential R6 Conditional Zoning (R6-CZ) for a proposed multi-family development.

A more detailed description and map of this property is available for public inspection in the Planning and Development Services Department located at 311 South Lafayette Street, Shelby, North Carolina, during regular business hours, 8:00 AM until 5:00 PM. Also, you can call (704) 484-6829 for more information.

Persons interested in being heard on this matter are invited to comment on the proposed rezoning 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.

Enclosed are the location and zoning maps as well as the proposed site plan.

If you have any questions or require additional information, please contact the Shelby Planning Office at 704-484-6829.

Sincerely,

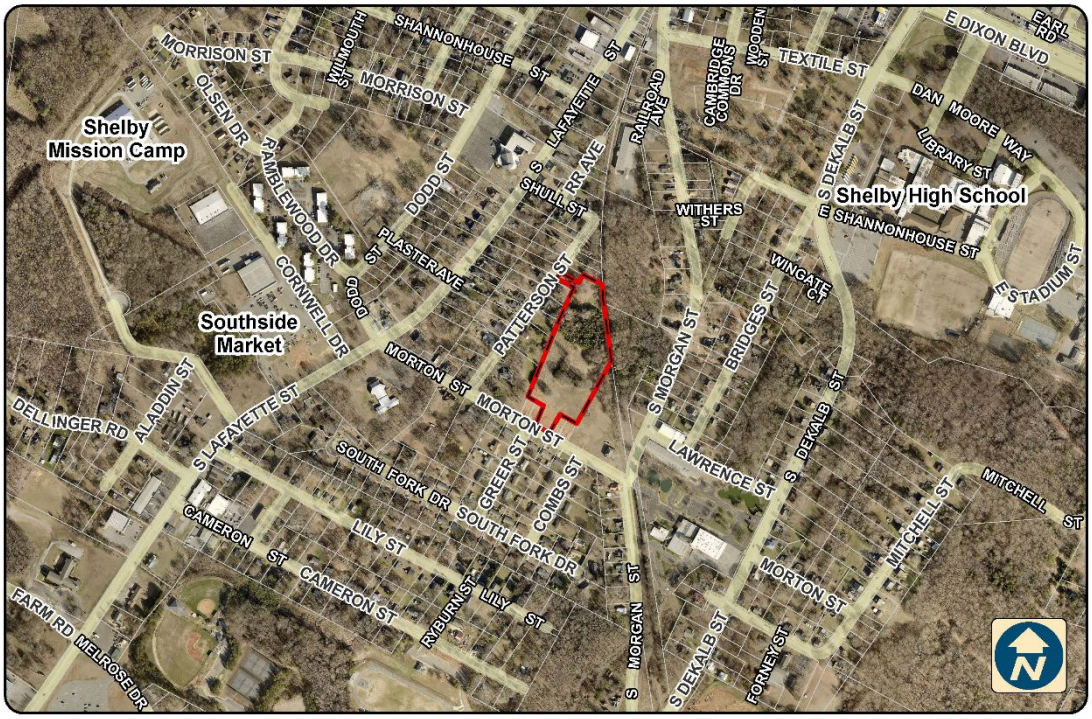
Audrey Godfrey
Senior Planner

Enclosures

YOU ARE RECEIVING THIS NOTICE BECAUSE THERE IS A REQUEST TO CHANGE THE ZONING DISTRICT OF A PARCEL NEAR YOUR PROPERTY IN SHELBY.

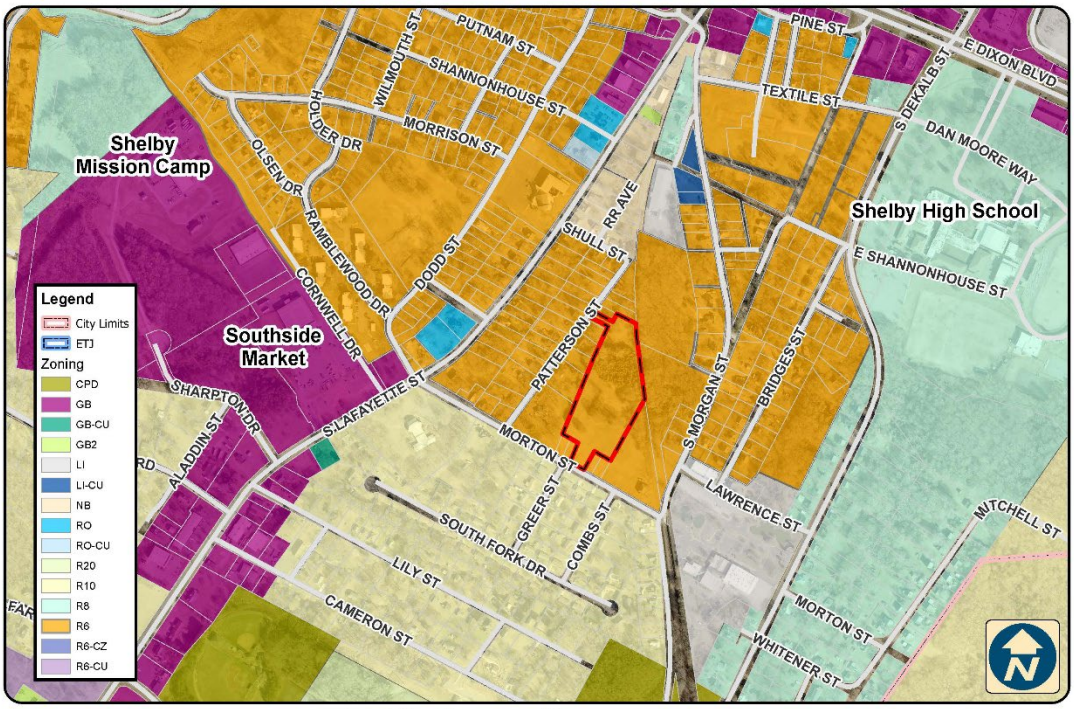
There is no change proposed to your property.

Ramsey Pointe
Location Map

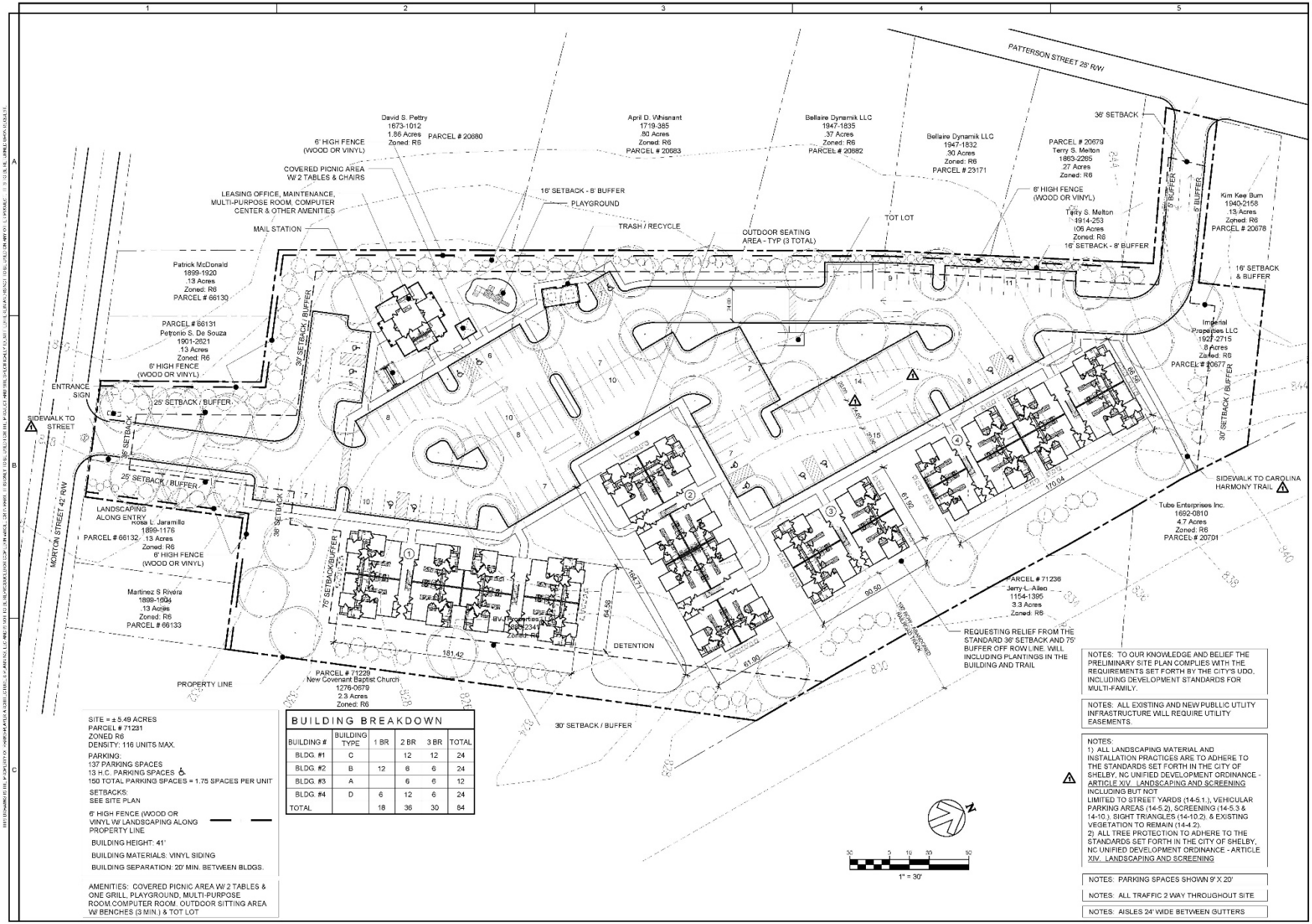


Scale 1:6,946 1:6,946 0 287.5 575 1,150 Feet Date: 4/8/2026

Ramsey Pointe
Zoning Map



Scale 1:6,946 1:6,946 0 287.5 575 1,150 Feet Date: 4/8/2026



SITE = ± 5.49 ACRES
PARCEL # 71231
ZONED R6
DENSITY: 116 UNITS MAX.

PARKING:
137 PARKING SPACES
13 H.C. PARKING SPACES
150 TOTAL PARKING SPACES = 1.75 SPACES PER UNIT

SETBACKS:
SEE SITE PLAN

6' HIGH FENCE (WOOD OR VINYL W/ LANDSCAPING ALONG PROPERTY LINE

BUILDING HEIGHT: 41'

BUILDING MATERIALS: VINYL SIDING

BUILDING SEPARATION: 20' MIN. BETWEEN BLDGS.

AMENITIES: COVERED PICNIC AREA W/ 2 TABLES & ONE GRILL, PLAYGROUND, MULTI-PURPOSE ROOM,COMPUTER ROOM, OUTDOOR SITTING AREA W/ BENCHES (3 MIN.) & TOT LOT

BUILDING BREAKDOWN

BUILDING #	BUILDING TYPE	1 BR	2 BR	3 BR	TOTAL
BLDG. #1	C		12	12	24
BLDG. #2	B	12	6	6	24
BLDG. #3	A		6	6	12
BLDG. #4	D	6	12	6	24
TOTAL		18	36	30	84

NOTES: TO OUR KNOWLEDGE AND BELIEF THE PRELIMINARY SITE PLAN COMPLIES WITH THE REQUIREMENTS SET FORTH BY THE CITY'S UDO, INCLUDING DEVELOPMENT STANDARDS FOR MULTI-FAMILY.

NOTES: ALL EXISTING AND NEW PUBLLIC UTLITY INFRASTRUCTURE WILL REQUIRE UTILITY EASEMENTS.

NOTES:
1) ALL LANDSCAPING MATERIAL AND INSTALLATION PRACTICES ARE TO ADHERE TO THE STANDARDS SET FORTH IN THE CITY OF SHELBY, NC UNIFIED DEVELOPMENT ORDINANCE - ARTICLE XIV. LANDSCAPING AND SCREENING INCLUDING BUT NOT LIMITED TO STREET YARDS (14-5.1.), VEHICULAR PARKING AREAS (14-5.2), SCREENING (14-5.3 & 14-10.). SIGHT TRIANGLES (14-10.2). & EXISTING VEGETATION TO REMAIN (14-4.2).
2) ALL TREE PROTECTION TO ADHERE TO THE STANDARDS SET FORTH IN THE CITY OF SHELBY, NC UNIFIED DEVELOPMENT ORDINANCE - ARTICLE XIV. LANDSCAPING AND SCREENING

NOTES: PARKING SPACES SHOWN 9' X 20'

NOTES: ALL TRAFFIC 2 WAY THROUGHOUT SITE

NOTES: AISLES 24' WIDE BETWEEN GUTTERS

No.	Date	Description
	1.12.26	
	2.24.26	
1	3.13.26	
2	4.13.26	

Job Number: 25 Prelim
File Reference:
Date:

RAMSEY POINTE
APARTMENTS
SHELBY, NORTH CAROLINA

PARKS-PLAYER ARCHITECTURE & PLANNING, LLC
BUILDING LANDSCAPE ARCHITECTURE
SHELBY, NC 28150
(704) 482-0333

SITE LAYOUT

Sheet Number
SL-1.00

ORDINANCE NO. 18-2026

A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCEL 71231, LOCATED ON MORTON ST.

WHEREAS, the City of Shelby has received an application requesting the rezoning of property on Morton St. (Parcel 71231) 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 surrounding development 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 May 4th 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 surrounding development 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 Morton St. (Parcels 71231) is hereby amended from R6 to R6-CZ.

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 May 4th, 2026 upon its adoption and approval.

ADOPTED AND APPROVED this the 4th day of May 2026.

_____
Violet Arth
Mayor Pro Tem

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

Per 160D-605 (plan consistency and reasonableness) action on this item requires a statement from Council in addition to a motion to approve/deny:

OPTION 1:

I make a motion to **APPROVE** the zoning request for the 5.35-acres on Morton St. It is **INCONSISTENT** with Shelby's adopted comprehensive plan, however, this zoning request is REASONABLE because:

Example language: the request is consistent with current development patterns, and there is Multi-family nearby.

OPTION 2:

I make a motion to **DENY** the zoning request for 5.35-acres on Morton St. It is **INCONSISTENT** with Shelby's adopted comprehensive plan, therefore, this request is **UNREASONABLE** because:

Example language: the zoning designation negatively impacts the area, causes a negative impact to the city, neighborhood impact, detriment to Shelby, among other reasons.

City of Shelby
Agenda Item Summary
May 4, 2026
Council Chambers

Agenda Item C-3:

3) Approval of a resolution granting a special use permit to Hickory Creek LLC at 0 Gidney Street: Resolution No. 29-2026 *(Quasi-judicial)*

Presenting: (Brian Burgess, Planning and Development Director)

- Memorandum dated April 23, 2026 from Brian Burgess, Planning and Development Director to Justin Merritt, City Manager
- Staff Report
- Location, Zoning, and Future Land Use Maps
- Ramsey Pointe Conditional Zoning Standards Relief
- Record Report for Conditional Zoning District
- Notice of Public Hearing
- Letter sent to notify residents
- Resolution No. 29-2026

City Manager's Recommendation / Comments

This hearing must be conducted in a quasi-judicial fashion by the Mayor and Council. By their very nature, decisions conducted as such involve two key elements 1) there must be a written finding of facts regarding the specific proposal and 2) the exercise of judgment and discretion must apply existing policies to the situation.

As a reminder, these hearings must be evidentiary in nature, and the decision of Council must be based upon that evidence. The purpose of the hearing is to establish facts, not to gather opinions about the desirability or popularity of the proposed development. Any person offering testimony must do so under oath and cross examination must be allowed. The gathering of evidence outside the hearing by individual members is not permitted and as noted previously a written finding of facts is required.

Information provided by Mr. Burgess within the agenda packet is to be considered evidence to be factored in as part of your decision-making policy. It should be noted that your decision may only be appealed to NC Superior Court within the prescribed time frame in the statute.

Following the hearing City Council may take action either in favor or opposition to Resolution No. 29-2026.

Memorandum

To: Justin Merritt - City Manager

From: Brian Burgess – Planning Director

Date: April 23, 2026

Subject: Requested Special Use Permit 60 Unit Multi-Family Development

Executive Summary of Issue – Background

Tab Bullard for Hickory Creek LLC, is proposing a Special Use Permit at 0 Gidney St. to develop a multi-family development with up to 60 dwelling units.

Review and Comments

The section of this proposal that is on the south side of Gidney Street, north from Lowe's Home Improvement. The parcel is designated as a Medium Density Area by the Comprehensive Land Use Plan. The proposal is consistent with the density recommendation of the Comprehensive Land Use Plan. Section 11-1.48 of the Shelby UDO provides the requirements that must be met in order to receive development approval. Staff believes that these requirements have been satisfactorily met for this stage in the approval process.

Recommendation

This proposed Special Use Permit is consistent with the Comprehensive Land Use Plan. Staff recommends approval of this proposed Special Use Permit. More information can be found in the Staff Report attached.

This proposal does require a quasi-judicial public hearing because of the Special Use Permit. The rules of procedure for a quasi-judicial public hearing should be followed.

Please schedule a Quasi-Judicial hearing for this proposed Special Use Permit at the next City Council meeting on May 4, 2026.

Strategic Goal Alignment: Priority 1, Goal 1. "Work to improve the variety, availability, and options for quality housing that is affordable to a wide range of income levels."

Staff Report

To: City Council
From: Brian Burgess
Planning Director

Date: April 23, 2026
Meeting: May 4, 2026
File: SUP-26-0002

OWNER/APPLICANT: Hickory Creek, LLC/ Zimmerman Properties SE, LLC

LOCATION: 0 Gidney St. **PARCEL ID #:** 52530

PRESENT ZONING GB2-CU

REQUEST: Special Use Permit for a 60 Unit Multi-Family Development

SURROUNDING ZONING: **North:** R8, R6 **South:** GB2-CU **East:** GB2-CU, R6 **West:** R8

UTILITIES: **Water:** Yes **Sewer:** Yes **Floodplain:** No **Watershed**: No

ANALYSIS: For multi-family developments located within the General Business 2 Zoning District (GB2) with 25 or more units, a Special Use Permit is required.

The applicant is proposing a 60 unit multi-family development. The subject property is currently undeveloped.

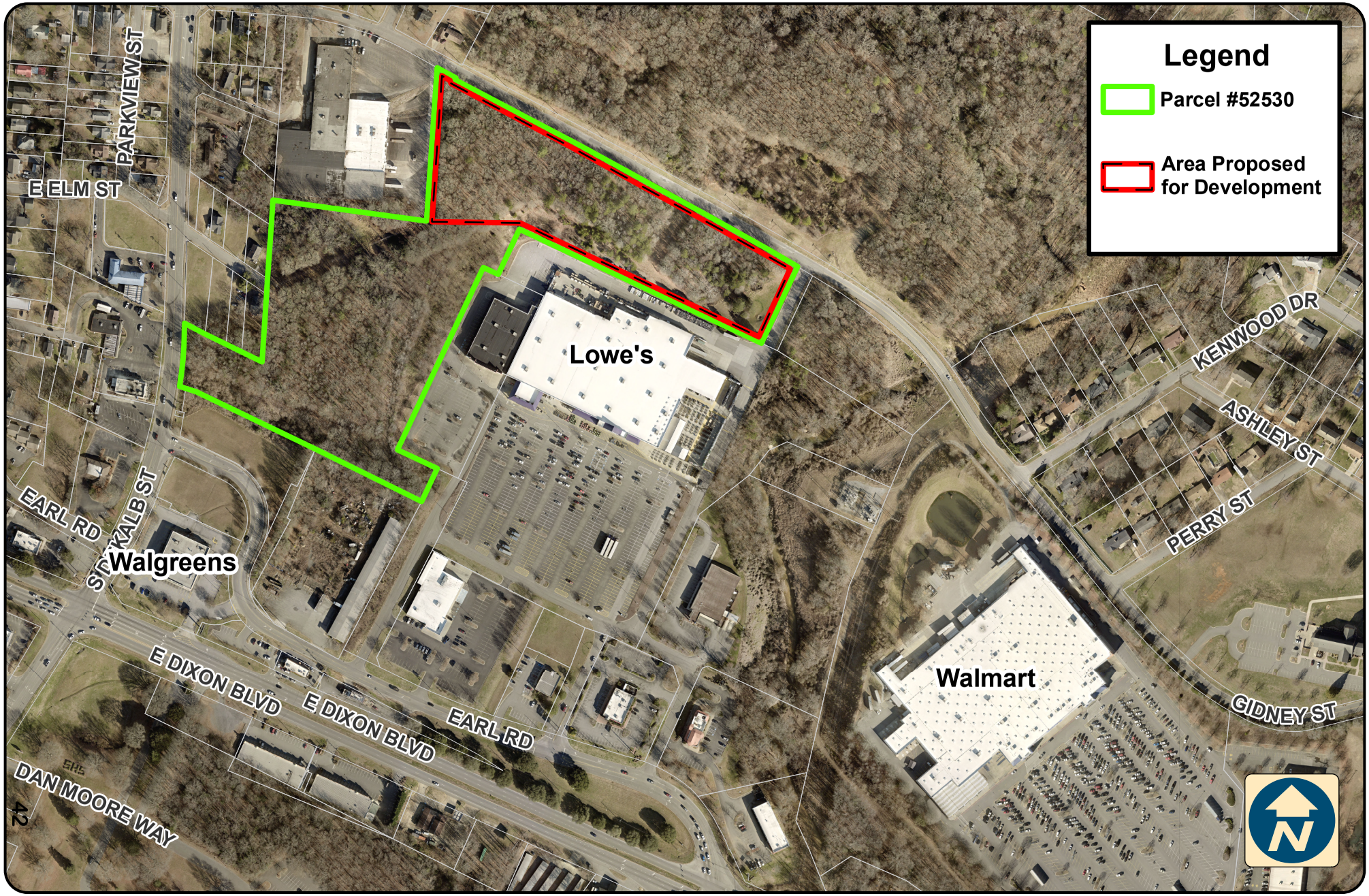
GB2 is primarily designed to accommodate a wide range of commercial use and residential uses. The developer would have to develop the properties in accordance with the submitted site plan as well as the standards found in 11-1.48.

When considering a Special Use Permit application, City Council should use the process found in the attached document titled "City of Shelby Special Use Permit Approval Process."

STAFF COMMENTS:

- The requested permit is within the jurisdiction of the City of Shelby according to the UDO; and
- The application is complete; and
- If completed as proposed in the application, the proposed development will comply with all the requirements of the UDO.
- The Comprehensive Land Use Plan for this area designates this area as a Medium Density Residential Area.
- The proposed Special Use Permit application is consistent with the Comprehensive Land Use Plan.
- Staff recommends approval of this Special Use Permit.

A Portion of Parcel 52530
Location Map



Scale 1:4,445 1:4,445

0 185 370 740 Feet

Date: 4/16/2026

Shelby
NORTH CAROLINA
Post Office Box 207 · Shelby, NC 28151-0207

April 16, 2026

RE: Parcel 52530 – Gidney Street – Proposed Special Use Permit

The City Council of the City of Shelby will conduct a public hearing during its meeting on **Monday, May 4, 2026**, at 6:00 p.m. in the City Council Chambers (300 S. Washington St) to consider a proposed Special Use Permit for a Multi-Family Development consisting of 60 dwelling units on a portion of Cleveland County Parcel Number 52530, located on Gidney Street.

Enclosed you will find a location map, zoning map, and site plan along with A Guide to Evidentiary Hearings.

If you have any questions or require additional information, please contact the Planning Department at 704-484-6829 or zoning@cityofshelby.com.

Sincerely,

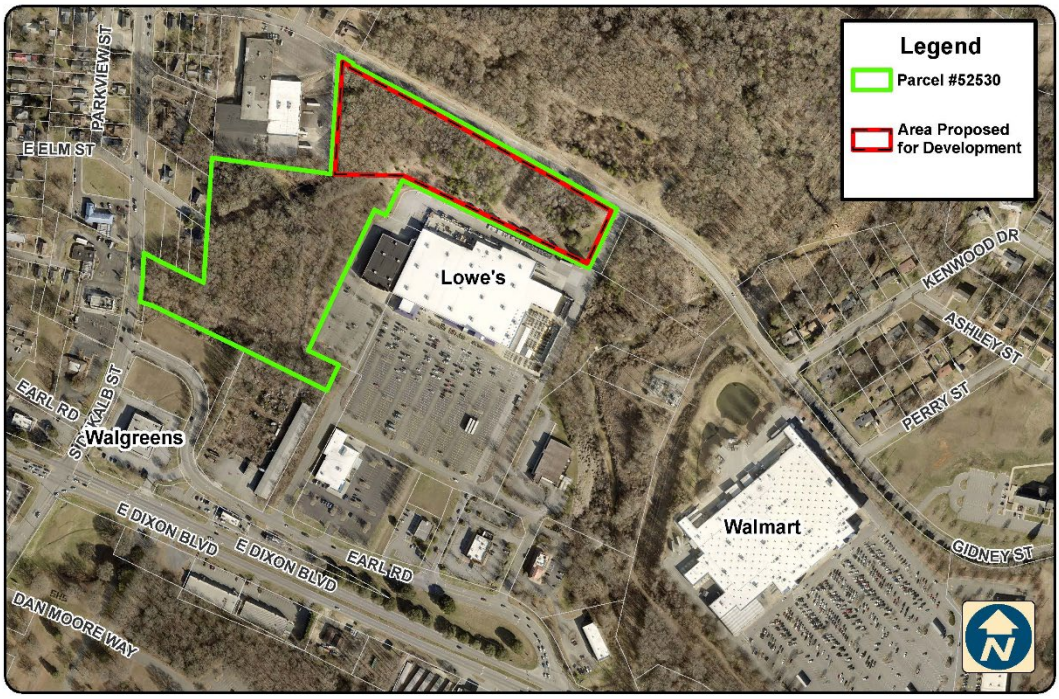
Audrey Godfrey
Senior Planner

Enclosures

YOU ARE RECEIVING THIS NOTICE BECAUSE THERE IS A REQUEST TO FOR A SPECIAL USE PERMIT ON A PARCEL NEAR YOUR PROPERTY IN SHELBY.

There is no change proposed to your property.

A Portion of Parcel 52530
Location Map



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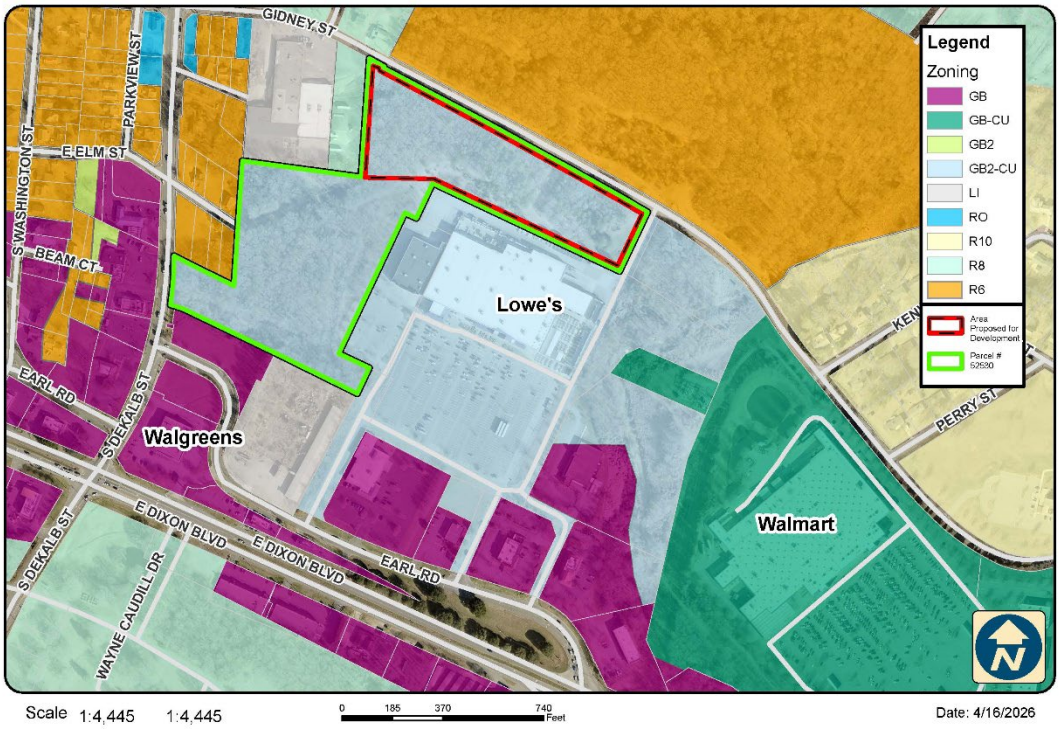
A Portion of Parcel #52530
Zoning Map



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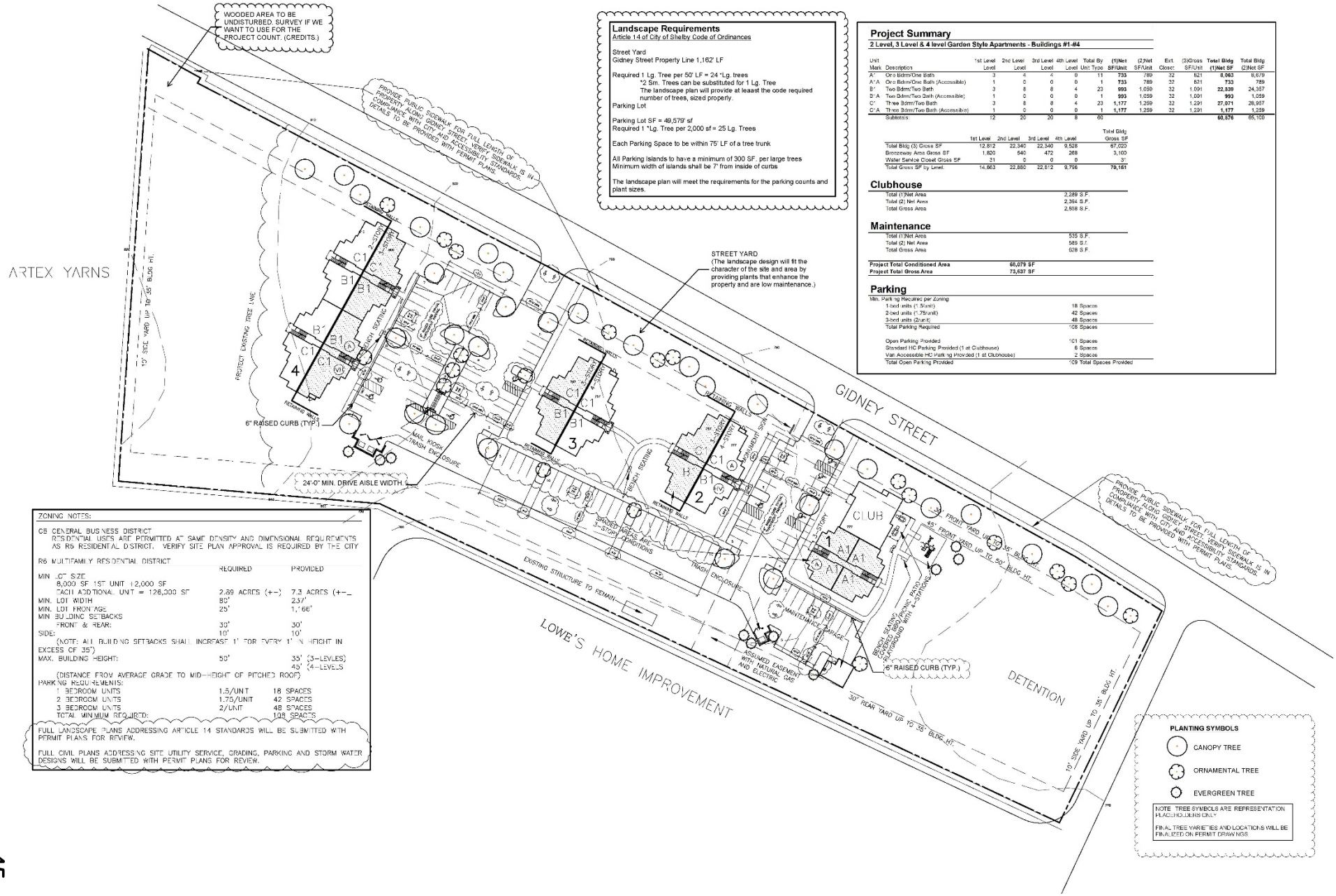


Landscape Requirements
Article 14 of City of Shelby Code of Ordinances

Street Yard
Gidney Street Property Line 1,162' LF

Required 1 Lg. Tree per 50' LF = 24 *Lg. trees
*2 Sm. Trees can be substituted for 1 Lg. Tree
The landscape plan will provide at leaast the code required number of trees, sized properly.

Parking Lot

Parking Lot SF = 49,579' sf
Required 1 *Lg. Tree per 2,000 sf = 25 Lg. Trees

Each Parking Space to be within 75' LF of a tree trunk

All Parking Islands to have a minimum of 300 SF. per large trees
Minimum width of islands shall be 7' from inside of curbs

The landscape plan will meet the requirements for the parking counts and plant sizes.

Project Summary

2 Level, 3 Level & 4 level Garden Style Apartments - Buildings #1-#4

Unit Mark	Description	1st Level Level	2nd Level Level	3rd Level Level	4th Level Level	Total By Unit Type	(1)Net SF/Unit	(2)Net SF/Unit	Ext. Closet	(3)Gross SF/Unit	Total Bldg (1)Net SF	Total Bldg (2)Net SF
A'	One Bdrm/One Bath	3	4	4	0	11	733	789	32	821	8,063	8,679
A'A	One Bdrm/One Bath (Accessible)	1	0	0	0	1	733	789	32	821	733	789
B'	Two Bdrm/Two Bath	3	8	8	4	23	993	1,059	32	1,091	22,839	24,357
B'A	Two Bdrm/Two Bath (Accessible)	1	0	0	0	1	993	1,059	32	1,091	993	1,059
C'	Three Bdrm/Two Bath	3	8	8	4	23	1,177	1,259	32	1,291	27,071	28,957
C'A	Three Bdrm/Two Bath (Accessible)	1	0	0	0	1	1,177	1,259	32	1,291	1,177	1,259
	Subtotals:	12	20	20	8	60					60,876	65,100

	1st Level	2nd Level	3rd Level	4th Level	Total Bldg Gross SF
Total Bldg (3) Gross SF	12,812	22,340	22,340	9,528	67,020
Breezeway Area Gross SF	1,820	540	472	268	3,100
Water Service Closet Gross SF	31	0	0	0	31
Total Gross SF by Level:	14,663	22,880	22,812	9,796	70,161

Clubhouse

Total (1)Net Area	2,289 S.F.
Total (2) Net Area	2,364 S.F.
Total Gross Area	2,898 S.F.

Maintenance

Total (1)Net Area	535 S.F.
Total (2) Net Area	585 S.F.
Total Gross Area	628 S.F.

Project Total Conditioned Area	**68,079 SF**
Project Total Gross Area	**73,637 SF**

Parking

Min. Parking Required per Zoning	
1-bed units (1.5/unit)	18 Spaces
2-bed units (1.75/unit)	42 Spaces
3-bed units (2/unit)	48 Spaces
Total Parking Required	108 Spaces
Open Parking Provided	101 Spaces
Standard HC Parking Provided (1 at Clubhouse)	6 Spaces
Van Accessible HC Parking Provided (1 at Clubhouse)	2 Spaces
Total Open Parking Provided	109 Total Spaces Provided

ZONING NOTES:

CB GENERAL BUSINESS DISTRICT
RESIDENTIAL USES ARE PERMITTED AT SAME DENSITY AND DIMENSIONAL REQUIREMENTS AS R6 RESIDENTIAL DISTRICT. VERIFY SITE PLAN APPROVAL IS REQUIRED BY THE CITY

R6 MULTIFAMILY RESIDENTIAL DISTRICT

	REQUIRED	PROVIDED
MIN. LOT SIZE 8,000 SF 1ST UNIT 12,000 SF EACH ADDITIONAL UNIT = 126,000 SF	2.89 ACRES (+-)	7.3 ACRES (+-)
MIN. LOT WIDTH	80'	237'
MIN. LOT FRONTAGE	25'	1,166'
MIN BUILDING SETBACKS		
FRONT & REAR:	30'	30'
SIDE:	10'	10'
(NOTE: ALL BUILDING SETBACKS SHALL INCREASE 1' FOR EVERY 1' IN HEIGHT IN EXCESS OF 35')		
MAX. BUILDING HEIGHT:	50'	35' (3-LEVELS) 45' (4-LEVELS
(DISTANCE FROM AVERAGE GRADE TO MID-HEIGHT OF PITCHED ROOF)		
PARKING REQUIREMENTS:		
1 BEDROOM UNITS	1.5/UNIT	18 SPACES
2 BEDROOM UNITS	1.75/UNIT	42 SPACES
3 BEDROOM UNITS	2/UNIT	48 SPACES
TOTAL MINIMUM REQUIRED:		108 SPACES

FULL LANDSCAPE PLANS ADDRESSING ARTICLE 14 STANDARDS WILL BE SUBMITTED WITH PERMIT PLANS FOR REVIEW.

FULL CIVIL PLANS ADDRESSING SITE UTILITY SERVICE, GRADING, PARKING AND STORM WATER DESIGNS WILL BE SUBMITTED WITH PERMIT PLANS FOR REVIEW.

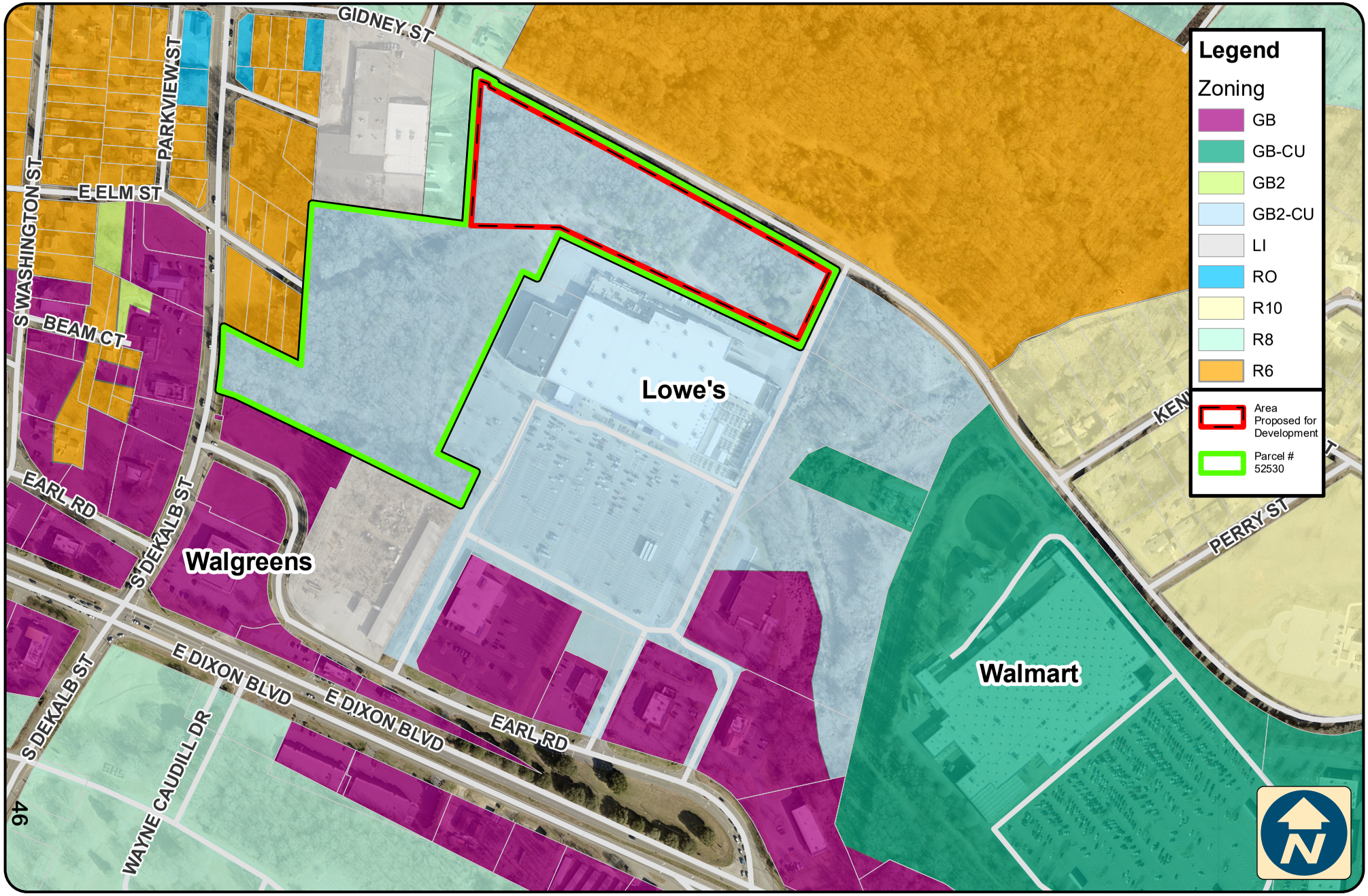
PLANTING SYMBOLS

- CANOPY TREE
- ORNAMENTAL TREE
- EVERGREEN TREE

NOTE: TREE SYMBOLS ARE REPRESENTATION PLACEHOLDERS ONLY

FINAL TREE VARIETIES AND LOCATIONS WILL BE FINALIZED ON PERMIT DRAWINGS

A Portion of Parcel #52530
Zoning Map



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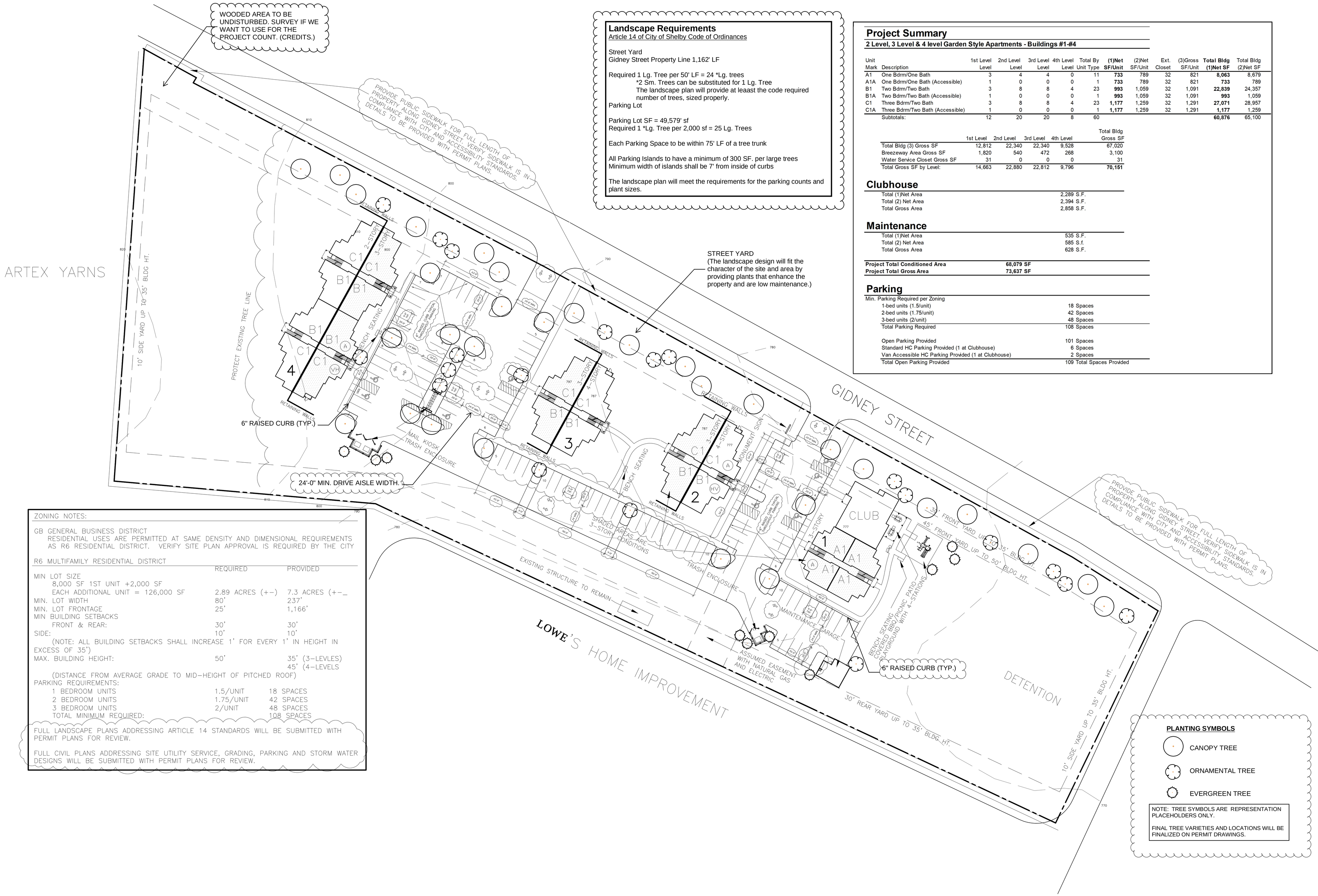

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	Subtotals:	12	20	20	8	60					**60,876**	65,100

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Clubhouse

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Total Gross Area	2,858 S.F.

Maintenance

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Project Total Conditioned Area	**68,079 SF**
Project Total Gross Area	**73,637 SF**

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ZONING NOTES:

GB GENERAL BUSINESS DISTRICT
RESIDENTIAL USES ARE PERMITTED AT SAME DENSITY AND DIMENSIONAL REQUIREMENTS AS R6 RESIDENTIAL DISTRICT. VERIFY SITE PLAN APPROVAL IS REQUIRED BY THE CITY

R6 MULTIFAMILY RESIDENTIAL DISTRICT

	REQUIRED	PROVIDED
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8,000 SF 1ST UNIT +2,000 SF		
EACH ADDITIONAL UNIT = 126,000 SF	2.89 ACRES (+-)	7.3 ACRES (+-_
MIN. LOT WIDTH	80'	237'
MIN. LOT FRONTAGE	25'	1,166'
MIN BUILDING SETBACKS		
FRONT & REAR:	30'	30'
SIDE:	10'	10'
(NOTE: ALL BUILDING SETBACKS SHALL INCREASE 1' FOR EVERY 1' IN HEIGHT IN EXCESS OF 35')		
MAX. BUILDING HEIGHT:	50'	35' (3-LEVLES) 45' (4-LEVELS
(DISTANCE FROM AVERAGE GRADE TO MID-HEIGHT OF PITCHED ROOF)		
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FULL CIVIL PLANS ADDRESSING SITE UTILITY SERVICE, GRADING, PARKING AND STORM WATER DESIGNS WILL BE SUBMITTED WITH PERMIT PLANS FOR REVIEW.

PLANTING SYMBOLS

- CANOPY TREE
- ORNAMENTAL TREE
- EVERGREEN TREE

NOTE: TREE SYMBOLS ARE REPRESENTATION PLACEHOLDERS ONLY.

FINAL TREE VARIETIES AND LOCATIONS WILL BE FINALIZED ON PERMIT DRAWINGS.

NOTICE OF PUBLIC HEARING
SPECIAL USE PERMIT

The City Council of Shelby, North Carolina will conduct an evidentiary public hearing during its regular meeting at 6:00 p.m., Monday, May 4, 2026 in the City Council Chambers at 300 South Washington Street, Shelby, North Carolina to consider a proposed Special Use Permit for a Multi-Family Development consisting of 60 dwelling units on a portion of Cleveland County Parcel Number 52530, located on Gidney Street. Changes in the permit request may be made following the public hearing.

A more detailed description and map of this property are available for public inspection in the Planning and Development Services Department located at 311 South Lafayette Street, Shelby, North Carolina, during regular business hours, 8:00 AM until 5:00 PM. Also, you can call (704) 484-6829 for more information.

Persons with standing interested in being heard on this matter are invited to comment on the proposed special use permit 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.

The Shelby Star:
Please publish this notice as a legal line ad on Wednesday, April 22, 2026.

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

RESOLUTION NO. 29-2026

A RESOLUTION GRANTING A SPECIAL USE PERMIT TO HICKORY CREEK LLC AT 0 GIDNEY STREET

WHEREAS, the City of Shelby has received an application requesting a Special Use Permit for property located at 0 Gidney St. within the City or its area of Extraterritorial Jurisdiction; and,

WHEREAS, the Staff has reviewed said application for a special use zoning permit and has made its findings and recommendations to City Council; and

WHEREAS, Section 4-7.2 of the City of Shelby Unified Development Ordinance authorizes the establishment of "special use permit" as a means by which special conditions can be imposed on the use of property to assure compliance with the Unified Development Ordinance, promote the welfare of adjacent property owners and the protection of the general public interest; and

WHEREAS, in accordance with GS 160D, the City Council has considered a special use permit request by Hickory Creek LLC in a public hearing on this date following quasi-judicial hearing procedures as outlined in Section 4-7.2 of the City of Shelby Unified Development Ordinance; and

WHEREAS, after hearing all who wished to present testimony on this special use permit request and consideration of the facts presented in this cause, the Council made the Findings of Fact and Conclusions of Law which are stated on Attachment "A" which is incorporated herein by this reference.

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

Section 1. In accordance with Chapter 160D of the North Carolina General Statutes, as amended, the City of Shelby may approve a Special Use Zoning Permit according to the requirements of the Unified Development Ordinance (Appendix A of the Shelby City Code) at 0 Gidney St., lying within the City of Shelby in the General Business 2- Conditional Use Zoning District (GB2-CU). Said area is more fully described as follows; Parcel # 52530.

Section 2. In accordance with Section 4-7.7 of the City of Shelby Unified Development Ordinance, a Special Use Zoning Permit is hereby granted to Hickory Creek LLC for up to 60 apartments. The terms and conditions of such permit are stated in Attachment, "A" which is attached hereto and incorporated herein by this reference.

Section 3. The City Clerk of the City of Shelby is hereby authorized and directed to cause resolution and recording of this Special Use Zoning Permit with the Cleveland County Register of Deeds.

Section 4. This Special Use Zoning Permit shall become effective upon its adoption and approval.

ADOPTED AND APPROVED this the 4th day of May, 2026

_____

Violet Arth
Mayor Pro Tem

ATTEST:

_____

Carol Williams
City Clerk

APPROVED AS TO FORM:

_____

Jason Lunsford
City Attorney

ATTACHMENT "A"

NORTH CAROLINA
CLEVELAND COUNTY

THE CITY OF SHELBY, NORTH CAROLINA
SPECIAL USE ZONING PERMIT

On the date(s) listed below, the City Council of the City of Shelby met and held a public hearing to consider the following application:

Record Owner(s): Hickory Creek, LLC

Property Location: 0 Gidney St.

Acreage: 16.85

Cleveland County Parcel Numbers: 52530

Type and Intensity of Use: 60 Apartments

Meeting Date(s): May 4, 2026

Approval Date: May 4, 2026

SECTION 1. FINDINGS: Having heard all of the evidence and arguments presented at the hearing, the City Council, at its regular meeting, finds and determines that the application is complete, and subject to the conditions imposed below, the following findings are made:

1. The applicant for the property submitted the required application and site plan for special use permit; and
2. According to Article 9-3-1, a multi-family development is permitted in the General Business 2 Zoning District; and
3. The subject parcels lay within the City of Shelby fronting at Gidney St. in the GB-2 Conditional Use Zoning District; and
4. Land Use in the surrounding area is a mixture of Commercial and Residential; and
5. The petitioner has declared that the intended use of the property is for apartments; and
6. Other than what is shown on the site plan, no other changes to the site are planned; and
7. To the best of staff's knowledge, no non-conformities currently exist on the property and none will be created by the requested special use permit; and
8. The use will not materially endanger the public health or safety if located where proposed and developed according to the plan; and
9. The use will not substantially injure the value of adjoining or abutting property; and

10. The location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Comprehensive Land Use Plan.
11. That existing and/or proposed infrastructure to support the development including, but not limited to, public and private streets, utilities and storm drainage is sufficient.
12. That the design as proposed will result in a viable community that will add to the quality and choice of housing in Shelby.
13. That approving the location of the development does not have the effect of concentrating higher density housing in a particular area of the city.

SECTION 2. CONDITIONS: Now, therefore, the application to make use of the above-described property for the purpose indicated is hereby approved and granted, subject to all applicable provisions of the Unified Development Ordinance, Sections 3 and 4 of this permit, and the following special condition(s), which the City Council finds to be in the public interest:

1. The development of the tract shall proceed in conformity to all plans and design features submitted as part of the special use permit application and kept on file by the City of Shelby Planning Department; and

SECTION 3. VESTED RIGHTS. Approval of this permit confers upon the property the right to develop with the type and intensity of use as herein described and as shown on the approved site plan in accordance with section 4-15 of the Unified Development Ordinance.

SECTION 4. SEVERABILITY AND RECORDATION. Invalidation of any one or more of the conditions set forth herein shall not adversely affect the balance of said conditions, which shall remain in full force and effect.

_____
Violet Arth
Mayor Pro Tem

ATTEST: _____
Carol Williams
City Clerk

City of Shelby
Agenda Item Summary
May 4, 2026
Council Chambers

C. Special Presentations:

Agenda Item B-1

1) Fiscal Year 2026-2027 Budget Message, City Manager Justin Merritt presenting

Presenting: (Justin Merritt, City Manager)

- Annual Budget FY 2026-2027

City Manager's Recommendation / Comments

The proposed Fiscal Year 2026-2027 annual budget will be presented at this time on the agenda. I will provide Council with an overview of my recommended budget and summarize the significant and noteworthy changes within the proposed budget. It is recommended that Council schedule the required public hearing for Monday, May 18, 2026.

City Council has been provided with a copy of the City Manager's Budget Message, the recommended Budget Ordinance for the fiscal year beginning July 1, 2026, the Supplemental Budget Ordinance, the Authorized Personnel Summary, the Position Reclassification Summary and the recommended Schedule of Fees and Charges. These documents will be made available to the public via the City's website by close of business Wednesday, May 8th.

There is no action required by Council at this time other than to schedule the public hearing on the budget for Monday, May 18, 2026.



City of Shelby, North Carolina
Annual Budget
Fiscal Year 2026-2027

May 4, 2026

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

Mayor Anthony and Members of City Council,

Pursuant to Section 159-11 of the North Carolina General Statues, attached is my recommended FY 2026-27 budget for your review and consideration. I want to thank you for your thoughtful input and policy direction, which guided the development of this budget. I also want to thank the Management Team, who dedicated countless hours to providing accurate and detailed information that enabled me to craft and present a realistic and responsible budget that will further the Strategic Priorities that were previously established by City Council. We have a long history of providing high quality services to the Citizens, businesses and industries of the City of Shelby and, through this budget, we will continue to deliver excellent services in the most efficient manner possible.

The budget is balanced and meets all 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 May 18, 2026, in the City Council Chambers. 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, 2026. As the designated budget officer (NCGS 159-9), it is the responsibility of the City Manager to provide the governing board with 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 has implications on the day-to-day lives of our citizens and businesses.

The Strategic Priorities, as adopted by City Council, are as follows:

Priority 1: Foster a thriving, attractive, and affordable community of high-quality neighborhoods.

Priority 2: Plan for and develop an efficient, accessible, sustainable and comprehensive transportation network with reliable, safe and affordable City utility infrastructure.

Priority 3: Cultivate and develop an environment for diverse economic growth, quality job creation, and cultural vitality.

Priority 4: Achieve organizational excellence.

Priority 5: Create a safe, healthy and engaged community.

Through the following narrative, I intend to demonstrate how this proposed budget will strengthen our provision of core services such as public safety, street maintenance and infrastructure improvements. Additionally, I will discuss how we intend to advance the Strategic Priorities established by City Council.

Public Safety is a core function of municipal government and generally includes services such as police enforcement, fire protection, building permitting and inspections, as well as minimum housing enforcement. Together, these services create an environment where citizens feel safe in their neighborhoods, businesses thrive and communities can grow in a well-planned and organized manner. This proposed budget allocates funding towards continued community engagement initiatives within the Police Department (**Priority 5**), such as our community meetings and continued education to ensure our officers are highly trained and equipped to respond in a professional manner. Our Fire Department continues to focus on increased training for our staff, with plans to increase activities to advance fire and life safety education for our citizens. The Police Department, Emergency Communications Department and Fire Department remain committed to their respective accreditation processes, which help ensure we are utilizing best practices and providing a high quality, efficient response to each emergency call we receive (**Priority 5**).

Our Building Permitting and Inspections Division continues to experience a high volume of growth in both residential and commercial development. This is reflective of the need for housing of all types and, as these homes are built and purchased, retail growth is following. Through this Division, we are ensuring adherence to the State Building Code, which has a direct impact on the safety of our community. We are also implementing a restructuring within the Planning and Development Services Department that will allow for a more efficient process to identify properties that are in violation of the minimum housing ordinance and those that create nuisance issues within neighborhoods (**Priority 5**). Utilization of the updated Comprehensive Land Use Plan and Unified Development Ordinance will assist in furthering development standards and encouraging quality construction throughout the City (**Priority 1**).

Another focus of the City has been that of improving our City streets through systematic evaluation and repaving. This has been ongoing for several years and will continue through FY 2027 (**Priority 2**). Along with this reinvestment in our vehicular roadway system, we have also budgeted funds to implement traffic calming measures, where appropriate, as determined through the Traffic Calming Policy (**Priority 2**). Additionally, this budget proposes to re-invest in pedestrian transportation facilities, which will create an improved network of sidewalks for our citizens and visitors (**Priority 2**). We will leverage funds received through payment in lieu of sidewalks from developers, as well as City funds to maintain existing sidewalks and construct new sidewalks where appropriate.

The City of Shelby has, for many decades, provided robust parks and recreation facilities and programming resources for our citizens and the surrounding community. Through this budget,

we continue with the redevelopment and revitalization of Depot Park and the Carolina Harmony Trail (**Priority 2**). Additionally, this budget provides for a renewed focus on maintaining our parks facilities in prime condition. Our park facilities experience high usage through organized sports programming; regional tournament play and general recreational use. As we expand our recreational opportunities, it is important to remain focused on the user experience and performance of our facilities. To ensure this, I am proposing investment in equipment and supplies that will provide our staff with the means necessary to maintain our parks well. Our parks system generates significant regional tourism as families travel to Shelby for weekend tournaments, festivals, and to enjoy our expanding trail networks. Together, our parks facilities and programming create an experience where citizens can engage, improve their health and enjoy time with their families and friends.

As our community continues to grow, so do the demands of our City staff. As an organization, I believe we must ensure we recruit and retain a highly skilled workforce that is dedicated to providing high quality services in an effective and efficient manner. To achieve this, I am proposing increased investment in employee training and a focus on continuous improvement (**Priority 4**). To me, continuous improvement recognizes that we have a high performing government that produces excellent work, it also acknowledges that we are not perfect and that we can be better tomorrow than we are today. I will continually promote this approach to our employees and we will implement programming and training to seek feedback about how we can continue to improve our processes and systems. Additionally, Council has requested the implementation of a system of pay and benefits that allows the City to be competitive in the municipal marketplace. To achieve this, this budget continues with implementation of Phase 3, the last phase, of the Market Study results and recommends a 3% cost of living adjustment for all City employees. In FY 2027, the Human Resources Department will conduct a market analysis of all City positions, which we will utilize to inform future market adjustments (**Priority 4**). Our employees are the backbone of our organization, and we rely on them every day to provide high quality services to our Citizens, businesses and industry across the City.

Another aspect of our commmunity that requires constant evaluation is how citizens and visitors find their way to and around our City. Through previous budgets, we have installed wayfinding signage and made other improvements to make navigating our City easier. As the City continues to grow and add amenities, it is important to update these navigational aids, and also provide investment in “Gateway Signage”, which will enhance the image of Shelby as travelers enter our City (**Priority 3**). This budget recommends utilization of Travel and Tourism funds to invest in both of these initiatives. These initiatives will enhance the character of our City and create a welcoming environment that will enhance our citizen and tourist experience.

Another critical aspect of City services is our infrastructure systems that provide our citizens, businesses and industries with safe, reliable and resilient water, wastewater, electric and natural gas utilities. Through past budgets, the City has invested immensely in replacing and expanding our various infrastructure systems to ensure we can continue to serve our existing customers and

that we are well positioned to support new residential growth, as well as new industry and existing industry expansions. This has proven to be very successful and will continue to pay dividends as the City grows. As we experienced through Hurricane Helene and the winter weather of January 2026, the resiliency of our utility systems is an integral component of providing these basic services. Through this budget, I am recommending we invest in resiliency and redundancy of components to ensure we can continue to provide consistent services in times of natural or man-made disaster (**Priority 2**). Some examples include preparing our secondary raw water intake for activation in the event or drought or failure of our primary intake, investment in a large portable generator to provide continuity of operations for all utilities, investment in electric breakers to increase the resiliency of our large stationary generators and improvements to our natural gas regulators to increase our management capabilities during periods of peak demand. While no system is immune to disruptions in emergency situations, these, along with other planned improvements, will provide significant reliability and resiliency advancements across all of our utility systems.

As I have worked to develop a budget that advances the priorities of City Council, I, along with our Management Team, have focused on achieving this within existing revenue streams whenever possible.

The total General Fund budget is forecasted at $38,393,332. This proposed budget for Fiscal Year 2027 has been balanced through the strategic use of unassigned fund balance and current revenues. A General Fund property tax rate of .45 cents per $100 of valuation is recommended and remains unchanged from the prior year. Additionally, the Uptown Shelby Municipal Service District property tax rate of .22 cents per $100 of valuation is recommended and also remains unchanged from the prior year. A summary of the proposed budget for each fund follows in the table below.

I am also proposing adjustments to various rates and fees charged by the City, which are summarized in the fee schedule that follows. These fee adjustments are largely pass-through adjustments that reflect higher costs incurred by the City in the provision of services. Additionally, utility rate adjustments are being proposed that reflect the increased cost of service provision, as well as plan for replacement and maintenance of infrastructure to ensure we can continue to provide safe and reliable water, wastewater, electric, and natural gas utilities to our citizens, businesses and industries who rely upon them every day.

In closing, the proposed budget for FY 2026-2027 is a responsible and forward-looking financial plan. This budget addresses the City’s current needs while strategically investing in its future. I remain confident that this budget will serve as a foundation for the City of Shelby’s continued progress.

I would like to thank the Management Team for their dedication and leadership in the development of this budget and the services they provide every day. They, along with the

dedicated staff they lead, ensure our Citizens, businesses and industry are delivered excellent services in an efficient and effective manner.

Finally, I would like to thank the Mayor and City Council for your commitment and guidance in development of this budget. Your leadership has been instrumental in shaping a budget that reflects the needs of all residents of the City of Shelby. It is truly an honor to collaborate with you to develop a budget that ensures the City of Shelby remains an excellent place to live, work and play.

Sincerely,



Justin S. Merritt
City Manager

City of Shelby

Fiscal Year 2026-2027 Annual Budget Summary

Fund	**Total Budget**
General Fund	$38,393,332
Powell Bill Fund	$938,480
Emergency Telephone Fund	$109,491
Economic Development Fund	$2,089,000
Housing Fund	$2,931,478
Cemetery Perpetual Fund	$0
Water Utility Fund	$8,706,088
Sewer Utility Fund	$8,904,565
Electric Utility Fund	$22,556,106
Natural Gas Utility Fund	$23,755,614
Stormwater Utility Fund	$1,409,487
Sub-Total All Funds:	$109,793,641
Less: Interfund Transfers	($4,529,000)
Total FY 2026-2027 Budget:	**$105,264,641**

CITY OF SHELBY
FY 2026-27 BUDGET ORDINANCE
ORDINANCE NO. XX-2026

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, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this City:

Governing Board	$133,119
Administration	955,612
Finance	1,067,782
Purchasing	119,329
Legal	57,194
Human Resources	550,896
Customer Service	125,194
Information Systems	1,056,483
Meter Services	35,495
Garage	1,003,918
City Hall	143,813
Annex	79,995
Police	10,755,080
Communication	1,173,821
Fire	6,603,147
Building Inspections	690,203
Streets	1,469,803
Airport	869,698
Solid Waste	2,418,169
GIS	234,286
Planning Services	910,910
Special Appropriations	3,641,774
Parks & Recreation	2,056,106
Maintenance Grounds & Cemetery	2,241,505
Total	$38,393,332

Sec. 2 It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Property Taxes	$ 16,902,500
Local Option Sales Tax	7,750,000
Other Taxes	56,500
Unrestricted Intergovernmental Revenues	2,407,000
Restricted Intergovernmental Revenues	41,000
Permits and Fees	568,650
Sales & Services	5,032,400
Investment Revenues	900,000
Other Financing Sources	949,361
Fund Balance Appropriated	567,921
Transfers	3,218,000
Total	$38,393,332

Sec. 3) The following amounts are hereby appropriated in the Powell Bill Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Construction	$ 666,200
Street Maintenance	199,880
Debt Service	72,400
Total	$ 938,480

Sec. 4) It is estimated that the following revenues will be available to the Powell Bill Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Powell Bill	$ 808,000
Interest Income	85,480
Proceeds from Financing	45,000
Fund Balance	0
Total	$ 938,480

Sec. 5 The following amounts are hereby appropriated in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Emergency Telephone System	$ 109,491
Total	$ 109,491

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, 2026 and ending June 30, 2027:

911 Revenues	$ 109,491
Fund Balance Appropriated	0
Total	$ 109,491

Sec. 7) The following amounts are hereby appropriated in the Economic Development Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Services	$ 1,622,000
Transfers	467,000
Total	$ 2,089,000

Sec. 8) It is estimated that the following revenues will be available to the Economic Development Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

MSD Property Taxes	$ 153,000
Local Occupancy Tax	340,000
Investment Revenues	102,000
Other Income	0
Transfers	844,000
Fund Balance Appropriated	650,000
Total	$ 2,089,000

Sec. 9) The following amounts are hereby appropriated in the Housing Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Conventional	$ 2,931,478
Total	$ 2,931,478

Sec. 10) It is estimated that the following revenues will be available to the Housing Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Subsidies	$ 672,833
HUD CFP Income	1,132,993
Rent Income	774,000
Investment Income	50,000
Other Income	0
Fund Balance Appropriated	301,652
Total	$ 2,931,478

Sec. 11) The following amounts are hereby appropriated in the Cemetery Perpetual fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Professional Services	$ 0
Total	$ 0

Sec. 12) It is estimated that the following revenues will be available to the Cemetery Perpetual Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Cemetery Fees	$ 60,000
Other Income	12,000
Fund Balance Appropriated	(72,000)
Total	$ 0

Sec. 13) The following amounts are hereby appropriated in the Water Fund for the fiscal

year beginning July 1, 2026 and ending June 30, 2027:

Administration	$ 3,687,365
Line Operation	2,143,098
Plant	2,875,625
Total	$ 8,706,088

Sec. 14) It is estimated that the following revenues will be available to the Water Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Fees	$ 7,682,943
Proceeds From Financing	305,500
Interest Income	5,400
Fund Balance Appropriated	530,245
Transfer	176,432
Other Income	5,568
Total	$ 8,706,088

Sec. 15) The following amounts are hereby appropriated in the Sewer Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Administration	$ 3,832,868
Line Operation	1,927,173
Plants	3,144,524
Total	$8,904,565

Sec. 16) It is estimated that the following revenues will be available to the Sewer Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Fees	$ 8,215,000
Investment Income	7,000
Other Income	30,000
Proceeds From Financing	349,500
Transfers	240,598
Fund Balance Appropriated	62,467

Total	$ 8,904,565

Sec. 17) The following amounts are hereby appropriated in the Electric Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Administration	$ 3,735,292
Purchase/Generation	13,780,000
Line Operation	4,685,384
Economic Development	355,430
Total	$22,556,106

Sec. 18) It is estimated that the following revenues will be available to the Electric Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Fees	$22,120,106
Proceeds From Financing	256,000
Interest	70,000
Other Income	110,000
Fund Balance Appropriated	0
Total	$22,556,106

Sec. 19) The following amounts are hereby appropriated in the Gas Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Administration	$ 4,962,355
Gas Purchases	14,850,000
Line Operation	3,943,259
Total	$23,755,614

Sec. 20) It is estimated that the following revenues will be available to the Gas Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Fees	$23,279,644
Other Income	150,000

Proceeds From Financing	196,000
Interest	80,000
Transfer	49,970
Fund Balance Appropriated	0
Total	$23,755,614

Sec. 21) The following amounts are hereby appropriated in the Stormwater Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Administration	$ 1,409,487
Total	$ 1,409,487

Sec. 22) It is estimated that the following revenues will be available to the Stormwater Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Fees	$ 1,393,487
Proceeds From Financing	11,000
Interest	5,000
Fund Balance Appropriated	0
Total	$ 1,409,487

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	$38,393,332
Powell Bill Fund	938,480
Emergency Telephone System	109,491
Economic Development Fund	2,089,000
Housing Fund	2,931,478
Cemetery Perpetual Fund	0
Utilities-Water Fund	8,706,088
Utilities-Sewer Fund	8,904,565
Utilities-Electric Fund	22,556,106
Utilities-Gas Fund	23,755,614
Utilities-Stormwater Fund	1,409,487

Total	$109,793,641
Less Interfund Transfers	4,529,000
Total FY 2026-27 Budget	$105,264,641

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, 2026 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 $3,742,413,641 and an estimated collection rate of 98.45%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2024-25.

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, 2026 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 $69,662,299 and an estimated collection rate of 98.90%. The estimated rate of collection is based on the actual rate of collection for fiscal year 2024-25.

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 1st day of June 2026.

O. Stanhope Anthony
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

CITY OF SHELBY
FY 2026-27 SUPPLEMENTAL BUDGET ORDINANCE
ORDINANCE NO. xx-2026

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 2026-27 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 2026-27 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 357 positions. See Attachment A.
b) During FY 2026, 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, 2026 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, 2026.

Adopted and Approved this the 1st day of June 2026.

O. Stanhope Anthony, III
Mayor

ATTEST:

Carol Williams
City Clerk

APPROVED AS TO FORM:

Jason Lunsford
City Attorney

Attachment A

Personnel Summary (Full-time)

	FY2026-2027
General Fund	
Mayor/Council	
Adminstration	5.00
Finance	5.00
Purchasing	3.00
Legal	2.00
Human Resources	4.00
Customer Service	10.00
Information Services	3.00
Meter Services	5.00
Garage	10.00
City Hall	0.00
Police	79.00
Police Communications	11.00
Fire	56.00
Building Inspections	4.00
Streets	10.00
Airport	2.00
Sanitation	15.00
GIS	4.00
Planning	7.00
Parks & Recreation	9.00
Park Maintenance	19.00
Total General Fund	**263.00**
Powell Bill	1.00
Housing	8.00
Economic Development	1.00
Utilities	
Water	19.00
Sewer	25.00
Electric	17.00
Gas	21.00
Stormwater	2.00
Total Utilities	84.00
Total Personnel	357.00

MEMORANDUM

TO: Justin Merritt, City Manager

FROM: Deborah Jolly, Director of Human Resources

CC: Beth Beam, Finance Director

DATE: April 2, 2026

RE: 2025-2026 – New & Amended Job Classification Summary

The City's Classification and Pay Plan was adopted in 2019. Resolution 9-2019 section 3 requires that all plan amendments be ratified annually with the adoption of a resolution by City Council. The attached spreadsheet outlines the job classifications, pay grades and hourly minimum salary for the new and amended classifications for fiscal year 2025-2026. Please let me know if you have questions.

New or Amended Job Classification Summary

DEPARTMENT	PREVIOUS JOB TITLE	PREVIOUS PAY GRADE & MINIMUM OF SCALE	AMENDED or NEW JOB TITLE	NEW PAY GRADE & MINIMUM OF SCALE
Water Resources	New Position		Field Operations Superintendent - Water	Grade 27 Min = $31.38
Park & Recration	Recreation Program Superintendent	Grade 24 Min = $27.11	Assistant Director, Parks & Recreation	Grade 27 Min = $31.38
Building Inspections	Building Inspector I	Grade 19 Min = $21.24	Building Inspector I Dual-trade	Grade 19 Min = $21.24
Building Inspections			Building Inspector I Multi-trade	Grade 20 Min = $22.30
Building Inspections	Building Inspector II	Grade 21 Min = $23.42	Building Inspector II Dual-trade	Grade 21 Min = $23.42
Building Inspections			Building Inspector II Mult-trade	Grade 22 Min = $24.59
Building Inspections	Building Inspector III	Grade 23 Min = $25.82	Building Inspector III Dual-Trade	Grade 23 Min = $25.82
Building Inspections			Building Inspector III Multi-Trade	Grade 24 Min = $27.11
Building Inspections	Building Inspector IV		Building Inspector IV Multi-Trade	Grade 25 Min = 28.46
Economic Development	Economic Developer	Grade 31 Min = $38.14	Economic Development Director	Grade 33 Min= $42.05

CITY OF SHELBY
FEES SCHEDULE

Adopted: To be Adopted
Effective: July 1, ~~2025~~2026

Prior Revisions:

July 1, 2026	Annual
April 6, 2026	Inspections
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

Effective July 1, 2025~~5~~6
Replaces schedule effective 7/1/2024~~4~~5

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~~ $250.00
	Daily	$25.00
Twin Engine	Monthly	~~$325.00~~ $350.00
	Daily	$50.00
Helicopter	Monthly	$400.00
	Daily	$30.00
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~~ $300.00
	Daily	$30.00
Single T-Hangar Unit (44'6" Door)	Monthly	~~$300.00~~ $325.00
	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~~5~~6
Replaces schedule effective 7/1/2024~~4~~5

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 **Effective 1/1/2027**	**Employee/City/Other**
Base Fee	~~$100/$130 Per Week~~ $70/$110/$140
Holly Oak Summer Activity Program	~~$30/$45 Per Week~~ $40/$55 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~~ $30/$45 per hour
Sports field (full day) – Non-tournament	$150/$200 per day
~~Sports field (weekend) – Non-tournament~~	~~$300/$400 Sat & Sun~~ eliminate

Sports field Lights (hour) – Non-tournament	~~$25/field per hour~~ $30 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	**Effective 1/1/2027**	**Day 1**	**Day 2**
One Sports Field		$200	$150
Two Sports Fields		~~$250~~ $300	~~$200~~ $250
Three Sports Fields		~~$375~~ $450	~~$300~~ $325
Four Sports Fields		~~$500~~ $600	~~$400~~ $450
Five Sports Fields		~~$625~~ $750	~~$500~~ $575
Six Sports Fields		~~$750~~ $900	~~$600~~ $700
Seven Sports Fields		~~$875~~ $1,050	~~$700~~ $825

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

Additional Fees:

Additional Field Preparation	~~$25~~/field $30
Additional Staff	~~$18~~/hour $20
Security	$25/hour
Hourly Rental	~~$25~~/hour $30

- 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~~5~~6

Replaces prior fees effective 7/1/202~~2~~4

Daily Fee Pricing:

Green Fee Weekdays – daily	~~$10/$12~~ $11/$13
Green Fee Weekends & Holidays - daily	~~$12/$14~~ $13/15
Cart Weekdays – 9 holes	~~$5~~ $6

Cart Weekdays – 18 holes	~~$10~~ $12
Cart Weekend & Holidays – 9 holes	~~$5~~ $6
Cart Weekend & Holidays – 18 holes	~~$10~~ $12

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, 2026
Replaces schedule effective 4/7/2026

PERMIT FEES

New Construction Residential & Commercial Building Permits

Permit cost of total construction will be calculated at $220 per sq. foot for Commercial or $195 per sq. foot for Residential or, alternatively, the owner's valuation ~~whichever is greater~~ multiplied by 0.0045 = the permit fee. The greater of the two calculations will be the permit fee. Storage units, aircraft hangars, pre-manufactured units, and similar structres will be valued at $125 per sq. foot. Shell only construction will have permit fees reduced by 20% of the calculated 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, 2025~~5~~6
Replaces schedule effective 7/1/2024~~5~~

PLANNING FEES

PLANNING/ENGINEERING ACTIONS	FEE
Minor Subdivision Review*	$125
Major Subdivision Review*	$300 + $10/lot
Stormwater Review > 1 acre	$250
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	$250 for Protected/$500 for Critical
Watershed Permit	$50
General Use Rezoning	$750
Conditional District Rezoning**	
< 2.0 acres	$750
2.0 to 10.0 acres	$1,000
> 10.0 acres	$1,250
Conditional Use Permits (SUP2)**	$750
Special Use Permit (SUP1)**	$750
Zoning Verification Letter	$50
Zoning Permit—Use By Right	$60
Variances	$750
Signs - 0-32 SF	$25
All other signs	$60
Annexation Requests	$500
Street Closings	$1,000
Curb Cut	$5 per 12-foot section
Copies of the UDO	$20
Sidewalk Café	$50

Sidewalk Vendor	$50
Food Truck Permit	$50
Work without permit	Double the normal fee
Right-Of-Way Encroachment Permit Application	$50
Text amendment	$750
Final subdivision plat review	$10/lot for major subdivisions
Flood plain permit	$100
Pre-submittal review	$100
Appeal Fee (Returned if the appeal is successful)	$1,000
Sidewalk Fee-In-Lieu	$12/Square Foot

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

*** Covers initial submission and 2 resubmission reviews. Additional reviews will carry a fee of $75**
**** Covers initial submission and 2 resubmission reviews. Additional reviews will carry a fee of $150**

Effective ~~January~~ 1, 2026~~-~~July
Replaces schedule effective ~~7~~1/1/202~~5~~6

SOLID WASTE FEES 5% increase

Service:	Monthly Fee:
R-1x1 - One Cart Picked Up Once a Week	~~$23.19~~ $24.35
R-2x1 - Two Carts Picked Up Once a Week	~~$39.14~~ $41.10
R-3x1 - Three Carts Picked Up Once a Week	~~$61.96~~ $65.05
R-4x1 - Four Carts Picked Up Once a Week	~~$84.40~~ $88.60
R-2x2 - Two Carts Picked Up Twice a Week	~~$78.28~~ $82.20
R-3x2 - Three Carts Picked Up Twice a Week	~~$123.92~~ $130.10
R-4x2 - Four Carts Picked Up Twice a Week	~~$168.80~~ $177.25
R-4x3 - Four Carts Picked Up Three times a Week	~~$253.20~~ $265.85
Miscellaneous Charges:	
Replace 96-Gallon Rollout Can	~~$87.75~~ $92.15

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 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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~18.00 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$~~2.90~~ 3.00

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~~5~~6
Replaces schedule effective 7/1/2024~~4~~5

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~~ 36.00 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$~~5.79~~ 6.00

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 20.00 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$~~2.90~~ 3.00

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~3.50

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 COMRUR
Effective July 1, 2025~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 40.00 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$~~5.79~~ 6.00

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 IRRRUR
Effective July 1, 2025~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 7.00

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.

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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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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 period	$~~409.62~~ 425.00per billing
Volume Charge (per 1,000 gals used per billing period)	$~~2.18~~ 2.25

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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 period	$~~818.46~~ 850.00 per billing
Volume Charge (per 1,000 gals used per billing period)	$~~4.36~~ 4.50

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 7.10

Schedule WATERG
Effective July 1, 2025~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 3.20

Schedule SEWERI
Effective July 1, 2025~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~26.00 per billing period
Volume Charge (per 1,000 gallons)	$~~5.11~~ 5.35

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~~ 52.75 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~~26.00 per billing period
Customer Pump Charge per Consumption Unit	$~~58.04~~ 60.65 per billing period
Volume Charge (Per 1000 gallons used)	$~~5.11~~ 5.35

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 43.25 per billing period
Volume Charge (Per 1,000 gallons per billing period)	$~~8.69~~ 9.10

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~~ 88.75 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~~ 43.25per billing period
Customer Pump Charge per Consumption Unit	$~~58.04~~ 60.65per billing period

Volume Charge (Per 1000 gallons per billing period) ~~$8.69~~ 9.10

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 221.00 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	$~~2.78~~ 2.90

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 375.00 per billing period
Volume Charge (Per 1,000 gallons used per billing period)	$~~4.74~~ 4.95

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ 29.00 per billing period
Volume Charge (per 1,000 gallons used per billing period)	$~~7.61~~ 7.95

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~~ 2026
Replaces schedule effective 7/1/~~2024~~ 2025

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 $500.00

Pretreatment Surcharges:

High Strength BOD	*(For BOD >250 mg/L)*	*~~$0.20~~ per lb. $0.25*
High Strength TSS	*(For TSS>250 mg/L)*	*~~$0.15~~ per lb. $0.30*
High Strength NH3-N	*(For NH3-N>15.0 mg/L)*	*~~$0.40~~ per lb. $0.70*

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~~ $10.00 per month*
Medium Customer	*10,001 to 50,000 gals*	*~~$14.28~~ $15.00 per month*
Large Customer	*50,001 or greater gals*	*~~$19.04~~ $20.00 per month*

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

Septage Fees:

Septage Load:	$125.00 ~~$100.00~~/Load (Typical load ≤2500 gallons)
	$200.00 ~~$175.00~~/Load (Typical load ≥2500 gallons)
After Hours Charge:	$150.00 ~~$125.00~~/Load (Typical load≤2500 gallons)
	$225.00 ~~$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 + sewer system development 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, 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.

City of Shelby Electric Service Terms and Conditions

Street Classification

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

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

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

Major Thoroughfare

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

Minor Thoroughfare

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

Collector

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 ~~January~~ July 1, 2026
Replaces schedule effective 0~~7~~1/01/202~~5~~6

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~~ 23.00
Energy Charges:	
All kWh	$0.~~09012~~ .09047 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~~ July 1, 2026
Replaces schedule effective ~~7~~1/1/202~~56~~

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~~ 36.00
	All Year
Demand Charge:	
First 30 kW	No Charge
All kW Over 30	$ ~~8.50~~ 10.49
Energy Charge:	
First 3,000 kWh	$0.~~11820~~ .11949 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 ~~January~~ July 1, 2026
Replaces schedule effective ~~7~~1/1/202~~5~~6

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~~ 170.00
	All Year
Demand Charge:	
All kW	$~~8.59~~ 10.58 per kW
Energy Charge:	
All kWh	$0.~~06224~~ .05665 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, 2026
Replaces schedule effective 1/1/2026

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	$415.00
	All Year
Demand Charge:	
All kW	$10.99 per kW
Energy charge:	
All kWh	$0.05523 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 ~~January~~ July 1, 2026
Replaces schedule effective ~~7~~1/1/202~~56~~

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~~ 800.00	$~~611.10~~ 800.00
Minimum Demand: 30kW		
	Summer (June-September)	**Non-Summer (October-May)**
Demand Charge:		
All kW	$~~18.00~~ 20.00	$~~5.00~~ 6.00
Excess Demand	$~~3.50~~ 5.00 per kW	$~~3.50~~ 5.00 per kW
Energy charge:		
On-Peak	$0.~~05680~~ .05491 per kWh	$0.~~04988~~ .04799 per kWh
Off-Peak	$0.~~05038~~ .04849 per kWh	$0.~~04543~~ .04354 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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~ .91	$0.00	$ 0~~.87~~ .91
Commercial Account	$ ~~4.72~~ 4.91	$0.00	~~$ 4.72~~ 4.91
Industrial Account	$~~48.67~~ 50.68	$0.00	$~~48.67~~ 50.68

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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~5~~6 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~~ .04951
Off-Peak energy	$0.~~01500~~ .01608

* 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~~5~~6
Replaces schedule effective 7/1/2024~~5~~

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~~5~~6 or if an existing system may elect this rider after July 1, 2023~~5~~6 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~~ .04951
Off-Peak energy	$0.~~01500~~ .01608

* 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".

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, 20246
Replaces schedule effective 7/1/2022~~2~~4

OUTDOOR LIGHTING SCHEDULE

Standard Outdoor LED Lighting Rental Rate

Road Focus Fixture	**Monthly Rate**
40 Watt 30' Wooden Pole	$~~12.03~~ 12.27
73 Watt 30' Wooden Pole	$~~13.37~~ 13.64
161 Watt 30' Wooden Pole	$~~16.86~~ 17.20

Specialty Outdoor LED Lighting Rental Rate

American Revolution Fixture	**Monthly Rate**
Wadsworth Pole	$~~26.39~~ 26.92
Hadco Pole	$~~22.81~~ 23.27
Shakespeare Pole 15'	$~~17.23~~ 17.57
Shakespeare Pole 18'	$~~17.83~~ 18.19
Washington Fixture	
Wadsworth Pole	$~~37.88~~ 38.64
Hadco Pole	$~~34.30~~ 34.99
Shakespeare Pole 15'	$~~28.73~~ 29.30
Shakespeare Pole 18'	$~~29.33~~ 29.92
Independence Fixture	
Wadsworth Pole	$~~32.74~~ 33.39
Hadco Pole	$~~29.16~~ 29.74
Shakespeare Pole 15'	$~~23.58~~ 24.05
Shakespeare Pole 18'	$~~24.18~~ 24.66

Outdoor Lighting Schedule
Effective July 1, ~~2024~~ 2026

	Monthly Rate
Granville III Fixture	
Burlington Pole	~~$41.29~~ 42.12
Wadsworth Pole	~~$33.89~~ 34.57
Hadco Pole	~~$30.30~~ 30.91
Shakespeare Pole 15’	~~$24.73~~ 25.22
Shakespeare Pole 18’	~~$25.33~~ 25.84
Road Focus Fixture	
40 Watt 26’ Fiberglass Pole	~~$18.05~~ 18.41
40 Watt 35’ Fiberglass Pole	~~$19.85~~ 20.25
73 Watt 26’ Fiberglass Pole	~~$19.40~~ 19.79
73 Watt 35’ Fiberglass Pole	~~$21.20~~ 21.62
161 Watt 26’ Fiberglass Pole	~~$22.89~~ 23.35
161 Watt 35’ Fiberglass Pole	~~$24.69~~ 25.18

The following fixtures are no longer available for installation, but where currently in use, the rates will be:

	Monthly Rate
150W HPS	$17.75
400W HPS Flood	$36.47
400W Customer Owned and Maintained	$19.93
400W Customer Owned	$21.34
1000W Customer Owned and Maintained	$48.85
250 HPS Flood	$29.57
100W HPS NEMA	$11.83
Some More 250W HPS Flood	$29.57

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

Outdoor Lighting
Schedule
Effective July 1,
~~2024~~2026

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

City of Shelby New Development Electric Service Agreement

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

16. Assignment

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

17. Termination

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

18. Headings

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

19. Waiver of Breach

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

20. Miscellaneous

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

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~~ July 1, 2026

Replaces schedule effective 3/18/2024

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:	_____

Justin.Merritt ~~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

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

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.

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.

Effective April 16, 2024

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: _____

City of Shelby New Development Natural Gas Service Agreement

EXHIBIT A

See attached

Schedule 41
Effective July 1, 2025~~5~~6
Replaces schedule effective ~~5/10/2014~~7/1/2025

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~~5~~6
Replaces schedule effective ~~5/10/2014~~7/1/2025

	Monthly Facilities Charge	Base Commodity Rate
Residential Gas Service	$~~8.93~~ 10.50	$6.~~88~~52 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, 20256
Replaces schedule effective July 1, 20~~14~~25

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~~5~~6
Replaces schedule effective July 1, 20~~14~~25

	Monthly Facilities Charge	Base Commodity Rate
General Commercial and Industrial Gas Service	$~~13.13~~18.00	$5.~~45~~27/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~~5~~6
Replaces schedule effective ~~November 1, 2016~~7/1/2025

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~~ 123.00	$~~3.68~~ 3.55 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~~5~~6
Replaces schedule effective ~~5/10/2013~~7/1/2025

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~~ 163.00	
	First 1500 MCF/month	$2.~~14~~17 per dekatherm
	Next 1500 MCF/month	$1.~~70~~73 per dekatherm
	Next 3000 MCF/month	$1.~~40~~42 per dekatherm
	Next 9000 MCF/month	$1.~~15~~17 per dekatherm
	All volumes over 15,000 MCF per month	$0.~~95~~.96 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~~ 2026
Replaces schedule effective July 1, ~~2018~~ 2025

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~~ 730,000 dekatherms per year (annual average equal to or greater than 2,000 dekatherms per day). 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~~ 2026
Replaces schedule effective July 1, ~~2018~~ 2025

RATE

	Monthly Facilities Charge	Base Commodity Rate
Industrial Firm Transportation Gas Service	~~$525.00~~ $625.00	
	First 50,000 Dekatherms	~~$.652~~ $.704 per Dekatherm
	Next 25,000 Dekatherms	~~$.447~~ $.483 per Dekatherm
	Next 25,000 Dekatherms	~~$.252~~ $.272 per Dekatherm
	All over 100,000 Dekatherms	~~$.139~~ $.150 per Dekatherm

The usage charges are subject to a minimum monthly bill of ~~$43,775~~ $40,655 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~~ 2026
Replaces schedule effective July 1, ~~2018~~ 2025

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~~5~~6
Replaces schedule effective ~~December 1, 2021~~7/1/2025

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~~ 285.00	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~~5~~6
Replaces schedule effective ~~3/18/2024~~7/1/2025

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~~5~~6
Replaces schedule effective ~~3/18/2024~~7/1/2025

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.

	Monthly Facilities Charge	Base Commodity Rate
Large Industrial Firm Gas Service	~~$0.00~~ 285.00	All Volumes ~~$.88~~ 1.04 per dekatherm

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

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.

City of Shelby
Agenda Item Summary
May 4, 2026
Council Chambers

D. Consent Agenda:

Agenda Item: D-1

- Approval of the Minutes of the Regular Meeting of April 20, 2026

Consent Agenda Item: (Carol Williams, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of April 20, 2026

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 **April 20, 2026**
City Hall Council Chambers **Monday, 6:00 p.m.**

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., Violet Arth, David White, Charles Webber, Lori Waris and Emilie Bullock; City Manager Justin S. Merritt, Assistant City Manager Ben Yarboro, City Attorney Jason Lunsford, City Clerk Carol Williams, Director of Finance Elizabeth (Beth) Beam, CPA, Director of Human Resources Deborah (Deb) Jolly, Chief of Police Brad Fraser, Fire Chief William Hunt, EFO, Director of Water Resources Brian Wilson, Public Information and Communications Officer Chip Nuhrah, Senior Planner Audrey Godfrey, Energy Services Operations Manager Ronnie Davis, Deputy Clerk Breanna Jones and Paralegal Nicole Hart

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

Mr. Hopper led the Pledge of Allegiance.

A. Approval of agenda:

Motion to adopt the proposed agenda presented.

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

B. Special Presentations:

1) **Mayor Anthony presented a proclamation to several of our Telecommunicators declaring April 12-18, 2026, as National Public Safety Telecommunicators Week and honored the men and women who serve the city in this capacity. Mayor Anthony expressed to them how much the City values their work during sometimes stressful situations.**

2) **Mayor Anthony presented a proclamation recognizing Electric Lineworkers Appreciation Days, April 13th and April 18th, 2026 to several of the city's lineworkers. Mayor Anthony expressed to them how much the City values their work which is often dangerous and performed in extreme weather conditions.**

C. Public Comment:

None

D. Public Hearings:

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1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcel 60931, located on S. Post Rd.: Ordinance No. 13-2026

Mrs. Godfrey reviewed the application from Don Peeler Realty:

- Requesting a zoning amendment from R6-CZ to General Business
- This parcel was previously designated as a Conditional Zoning that is tied to a specific site plan for 27 duplexes
- If the request to General Business is approved, the parcel could be developed into any type of business or residence allowed under the General Business designation
- The site is approximately 9.18 acres at the intersection of Joes Lake Road and S. Post Road
- The proposal is consistent with the Comprehensive Land Use Plan and with developments in the area
- Staff and the Planning Board approve this zoning amendment

Mayor Anthony opened the public hearing at 6:13 p.m.

Caleb Peeler, Civil Engineer with Peeler Engineering, 211 Patton Drive, Shelby, North Carolina spoke as the applicant and is working with his father, Don Peeler, to bring residential developments to the City of Shelby. Parcel 60931 was purchased in 2021 under the original GB zoning. Last year, the Peelers requested the R6-CZ for a 54-unit residential development, but the development never happened. The R6-CZ designation is valid until February 2027, but a new developer would like to proceed earlier than that. Mr. Peeler is requesting the zoning be reverted back to the original General Business designation.

Mark Richardson, Developer, Greenway Residential Development, 113 High Pointe Drive, Blythewood, South Carolina, spoke of his experience in bringing residential developments to North and South Carolina. He stated there is a need and a demand for this type of affordable housing in this area. This development would be for 1-, 2-and 3-bedroom apartments.

Mike Philbeck, Real Estate Broker, 1805 Arbor Way Drive, Shelby, North Carolina, has worked with both the Peelers and Mr. Richardson previously. Mr. Philbeck stated the R6-CZ designation was site specific for 27 duplexes. Mr. Philbeck continued by stating the funding for this project is available because Cleveland County is one of thirteen counties declared disaster zones after Hurricane Helene; we are the easternmost county to receive that funding. Mr. Richardson cannot apply for the funding until the current conditional zoning is amended.

Don Peeler, Realtor with Don Peeler Realty, 101 Apple Hill Drive, Shelby, North Carolina spoke about the property, and the development plan is for three story apartment buildings with 1-, 2-and 3-bedroom apartments. Mr. Peeler continued stating this property was his great grandfather's and then his uncle's property

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and gave some history of the property. His family has been selective as to how to develop it. After speaking with Mr. Richardson, he felt this was a great way to provide affordable apartments, which are much needed in our area. In order to do this, the R6-CZ zoning designation needs to be amended to General Business.

Tim Page, 324 Aniston Lane, Shelby, North Carolina spoke in opposition to the development. He bought a $300,000 house recently that is adjacent to this property, and he fears that an apartment complex will affect the property value of his home.

Mayor Anthony closed the public hearing at 6:28 p.m.

Council's deliberations and discussions were about the following topics:

- a realtor should disclose to home buyers of the possible developments in the area
- concern about how the General Business designation, if approved, opens up the parcel to so many other uses
- the applicant could have applied for a Conditional Zoning designation, but the conditions listed on the current R6-CZ are site specific for duplexes; the applicant and developer want to build apartments
- the concern that the property owner turns around and sells the property after it is changed to General Business
- the disaster funding has not been received; the applicant has to apply for it once the GB zoning is approved
- in February 2027 the property could go back to a General Business designation

ACTION TAKEN: Upon a motion from Mr. White, City Council voted 1 – 5 (White in favor) to DENY Ordinance No. 13-2026 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCEL 60931, LOCATED ON S. POST RD because it is consistent with the Shelby's adoptive comprehensive plan; however the request is unreasonable because the zoning designation negatively impacts the area, causes a negative impact to the city, neighborhood impact, detriment to the city, among other reasons."

The motion failed.

ACTION TAKEN: Upon a motion from Mr. Hopper, City Council voted unanimously to APPROVE Ordinance No. 13-2026 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCEL 60931, LOCATED ON S. POST RD. because it is consistent with the Shelby's adoptive comprehensive plan, therefore, this request is reasonable because it is consistent with current development patterns."

DRAFT

2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcel 27791, located on S. Morgan St.: Ordinance No. 14-2026

Mrs. Godfrey reviewed the application from Southwood Realty and WGLA Engineering:

- Requesting a zoning amendment from R20 to CPD-CZ to allow for Phase 2 of the Palisades at Hickory Creek apartments
- This phase will consist of three buildings and provide 60 additional multi-family units
- The site is approximately 2.5 acres and is just south of the intersection of S. Morgan Street and S. DeKalb Street
- The property was annexed into the City in December 2025
- The Carolina Harmony Trail runs along the edge of this property
- The area has a mix of different zoning districts
- No additional driveway is needed, this phase will connect to the existing Palisades development and use the existing entrance
- If approved, the setbacks would be the same as Phase 1 (30' front; 5' side), and, like Phase 1, this plan does not require a minimum buffer around the development
- Staff and the Planning Board both approve of the zoning amendment

Ms. Arth asked if Council could require the developer to keep some of the trees that are on the property. Mrs. Godfrey stated Council could propose that as a condition and it would be up to the developer to decide whether to agree to that.

Due to Ms. Arth's question to Mrs. Godfrey regarding the possibility of keeping some of the existing trees on the property, Mayor Anthony summarized that the question is can Council modify the landscaping to provide either more or less trees than is proposed. Mrs. Godfrey stated that is correct, Council can put that as a condition and then it would be up to the developer to agree to those conditions or not.

Mayor Anthony opened the public hearing at 6:46 p.m.

Mr. Thomas Jones, IV, Engineer with WGLA Engineers, 724 5th Avenue West, Hendersonville, North Carolina spoke as the applicant, and thanked Mrs. Godfrey for her work on this project. He stated his team is here to answer any questions. Mayor Anthony asked if the changes in the proposed landscaping are something the developer would be amenable to. Mr. Jones stated that Mr. Ratchford will address that question.

Mr. Tom Jones, III, Engineer with WGLA Engineers, 724 5th Avenue West, Hendersonville, North Carolina stated it would be difficult to identify which trees to agree to without a tree survey and more research would be needed to identify if saving the existing trees is possible.

DRAFT

Mr. William Ratchford, Vice President of Southwood Realty, 165 South York Street, Gastonia, North Carolina stated Phase 1 of Palisades has 312 units, and as of today, 302 are occupied. The site plan presented shows the minimum required landscaping. Mr. Ratchford also stated Southwood Realty has agreed to pay a fee-in-lieu for the length of the Carolina Harmony Trail that crosses the property and has proposed a sidewalk connection to the trail. There will be trees planted in this area. After much discussion, Mr. Ratchford suggested a 30' Type A opaque buffer on the south side of the parcel and to work with City staff to develop an approved buffer.

Mr. Lunsford stated that any request from Council regarding landscaping and appearances that is agreed upon with the developer can be put into the site plan and approved by the ordinance. Minor modifications are allowed without further Council's approval, but if major modifications are needed, the site plan would need to come before Council again for their consideration.

Mayor Anthony summarized that from what he's understanding, the developer would do a 30' landscape buffer along the lower south end of the site and he would make an effort to preserve some of the existing trees in the areas where no grading or construction is taking place. Mr. Ratchford was in agreement and offered to do 30' of landscaping up to the parking lot. He will work with city staff as to which trees to plant.

Mr. Charlie Morrison, 1422 S. Morgan Street, Shelby, North Carolina spoke in opposition to the proposed zoning amendment. He stated that the 60'-70' tall trees on this property date back to the 1800's when the Hamrick family moved into the neighborhood. Mr. Morrison said the view from his property and surrounding property owners is going to be changed if the developer cuts down the trees to build Phase 2. He stated the neighbors were not as opposed to the development of Phase 1 of Palisades because the trees hid the three-story apartment buildings. Mr. Morrison stated he's a General Contractor and in his opinion the developer cannot build the parking lot as shown on the existing site plan without destroying every one of the trees. Mr. Morrison stated the residents in this area have been there for many decades; now with the growth of this area and the Rail Trail coming that way, the property owners are concerned with all the changes.

Mayor Anthony closed the public hearing at 7:04 p.m.

Council discussed the possibility of tabling this item and request the developer to look at the existing trees and see if there's a way to modify the site plan to keep them or at least some of them. Mayor Anthony requested a modified site plan with more detail as to the buffer and its relation to the Rail Trail, and the possibility of saving some or all of the existing trees.

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Mr. Lunsford asked for a date to be set and stated in the motion as to when City Council will hear this again since it is a public hearing. By continuing this item to a certain date, a second public hearing will not be required.

Mr. Ratchford offered to draw on the existing site plan a more detailed sketch of what he's proposing, but Council decided they would rather have more detail than a sketch. Mr. Ratchford asked for clarification as to what exactly is needed, Council stated they'd like to see more detail as to the type of buffer, the types of trees, and if some of the existing trees can be saved.

> ACTION TAKEN: Upon a motion from Ms. Arth, City Council voted unanimously to TABLE Ordinance No. 14-2026 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCEL 27791, LOCATED ON S. MORGAN ST. until the first meeting in June, 2026, requesting the developer to resubmit the application showing the type of buffer, the types of trees, and if some of the existing trees can be saved. "

E. Consent Agenda:

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

1) Approval of the Minutes of the Regular Meeting of April 6, 2026
2) Special Event applications:
    a) Central Methodist Potluck Lunch, requested date: May 31, 2026
3) Management Reports:
    a) Shelby Fire and Rescue, quarterly report from Jan 1 – March 31, 2026

END OF CONSENT AGENDA

F. Unfinished Business:

None

G. New Business:

1) Approval of a resolution approving a contract with the City of Shelby and Cleveland County Community Development Corporation whereby the City of Shelby agrees to pay to CCCDC the cost of tap fees, connection fees, and system development fees for the benefit of the construction of low-and-moderate income homes within the City of Shelby: Resolution No. 27-2026

DRAFT

Presenting: Jason Lunsford, City Attorney

- **The City received a letter from Cleveland County Community Development Corporation (CCCDC) in March, 2026 for consideration to waive the tap fees, water fees, and system development fees**
- **The City cannot waive these fees; however, the City can allocate funds pursuant to N.C. Gen. Stat. § 160A-20.1 through use of the proposed contract**
- **This particular project is within the City's public use and public purpose since CCCDC is a non-profit agency building low- and moderate-income housing in Shelby**
- **NC General Statute § 160A-20.1 states the city can contract with any private or non-profit agency for anything the City itself can do; in this case, the city operates its own public housing authority**
- **Under Chapter 157, the City has the authority to enter into this contract and ensure the use of the funds are directly to a person who meets the income thresholds**
- **If this resolution is approved, there are currently 6 homes nearing completion that would benefit from this contract between the City and CCCDC**

ACTION TAKEN: Upon a motion from Mr. Hopper, City Council voted unanimously to approve Resolution No. 27-2026 entitled, "A RESOLUTION APPROVING A CONTRACT WITH THE CITY OF SHELBY AND CLEVELAND COUNTY COMMUNITY DEVELOPMENT CORPORATION WHEREBY THE CITY OF SHELBY AGREES TO PAY TO CCCDC THE COST OF TAP FEES, CONNECTION FEES, AND SYSTEM DEVELOPMENT FEES FOR THE BENEFIT OF THE CONSTRUCTION OF LOW-AND-MODERATE INCOME HOMES WITHIN THE CITY OF SHELBY."

2) **Approval of a resolution opposing state legislation that limits local property tax authority and threatens core public services: Resolution No. 28-2026**

Presenting: Justin Merritt, City Manager

- **On April 15th, 2026 the House Select Committee on Property Tax Reduction and Reform advanced a proposed constitutional amendment that would direct the state legislature to impose restrictions on property taxes and/or property tax levies**
- **At our last meeting, City Council requested staff to prepare a resolution that was opposing this State legislation**
- **Of note, the legislature already has authority to impose property tax limitations on local governments**
- **The proposed amendment would require the state to impose those restrictions**

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- The amendment would have to be introduced as a bill and approved by a three/fifths vote in both the House and the Senate
- As mentioned, the legislation is very broad and very concerning, as property taxes are our main source of revenue generation for the General Fund, which supports all of our general government operations, including Police, Fire, Building Inspections, Planning and Zoning, Public Works, Parks and Recreation, and more
- Police, Fire and 911 Communications are non-revenue generating services that rely heavily on property tax and would suffer greatly if this legislation is brought forward
- The House reconvenes tomorrow, so now is the time to make calls to our legislators
- Approval of this resolution directs the City Manager to transmit the resolution to our Cleveland County General Assembly delegates, the leadership of the General Assembly, the NC Association of County Commissioners and the League of Municipalities

ACTION TAKEN: Upon a motion from Ms. Arth, City Council voted unanimously to approve Resolution No. 28-2026 entitled, "A RESOLUTION OPPOSING STATE LEGISLATION THAT LIMITS LOCAL PROPERTY TAX AUTHORITY AND THREATENS CORE PUBLIC SERVICES."

H. City Manager's Report:

Mr. Merritt updated City Council on the following projects:

- **Drought conditions – We are currently at D2 which means we are in a severe drought, this is a level 3 out of 5; however, our water supply is not restricted at this time. The City Manager can implement restrictions when certain conditions are met. We are not restricting use of water yet but it's always good to conserve water and to make a plan for how to reduce water usage in case we get to that point. City staff monitors the drought conditions every day and will keep everyone updated**
- **Webbley project – a pre-construction meeting was conducted on site today, the notice to proceed was issued today, the contract has a duration of 365 days, construction fencing, signage, etc. should start in the next few weeks**
- **The Holland Street Project - lighting, trees, and sod have been installed, and pavement should be complete next week; providing 10 - 11 extra parking spaces**
- **Depot Park – the contractor has started working at South Morgan Street; there will be road closures for approximately 2 weeks at Morgan and Gardner Street; the work being done is removing the retaining wall along with the asphalt on Morgan Street, then stormwater infrastructure will be installed and site utilities will be tapped; a timeline of this current**

DRAFT

work is – road closure between Morgan and Gardner Streets for 2 weeks, an additional month there will be one lane opened with compacted stone to do additional work, and then the road will be repaved and reopened

- **Distracted Driving Month – April is National Distracted Driving Awareness month; the City is promoting awareness of this important issue; distracted driving is the cause of over 3,200 accidents nationally on an annual basis; 75% of drivers admit to using their phones while driving; ages 15-20 constitutes the largest proportion of distracted drivers in fatal crashes**

Ms. Arth emotionally stated that on February 23rd a distracted driver broke her mother's back and neck; injuries that will impact her mother's life and her family's life for the foreseeable future.

I. Council Announcements and Remarks:

Mayor Anthony mentioned City Council has a list of upcoming events

J. Closed Session:

ACTION TAKEN: Mr. White made a motion to enter a closed session pursuant to the appropriate North Carolina General Statutes as cited below. Mayor Anthony invited all Council members present, along with Mr. Lunsford, Mr. Yarboro, Mrs. Williams, Mr. Nuhrah, and Mrs. Hart to attend. The motion passed unanimously, and Council moved into closed session at 7:33 p.m.

1) **North Carolina General Statute: 159B-38. Confidentiality of contract discussions: Discussions of a proposed or existing contract to which a joint agency may be or is a party for the construction, ownership, or operation of works, plants, and facilities for or incident to the generation, transmission, or use of electric power and energy or the purchase, sale, exchange, interchange, wheeling, pooling, transmission, or use of electric power and energy shall be confidential and information relating to such discussions shall not be a public record under Chapter 132 of the General Statutes; provided that any contract entered into by or on behalf of a joint agency as defined by G.S. 159B-3 shall be a public record unless otherwise exempted by law.**

ACTION TAKEN: Pursuant to a motion by Mr. White, and the unanimous vote of all members present, Council returned to Open session at approximately 7:57 p.m.

K. Return to Open Session

DRAFT

1) **Consideration of an ordinance of the City Council of the City of Shelby, North Carolina, determining that it is in the best interests of the City of Shelby to approve and authorize the execution and delivery of, among other documents, an amended and restated Project Power Sales Agreement with North Carolina Municipal Power Agency Number 1 and an amended and restated Supplemental Power Sales Agreement with North Carolina Municipal Power Agency Number 1: Ordinance No. 15-2026**

ACTION TAKEN: Upon a motion from Mr. White, City Council voted unanimously to approve Ordinance No. 15-2026 entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA, DETERMINING THAT IT IS IN THE BEST INTERESTS OF THE CITY OF SHELBY TO APPROVE AND AUTHORIZE THE EXECUTION AND DELIVERY OF, AMONG OTHER DOCUMENTS, AN AMENDED AND RESTATED PROJECT POWER SALES AGREEMENT WITH NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1 AND AN AMENDED AND RESTATED SUPPLEMENTAL POWER SALES AGREEMENT WITH NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1."

L. 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

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 7:58 p.m.

Respectfully submitted,

Carol Williams
City Clerk

O. Stanhope Anthony, III
Mayor

City of Shelby
Agenda Item Summary
May 4, 2026
Council Chambers

Agenda Item: D-2

2) Adoption of FY 2025-2026 Budget Ordinance Amendment: Ordinance No. 19-2026

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

- Memorandum dated April 27, 2026, from Beth Beam, Finance Director to Justin Merritt, City Manager
- Ordinance No. 19-2026

City Manager's Recommendation / Comments

As we approach the end of Fiscal Year 2026, our Finance Department has begun several procedures to ensure we are prepared to formally close the year financially and that we take necessary action to adjust budgets for changes that occur throughout the year. Generally, these types of adjustments can occur due to unexpected repairs and equipment breakdowns, changes in mandated procedures or other unforeseen events. Specifically, the City experienced two winter weather events in January 2026 that increased expenses and our airport has sold more fuel than anticipated, which requires an adjustment for the corresponding expenditure for the purchase of fuel for resale.

It is my recommendation that Ordinance No. 19-2026 be adopted and approved at this time.

ORDINANCE NO. 19-2026
FY 2025-2026 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 2025-2026; and,

WHEREAS, the City Manager (Budget Officer) has recommended certain amendments to the budget which the governing body finds acceptable; and,

WHEREAS, the recommended amendment is designated for the purpose of budgeting for retirement plan contributions; 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. 32-2025, the City's FY 2025-2026 Budget Ordinance, is hereby amended as follows to provide for Budget Amendment No. 9 for the year:

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

(a)	Increase 11001000-31001 Current Year Property Tax	$ 122,500
(b)	Increase 110431-40101 Overtime - Police	$ 18,000
(c)	Increase 110434-40101 Overtime – Fire	$ 95,000
(d)	Increase 110451-40101 Overtime – Streets	$ 7,800
(e)	Increase 110453-40101 Overtime – Airport	$ 1,000
(f)	Increase 110471-40101 Overtime – Solid Waste	$ 700
(g)	Increase 11005000-36150 Airport Fuel Sales	$ 160,000
(h)	Increase 110453-41210 Airport Fuel for Resale	$ 150,000
(i)	Increase 110453-41700 Airport Resale Fuel Tax	$ 10,000

(2) The following Electric Fund line items are amended:

(a)	Increase 63006000-36730 Electric Charges	$ 293,500
(b)	Increase 630733-40101 Overtime – Electric	$ 35,000
(c)	Increase 630733-44910 Ice Storm Expenses	$ 258,500

(3) The following Natural Gas Fund line items are amended:

(a)	Increase 64006000-36740 Gas Charges	$5,608,100

(b)	Increase 640743-40101 Overtime – Gas Lines	$ 8,100
(c)	Increase 640742-45202 Purchase Gas for Resale	$5,600,000

(4) The following Raper Roark Trust Fund line items are amended:

(a)	Increase 71809000-39900 Fund Balance Appropriated	$ 10,750
(b)	Increase 718818-43404 Land and Area Maintenance	$ 10,750

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. 9
General Fund	$ 35,596,700	$ 35,879,200
Emergency Telephone System Fund	118,070	118,070
Powell Bill Fund	1,020,930	1,020,930
Economic Dev. Fund	2,320,568	2,320,568
Affordable Housing	0	0
Housing Fund	3,010,003	3,010,003
Cemetery Fund	50,000	50,000
Utilities-Water Fund	7,842,273	7,842,273
Utilities-Sewer Fund	8,352,175	8,352,175
Utilities-Electric Fund	23,135,110	23,428,610
Utilities-Gas Fund	21,874,203	27,482,303
Utilities – Stormwater Fund	1,833,457	1,833,457
Raper Roark Trust Fund	0	10,750
FY 2025-2026 Budget Total	$105,153,489	$111,348,339

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 4th day of May A. D. 2026.

_____
Violet Arth
Mayor Pro Tem

ATTEST:

_____
Carol Williams
City Clerk

APPROVED AS TO FORM:

_____
Jason Lunsford
City Attorney

City of Shelby
Agenda Item Summary
May 4, 2026
Council Chambers

Agenda Item: D-3

3) Management Report:

a) Monthly Financial Summary, March 2026

Consent Agenda Item: (Justin Merritt, City Manager)

- Monthly Financial Summary – March 2026

City Manager's Recommendation / Comments

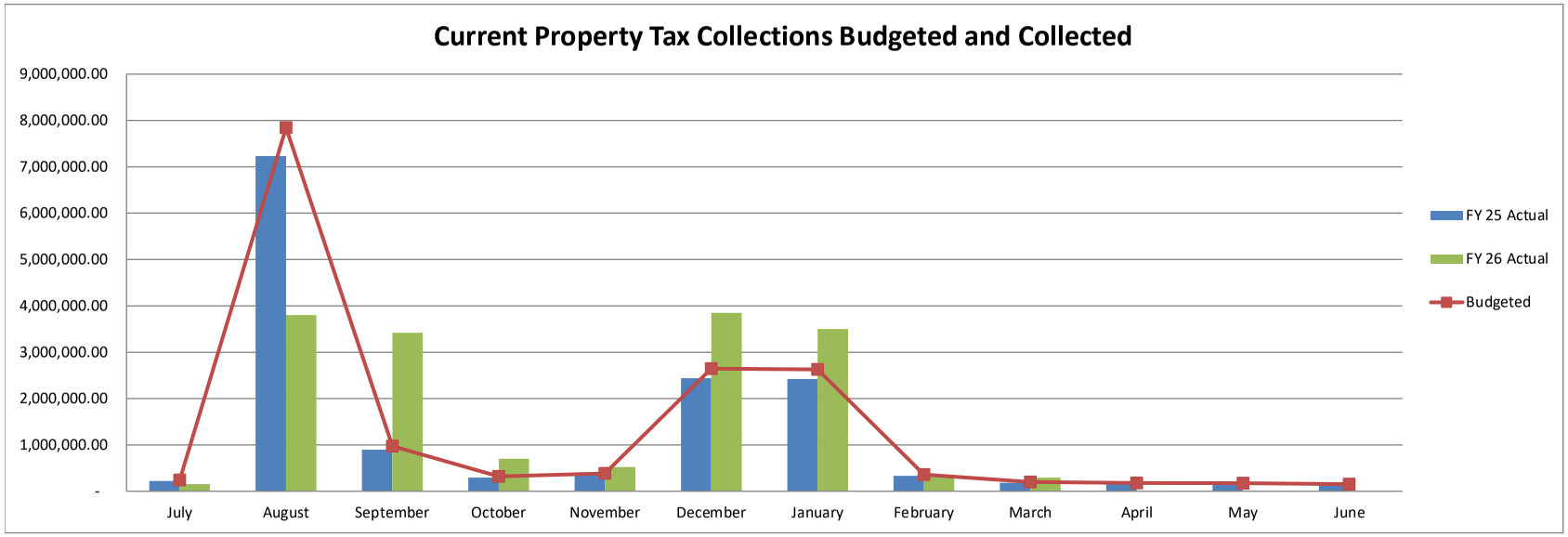
The above-mentioned reports are for City Council information and are placed on the agenda to ensure documentation that they were formally presented by management during a regular meeting.

Shelby
NORTH CAROLINA

Monthly Financial Summary
March 2026

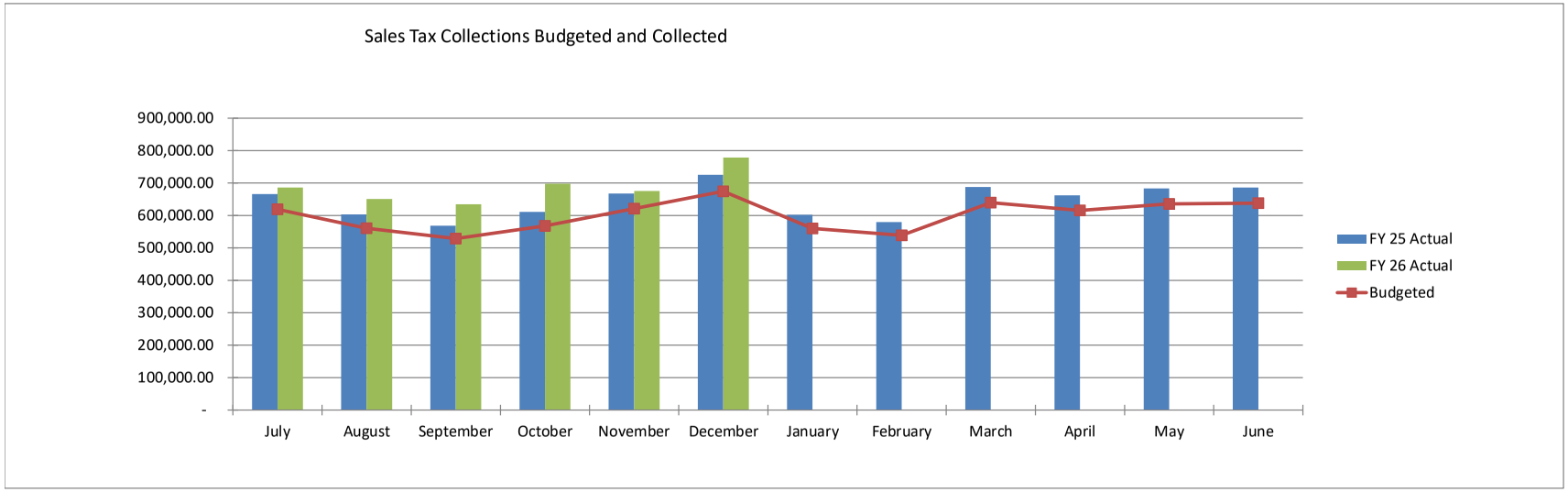
City of Shelby
Current Property Tax Collections
FY 2026
11001000-31001

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	242,321.20	7,844,377.99	973,670.18	318,832.09	383,712.22	2,644,966.98	2,626,745.61	361,330.43	199,019.67	178,213.51	173,829.76	152,980.37	16,100,000.00
FY 2025	223,311.75	7,229,007.66	897,288.38	293,820.57	353,611.03	2,437,476.44	2,420,684.49	332,985.03	183,407.11	164,233.14	160,193.28	140,979.47	14,836,998.35
FY 2026	152,288.11	3,802,653.19	3,421,249.27	702,307.40	522,736.39	3,849,442.56	3,502,297.13	318,121.75	293,639.63				16,564,735.43
% of Budget	0.95%	23.62%	21.25%	4.36%	3.25%	23.91%	21.75%	1.98%	1.82%	0.00%	0.00%	0.00%	102.89%
Variance	(90,033.09)	(4,041,724.80)	2,447,579.09	383,475.31	139,024.17	1,204,475.58	875,551.52	(43,208.68)	94,619.96	(178,213.51)	(173,829.76)	(152,980.37)	464,735.43



City of Shelby
Sales Tax Collections
FY 2026
GL #11001000-32101

	July (Oct)	August (Nov)	September (Dec)	October (Jan)	November (Feb)	December (Mar)	January (Apr)	February (May)	March (June)	April (July)	May (August)	June (September)	Totals
Budget	619,252.11	560,825.89	528,780.78	567,941.02	621,072.38	674,618.19	559,917.99	538,807.06	639,635.64	615,457.12	635,525.75	638,166.08	7,200,000.00
FY 2025	666,057.91	603,215.58	568,748.36	610,868.50	668,015.76	725,608.80	602,239.06	579,532.47	687,982.12	661,976.08	683,561.58	686,401.48	7,744,207.70
FY 2026	686,327.50	650,790.30	634,512.15	698,259.56	675,822.06	778,604.53							4,124,316.10
% of Budget	9.53%	9.04%	8.81%	9.70%	9.39%	10.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	57.28%
Variance	67,075.39	89,964.41	105,731.37	130,318.54	54,749.68	103,986.34	(559,917.99)	(538,807.06)	(639,635.64)	(615,457.12)	(635,525.75)	(638,166.08)	(3,075,683.90)



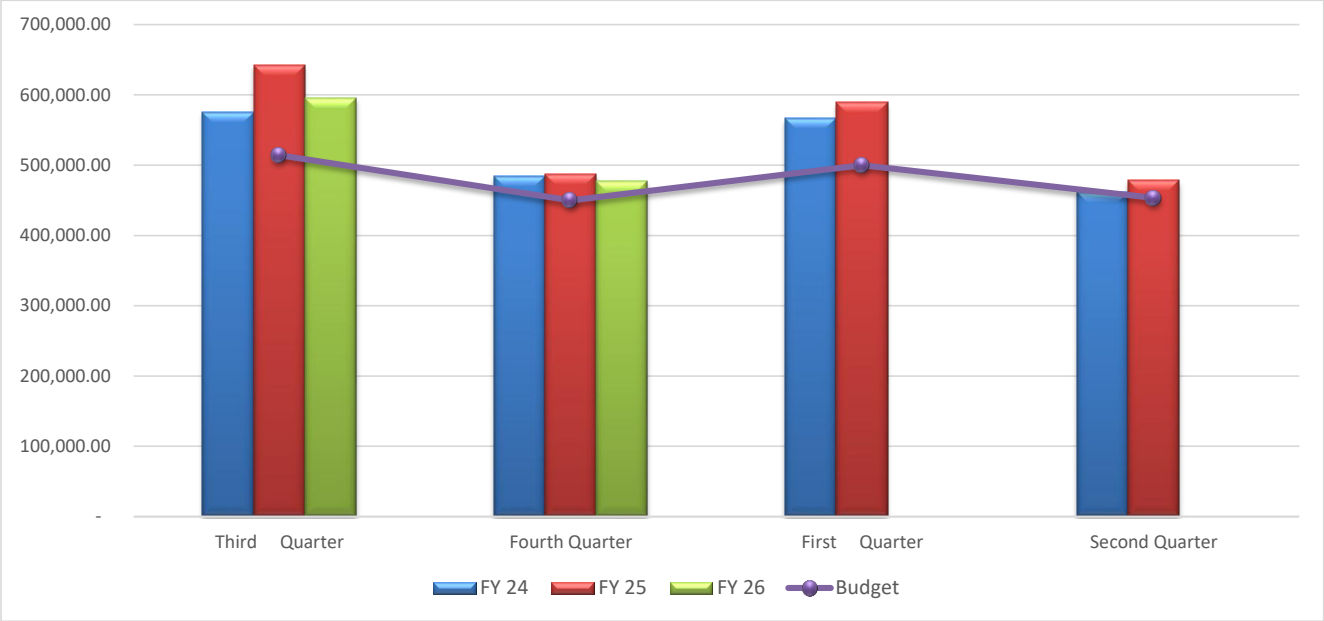
Notes:

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

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

City of Shelby
Utility Sales Tax Distribution (Formerly Utility Franchise Tax)
Last Three Years
GL #11001000-33101

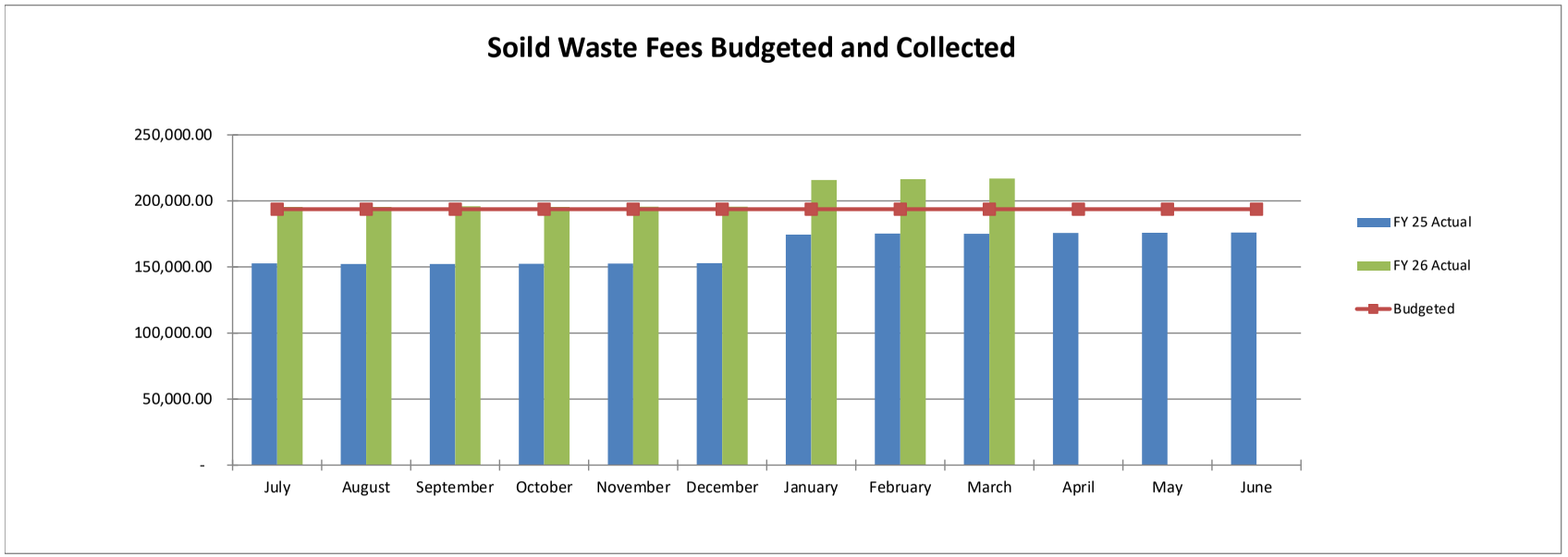
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Totals
Collection Period:	(July-Sept.)	(Oct.-Dec.)	(Jan.-Mar.)	(Apr.-June)	
Received in:	December	March	June	September	
FY 24	575,545.63	484,885.74	566,199.32	461,664.29	2,088,294.98
FY 25	642,248.85	487,409.61	588,889.85	478,128.64	2,196,676.95
FY 26	595,464.33	477,178.67			1,072,643.00
Budget	514,196.77	449,892.13	499,995.14	453,354.97	1,917,439.00
% of Budget	31.06%	24.89%	0.00%	0.00%	55.94%



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

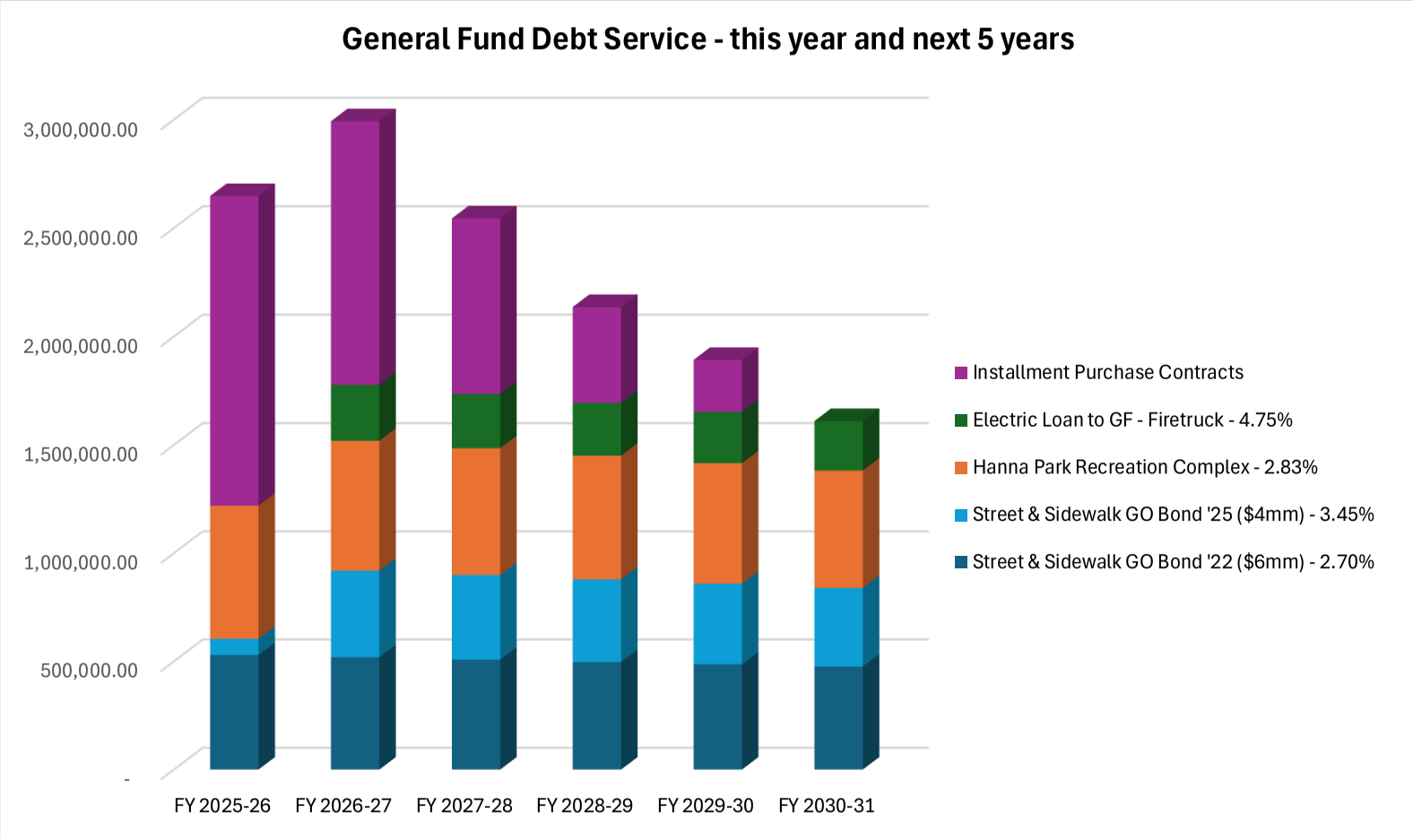
City of Shelby
Solid Waste Fees
FY 2026
GL #11007000-36101

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	193,750.00	2,325,000.00
FY 2025	152,721.44	152,242.65	152,213.17	152,415.46	152,523.81	152,835.98	174,434.73	175,218.54	175,205.29	175,837.60	175,989.60	176,035.92	1,967,674.19
FY 2026	195,522.25	195,548.47	195,931.48	195,553.05	195,622.92	195,715.00	215,804.84	216,451.42	217,002.98				1,823,152.41
% of Budget	8.41%	8.41%	8.43%	8.41%	8.41%	8.42%	9.28%	9.31%	9.33%	0.00%	0.00%	0.00%	78.42%
Variance	1,772.25	1,798.47	2,181.48	1,803.05	1,872.92	1,965.00	22,054.84	22,701.42	23,252.98	(193,750.00)	(193,750.00)	(193,750.00)	(501,847.59)
Res. Accts:	8,057	8,054	8,078	8,052	8,049	8,059	8,066	8,088	8,121				
Comm. Accts:	694	695	689	699	701	698	703	701	697				



DEBT SERVICE - GENERAL FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
General Obligation Bonds						
Street & Sidewalk GO Bond '22 ($6mm) - 2.70%						
Principal	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00
2.70% Interest	129,600.00	118,800.00	108,000.00	97,200.00	86,400.00	75,600.00
Debt Retired in 2037	529,600.00	518,800.00	508,000.00	497,200.00	486,400.00	475,600.00
Street & Sidewalk GO Bond '25 ($4mm) - 3.45%						
Principal		267,000.00	267,000.00	267,000.00	267,000.00	267,000.00
3.45% Interest	74,750.00	133,394.25	124,182.75	114,971.25	105,759.75	96,548.25
Debt Retired in 2041	74,750.00	400,394.25	391,182.75	381,971.25	372,759.75	363,548.25
TOTAL GO BONDS	604,350.00	919,194.25	899,182.75	879,171.25	859,159.75	839,148.25
Installment Purchase Contracts						
Hanna Park Recreation Complex - 2.83%	615,024.66	600,497.33	585,970.00	571,442.66	556,915.33	542,388.00
2.83% Debt Retired in 2032						
Electric Loan to GF - Firetruck - 4.75%						
4.75% Debt Retired in 15 years		257,871.10	250,718.48	243,565.85	236,413.22	229,260.59
FY 21 Installment Purchase	127,738.36		-	-		
Debt Retired in 2026						
FY 22 Installment Purchase	313,080.27	313,080.27		-		
Debt Retired in 2027						
FY 23 Installment Purchase - Radios	274,873.35	274,873.35	274,873.35			
Debt Retired in 2028						
FY 23 Installment Purchase	270,763.83	185,002.09	91,725.01			
Debt Retired in 2028						

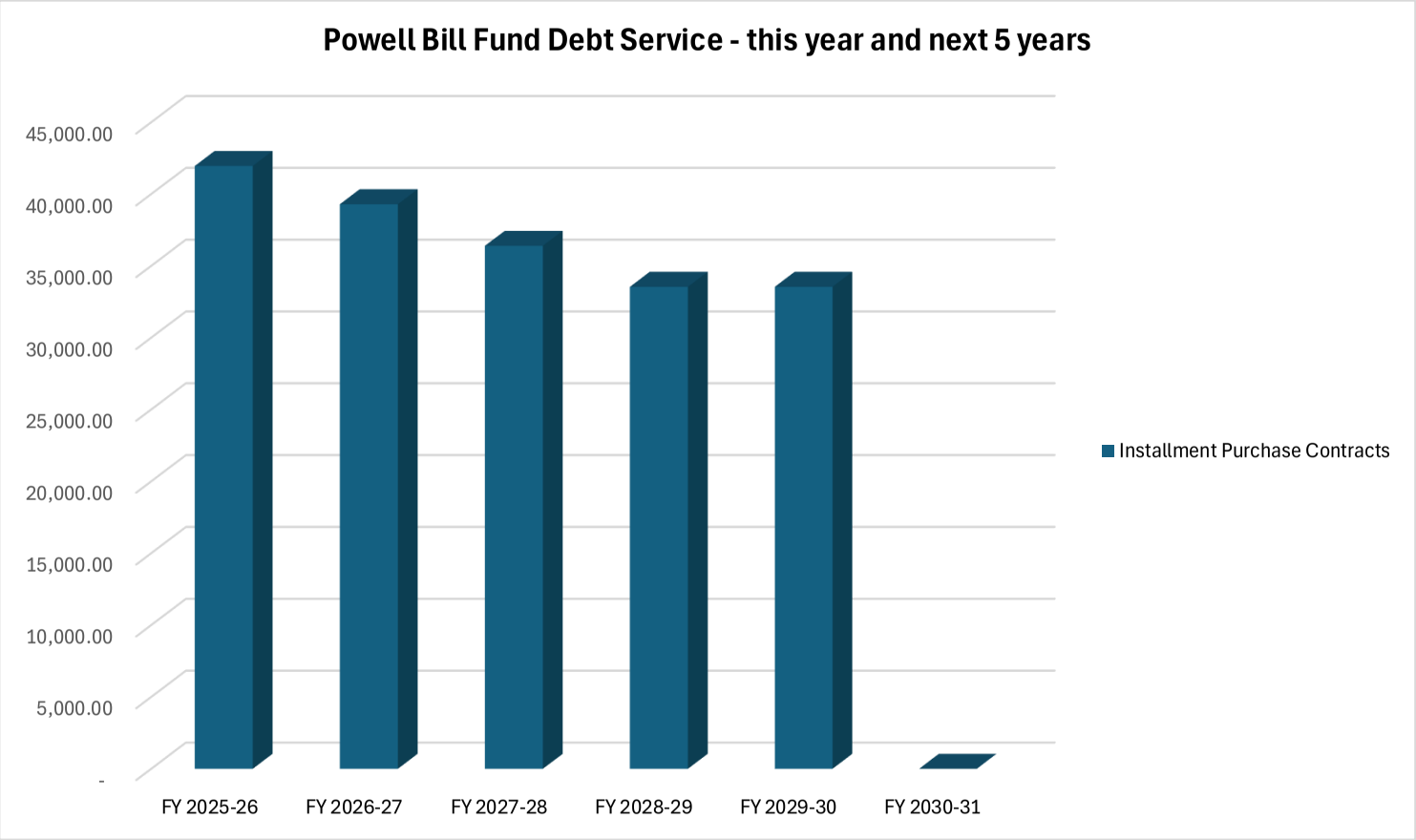
DEBT SERVICE - GENERAL FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
FY 24 Installment Purchase	202,319.05	202,319.05	202,319.05	202,319.05		
Debt Retired in 2029						
FY 25 Installment Purchase	239,824.82	239,824.82	239,824.83	239,824.82	239,824.83	
Debt Retired in 2030						
subtotal Installment	1,428,599.68	1,215,099.58	808,742.24	442,143.87	239,824.83	
Total Debt Service - General Fund	2,647,974.34	2,992,662.26	2,544,613.46	2,136,323.62	1,892,313.13	1,610,796.84



City of Shelby
YTD Budget Report
For 3/31/2026 (75.0% of Fiscal Year)

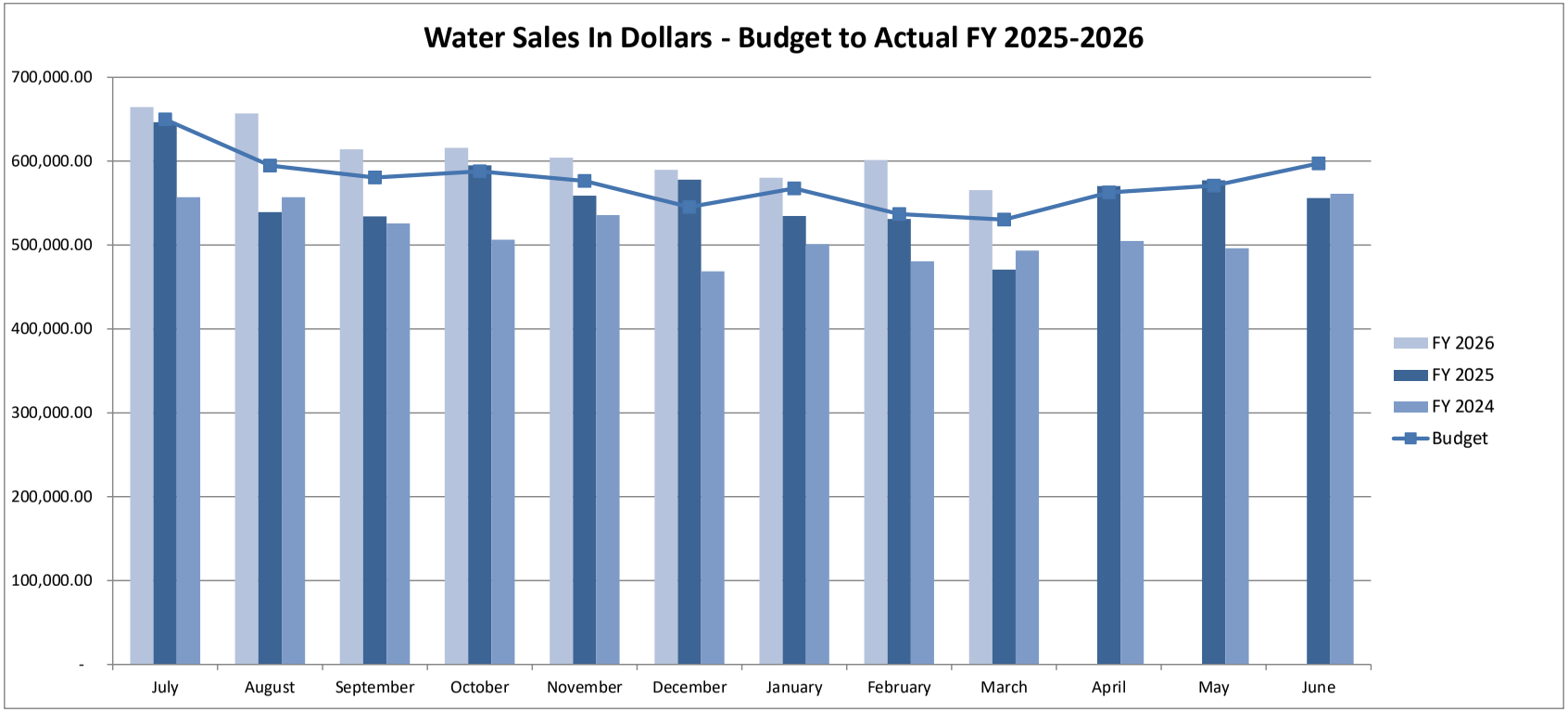
ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMB	AVAIL BUDGET	% USED
Total 110411 GOVERNING BOARD	107,539	107,539	60,236.48	7,954.33	39,348	63.40 %
Total 110412 ADMINISTRATION	1,104,304	1,212,304	645,650.22	12,273.64	554,380	54.30 %
Total 110413 FINANCE	979,401	979,401	715,163.50	2,560.42	261,677	73.30 %
Total 110414 PURCHASING	85,461	85,461	60,345.79	2,738.72	22,376	73.80 %
Total 110415 LEGAL	0	0	0.00	552.00	-552	100.00 %
Total 110416 HUMAN RESOURCES	484,007	484,007	287,317.77	12,349.93	184,339	61.90 %
Total 110419 CUSTOMER SERVICE	28,381	28,381	-47,520.52	17,113.90	58,788	-107.10 %
Total 110420 INFORMATION SERVICES	868,372	870,808	515,884.05	83,241.34	271,683	68.80 %
Total 110421 METER SERVICE	3	3	-27,497.72	51,538.47	-24,038	100.00 %
Total 110425 GARAGE	842,940	1,007,078	670,056.28	6,776.14	330,245	67.20 %
Total 110427 CITY HALL	143,400	143,400	83,320.54	9,673.58	50,406	64.80 %
Total 110428 CITY HALL ANNEX	94,400	94,400	42,470.86	6,225.00	45,704	51.60 %
Total 110431 POLICE	9,752,628	9,814,690	7,345,323.80	66,741.74	2,402,624	75.50 %
Total 110433 COMMUNICATION	1,007,565	1,009,420	627,403.69	4,692.00	377,324	62.60 %
Total 110434 FIRE	6,260,790	6,292,574	4,965,241.85	43,089.85	1,284,243	79.60 %
Total 110435 BUILDING INSPECTIONS	619,995	619,995	366,737.85	29,679.94	223,577	63.90 %
Total 110451 STREETS	1,577,625	1,577,625	1,043,287.67	41,181.49	493,156	68.70 %
Total 110453 AIRPORT	749,585	752,585	608,664.29	7,815.82	136,105	81.90 %
Total 110471 SOLID WASTE	2,434,500	2,442,005	1,462,198.49	364,223.30	615,584	74.80 %
Total 110491 GIS	92,876	100,552	43,075.22	3,566.27	53,911	46.40 %
Total 110493 PLANNING SERVICES	943,868	963,161	568,423.48	81,078.89	313,659	67.40 %
Total 110495 SPECIAL APPROPRIATIONS	3,611,500	8,251,210	6,497,082.61	0.00	1,754,127	78.70 %
Total 110612 PARKS & RECREATION	1,831,665	1,831,665	1,172,856.16	26,543.30	632,266	65.50 %
Total 110613 MAINTENANCE GROUNDS &	1,864,895	1,866,847	1,147,845.18	124,803.68	594,198	68.20 %
Total 110 GENERAL FUND	35,485,700	40,535,112	28,853,567.54	1,006,413.75	10,675,131	73.70 %

DEBT SERVICE - POWELL BILL FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Installment Purchase Contracts						
FY 23 Installment Purchase						
Debt Retired in 2028	8,412.74	5,748.09	2,849.93			
FY 25 Installment Purchase						
Debt Retired in 2030	33,541.34	33,541.34	33,541.33	33,541.34	33,541.34	
Total Debt Service - Powell Bill Fund	41,954.08	39,289.43	36,391.26	33,541.34	33,541.34	-



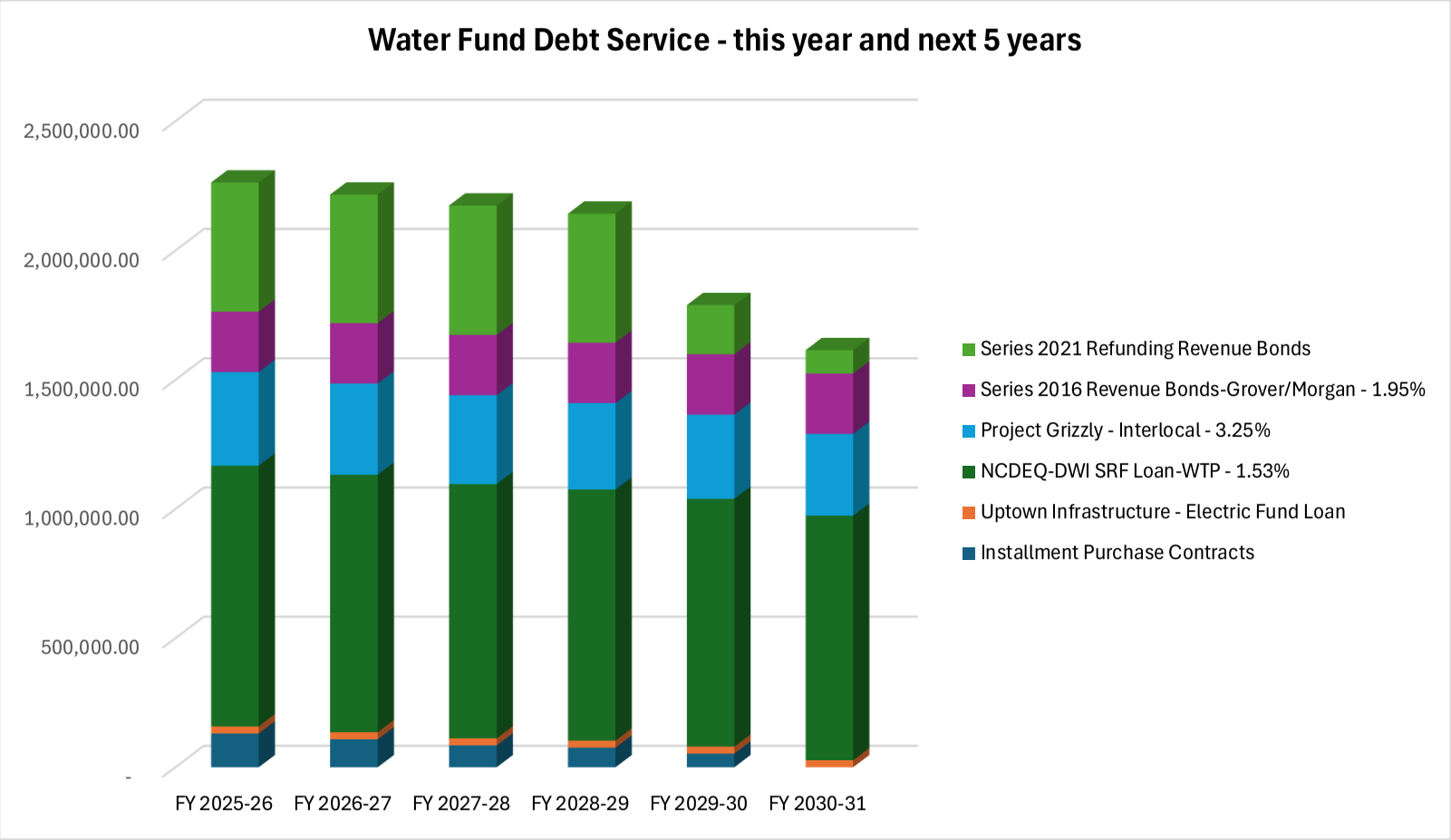
City of Shelby
Water Revenue Budget to Actual
FY 2026

	July	August	September	October	November	December	January	February	March	April	May	June	Total
FY 2026 Budget													
Inside Water													
Useage	155,504	132,362	127,741	133,188	128,740	122,238	128,933	119,174	117,121	127,375	130,371	139,111	1,561,857
Dollars	582,711.74	525,053.53	513,424.54	523,159.70	514,064.98	490,601.23	506,823.26	482,480.55	477,291.36	503,300.15	513,057.99	537,071.94	6,169,040.97
Outside Water													
Useage	15,047	15,861	14,983	14,447	13,731	11,585	13,104	11,479	11,032	12,931	12,465	13,051	159,717
Dollars	67,078.47	69,616.99	66,986.17	64,677.62	62,428.34	54,860.73	60,588.61	54,439.17	53,000.14	59,295.10	57,855.68	60,132.02	730,959.03
Totals													
Useage	170,551	148,223	142,724	147,636	142,471	133,823	142,036	130,653	128,153	140,306	142,835	152,162	1,721,574
Dollars	649,790.21	594,670.52	580,410.71	587,837.32	576,493.32	545,461.96	567,411.87	536,919.72	530,291.50	562,595.25	570,913.67	597,203.96	6,900,000.00
FY 2026 Actual													
Inside Water													
Useage	154,108	140,952	125,487	126,181	124,246	123,852	117,545	125,927	112,354	-	-	-	1,150,652
Dollars	599,890	592,290	542,402	552,164	544,290	537,734	522,872	542,672	508,169	-	-	-	4,942,482.20
Outside Water													
Useage	14,217	14,466	16,420	14,056	12,973	10,568	12,378	12,862	12,302	-	-	-	120,242
Dollars	64,527	64,574	71,643	63,792	59,823	51,860	57,408	58,747	57,282	-	-	-	549,657
Totals													
Useage	168,325	155,418	141,907	140,237	137,219	134,420	129,923	138,789	124,656	-	-	-	1,270,894
Dollars	664,417	656,865	614,045	615,956	604,113	589,593	580,281	601,419	565,451	-	-	-	5,492,139.45
Variance													
Inside Water													
Useage	(1,396)	8,590	(2,254)	(7,007)	(4,494)	1,614	(11,388)	6,753	(4,767)	(127,375)	(130,371)	(139,111)	(411,205)
Dollars	17,178.13	67,236.72	28,977.25	29,004.24	30,224.83	47,132.49	16,049.20	60,191.05	30,877.40	(503,300.15)	(513,057.99)	(537,071.94)	(1,226,558.77)
Outside Water													
Useage	(830)	(1,395)	1,437	(391)	(758)	(1,017)	(726)	1,383	1,270	(12,931)	(12,465)	(13,051)	(39,475)
Dollars	(2,551.45)	(5,042.59)	4,656.96	(885.33)	(2,605.34)	(3,001.16)	(3,180.43)	4,308.22	4,282.13	(59,295.10)	(57,855.68)	(60,132.02)	(181,302)
Totals													
Useage	(2,226)	7,195	(817)	(7,399)	(5,252)	597	(12,113)	8,136	(3,497)	(140,306)	(142,835)	(152,162)	(450,680)
Dollars	14,626.68	62,194.13	33,634.21	28,118.91	27,619.49	44,131.33	12,868.77	64,499.27	35,159.53	(562,595.25)	(570,913.67)	(597,203.96)	(1,407,860.55)


Water Sales In Dollars - Budget to Actual FY 2025-2026
700,000.00
600,000.00
500,000.00
400,000.00
300,000.00
200,000.00
100,000.00
-
July
August
September
October
November
December
January
February
March
April
May
June
FY 2026
FY 2025
FY 2024
Budget

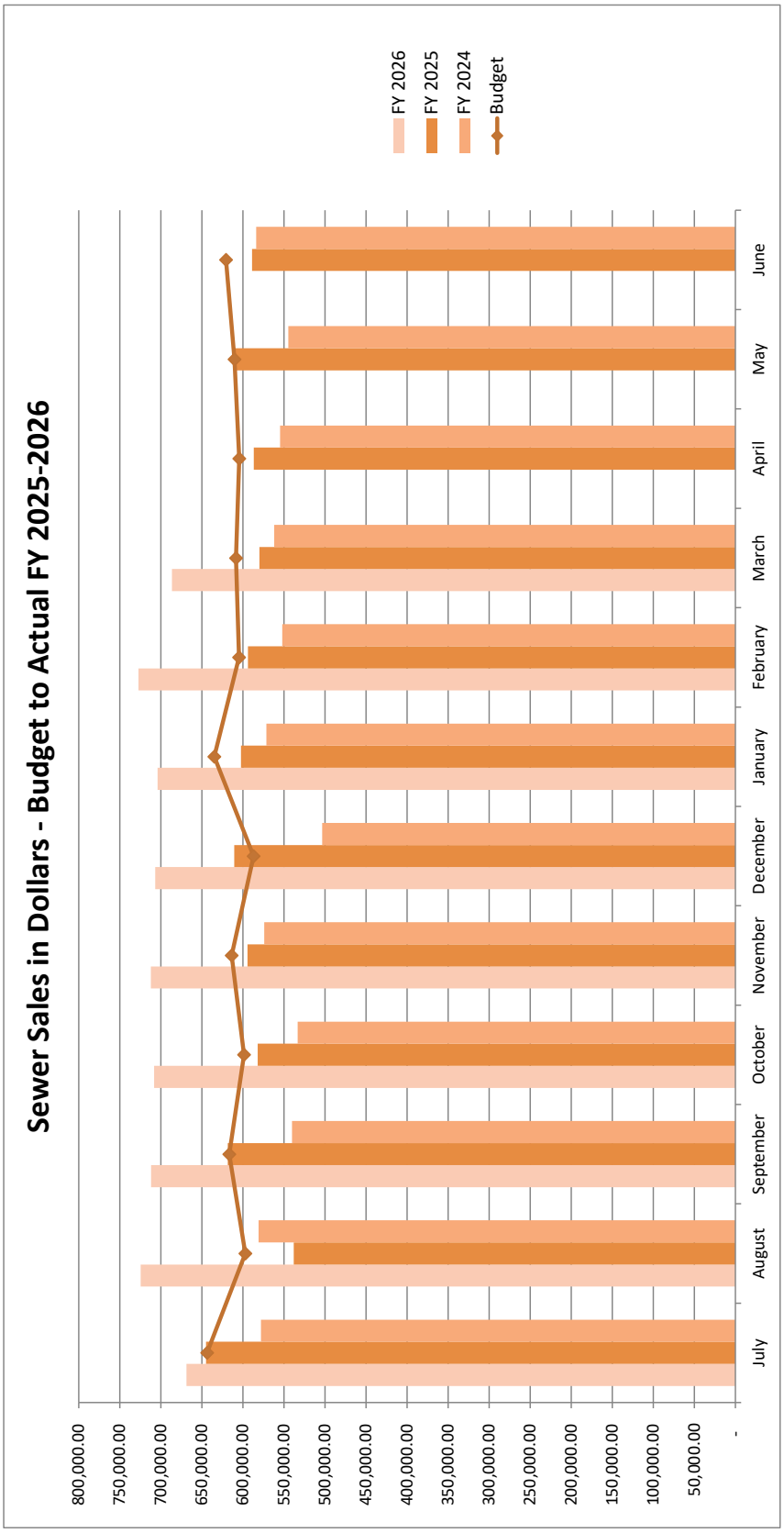
DEBT SERVICE - WATER FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenue Bonds						
Series 2021 Refunding Revenue Bonds						
Principal	470,516.88	474,598.56	484,259.94	490,006.96	187,000.00	90,000.00
Interest	29,097.59	22,504.52	15,822.83	9,024.53	3,220.00	630.00
Debt Retired in 2031	499,614.47	497,103.08	500,082.77	499,031.49	190,220.00	90,630.00
Series 2016 Revenue Bonds-Grover/Morgan - 1.95%						
Principal	206,744.67	210,795.85	214,836.41	219,137.91	223,431.93	229,985.76
1.95% Interest	26,655.33	22,604.15	18,473.59	14,262.09	9,968.07	3,368.76
Debt Retired in 2032	233,400.00	233,400.00	233,310.00	233,400.00	233,400.00	233,354.52
NCDEQ-DWI SRF Loan-WTP - 1.53%	*Water Treatment Plant*					
Principal	821,392.50	821,392.50	821,392.50	821,392.50	821,392.50	821,392.50
1.53% Interest	188,509.58	175,942.28	163,374.96	150,807.66	138,240.36	125,673.06
Debt Retired in 2040	1,009,902.08	997,334.78	984,767.46	972,200.16	959,632.86	947,065.56
Project Grizzly - Interlocal - 3.25%						
Principal	298,570.05	298,570.05	298,570.05	298,570.05	298,570.05	298,570.05
3.25% Interest	63,396.35	54,339.73	45,283.11	36,226.49	27,169.86	18,113.24
Debt Retired in 2032	361,966.40	352,909.78	343,853.16	334,796.54	325,739.92	316,683.29

Installment Purchase Contracts						
Uptown Infrastructure - Electric Fund Loan	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00	27,250.00
Debt Retired in 2038						
FY 21 Installment Purchase	14,366.13	-	-	-	-	
Debt Retired in 2026						
FY 22 Installment Purchase	14,628.58	14,628.58	-	-	-	
Debt Retired in 2027						
FY 23 Installment Purchase	25,870.40	17,676.21	8,763.96	-	-	
Debt Retired in 2028						
FY 24 Installment Purchase	23,217.59	23,217.59	23,217.59	23,217.59		
Debt Retired in 2029						
FY 25 Installment Purchase	52,771.71	52,771.71	52,771.71	52,771.71	52,771.70	
Debt Retired in 2030						
Total Installment Debt	130,854.41	108,294.09	84,753.26	75,989.30	52,771.70	-
Total Debt Service - Water Fund	2,262,987.36	2,216,291.73	2,174,016.65	2,142,667.49	1,789,014.48	1,614,983.37


Water Fund Debt Service - this year and next 5 years
2,500,000.00
2,000,000.00
1,500,000.00
1,000,000.00
500,000.00
-
FY 2025-26
FY 2026-27
FY 2027-28
FY 2028-29
FY 2029-30
FY 2030-31
Series 2021 Refunding Revenue Bonds
Series 2016 Revenue Bonds-Grover/Morgan - 1.95%
Project Grizzly - Interlocal - 3.25%
NCDEQ-DWI SRF Loan-WTP - 1.53%
Uptown Infrastructure - Electric Fund Loan
Installment Purchase Contracts

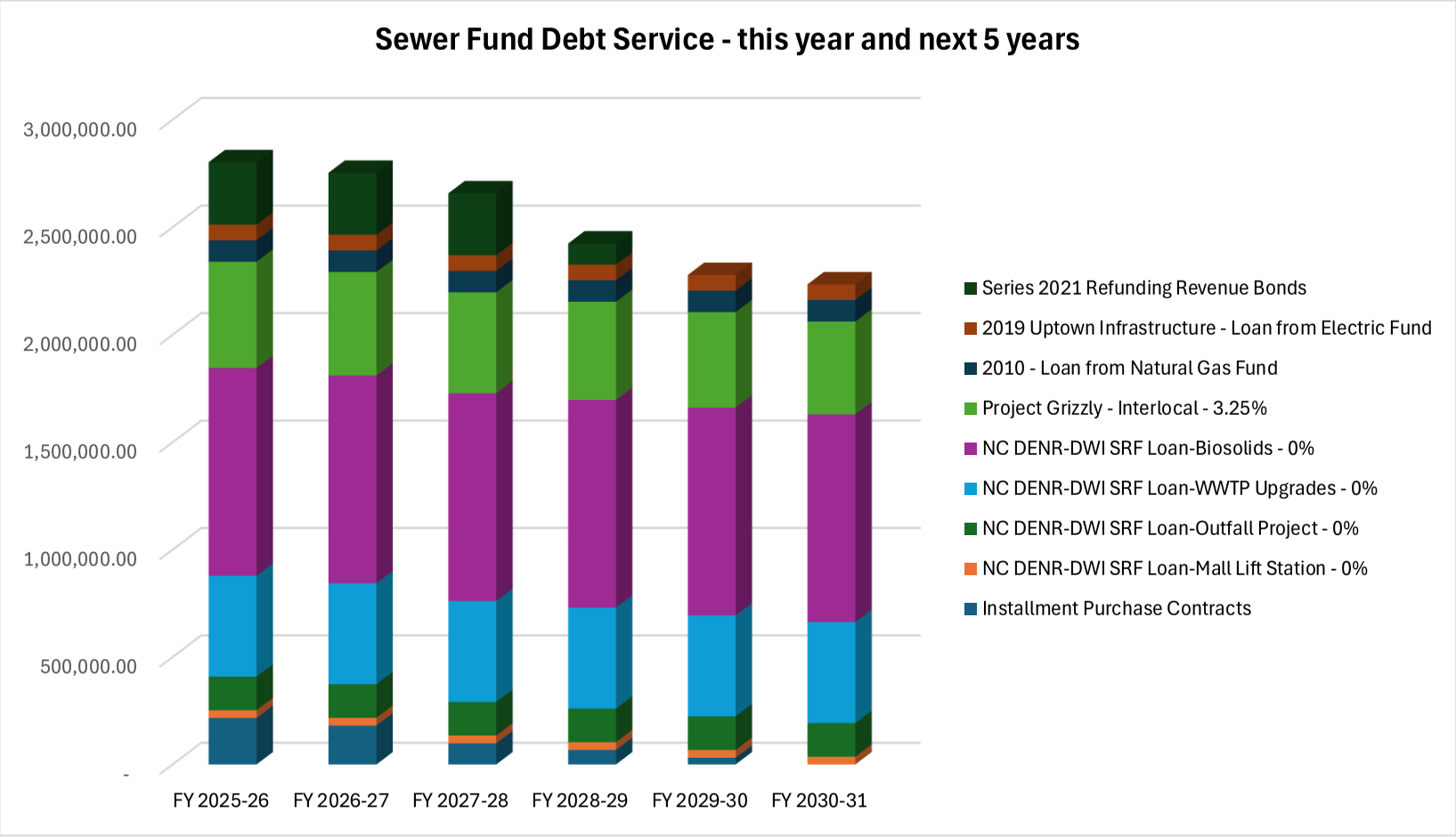
City of Shelby
Sewer Revenue Budget to Actual
FY 2026

	July	August	September	October	November	December	January	February	March	April	May	June	Totals
FY 2026 Budget													
Inside Sewer													
Useage	82,099	71,789	53,846	68,610	73,400	69,082	77,328	71,229	72,561	71,191	73,569	76,205	860,908
Dollars	593,769.71	547,593.00	556,071.45	538,992.61	557,906.50	532,246.83	574,276.02	546,913.59	550,071.44	549,528.04	556,474.30	567,441.85	6,671,285.34
Outside Sewer													
Useage	3,294	3,240	4,574	4,503	4,001	3,914	4,656	4,290	4,339	3,875	3,781	3,682	48,149
Dollars	49,969.93	49,533.19	60,465.20	59,642.87	55,712.89	54,750.36	60,732.92	57,749.24	58,372.02	54,825.27	53,865.61	53,095.14	668,714.66
Totals													
Useage	85,393	75,029	58,420	73,113	77,401	72,996	81,983	75,519	76,900	75,066	77,350	79,887	909,057
Dollars	643,739.64	597,126.19	616,536.65	598,635.48	613,619.39	586,997.20	635,008.93	604,662.83	608,443.46	604,353.32	610,339.91	620,536.99	7,340,000.00
FY 2026 Actual													
Inside Sewer													
Useage	82,171	103,425	93,355	96,127	96,948	99,362	97,353	106,786	93,665	-	-	-	869,192
Dollars	619,030	674,791	649,087	646,556	650,096	650,416	651,805	676,034	633,287	-	-	-	5,851,101.03
Outside Sewer													
Useage	3,090	3,095	4,719	4,546	2,595	3,880	3,368	3,208	3,461	-	-	-	31,962
Dollars	49,742	49,740	62,677	61,551	62,120	56,328	52,077	51,303	53,281	-	-	-	498,820.34
Totals													
Useage	85,261	106,520	98,074	100,673	99,543	103,242	100,721	109,994	97,126	-	-	-	901,154
Dollars	668,772.04	724,530.47	711,764.58	708,107.23	712,216.25	706,743.36	703,882.24	727,336.75	686,568.45	-	-	-	6,349,921.37
Variance													
Inside Sewer													
Useage	72	31,636	39,509	27,517	23,548	30,280	20,025	35,557	21,104	(71,191)	(73,569)	(76,205)	8,284.00
Dollars	25,259.84	127,197.97	93,015.77	107,563.13	92,189.49	118,168.67	77,528.92	129,120.20	83,215.89	(549,528.04)	(556,474.30)	(567,441.85)	(820,184.31)
Outside Sewer													
Useage	(204)	(145)	145	43	(1,406)	(34)	(1,288)	(1,082)	(878)	(3,875)	(3,781)	(3,682)	(16,187.33)
Dollars	(227.44)	206.31	2,212.16	1,908.62	6,407.37	1,577.50	(8,655.62)	(6,446.28)	(5,090.90)	(54,825.27)	(53,865.61)	(53,095.14)	(169,894.32)
Totals													
Useage	(132)	31,491	39,654	27,560	22,142	30,246	18,738	34,475	20,226	(75,066)	(77,350)	(79,887)	(7,903.33)
Dollars	25,032.40	127,404.28	95,227.93	109,471.75	98,596.86	119,746.16	68,873.31	122,673.92	78,124.99	(604,353.32)	(610,339.91)	(620,536.99)	(990,078.63)


Sewer Sales in Dollars - Budget to Actual FY 2025-2026
FY 2026
FY 2025
FY 2024
Budget
800,000.00
750,000.00
700,000.00
650,000.00
600,000.00
550,000.00
500,000.00
450,000.00
400,000.00
350,000.00
300,000.00
250,000.00
200,000.00
150,000.00
100,000.00
50,000.00
-
July
August
September
October
November
December
January
February
March
April
May
June

DEBT SERVICE - SEWER FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenue Bonds						
Series 2021 Refunding Revenue Bonds						
Principal	277,664.01	279,862.62	283,510.18	96,815.67		
Interest	12,157.65	8,263.12	4,332.28	1,017.03		
Debt Retired in 2031	289,821.66	288,125.74	287,842.46	97,832.70	-	
NC DENR-DWI SRF Loan-Mall Lift Station - 0%	36,300.10	36,300.10	36,300.10	36,300.10	36,300.10	36,300.10
0% Debt Retired in 2034						
NC DENR-DWI SRF Loan-Outfall Project - 0%	156,521.90	156,521.90	156,521.90	156,521.90	156,521.90	156,521.90
0% Debt Retired in 2035						
NC DENR-DWI SRF Loan-WWTP Upgrades - 0%	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90	469,832.90
0% Debt Retired in 2036						
NC DENR-DWI SRF Loan-Biosolids - 0%	967,046.85	967,046.85	967,046.85	967,046.85	967,046.85	967,046.85
0% Debt Retired in 2041						
Project Grizzly - Interlocal - 3.25%						
Principal	407,155.35	407,155.35	407,155.35	407,155.35	407,155.35	407,155.35
3.25% Interest	86,452.62	74,102.25	61,751.87	49,401.50	37,051.12	24,700.75
Debt Retired in 2032	493,607.97	481,257.59	468,907.22	456,556.84	444,206.47	431,856.10

DEBT SERVICE - SEWER FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Installment Purchase Contracts						
2010 - Loan from Natural Gas Fund	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
0% **Debt Retired in 2033**						
2019 Uptown Infrastructure - Loan from Electric	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00	72,750.00
0% **Debt Retired in 2038**						
FY 21 Installment Purchase	6,172.52		-	-		
Debt Retired in 2026						
FY 22 Installment Purchase	50,913.19	50,913.19		-		
Debt Retired in 2027						
FY 23 Installment Purchase	91,762.10	62,697.37	31,085.68			
Debt Retired in 2028						
FY 24 Installment Purchase	35,939.56	35,939.56	35,939.56	35,939.56		
Debt Retired in 2029						
FY 25 Installment Purchase	31,305.25	31305.25	31305.25	31305.25	31,305.25	
Debt Retired in 2030						
Total Installment Debt	216,092.62	180,855.37	98,330.49	67,244.81	31,305.25	
Total Debt Service - Sewer Fund	2,801,974.00	2,752,690.45	2,657,531.92	2,424,086.10	2,277,963.47	2,234,307.85


Sewer Fund Debt Service - this year and next 5 years
3,000,000.00
2,500,000.00
2,000,000.00
1,500,000.00
1,000,000.00
500,000.00
-
FY 2025-26
FY 2026-27
FY 2027-28
FY 2028-29
FY 2029-30
FY 2030-31
Series 2021 Refunding Revenue Bonds
2019 Uptown Infrastructure - Loan from Electric Fund
2010 - Loan from Natural Gas Fund
Project Grizzly - Interlocal - 3.25%
NC DENR-DWI SRF Loan-Biosolids - 0%
NC DENR-DWI SRF Loan-WWTP Upgrades - 0%
NC DENR-DWI SRF Loan-Outfall Project - 0%
NC DENR-DWI SRF Loan-Mall Lift Station - 0%
Installment Purchase Contracts

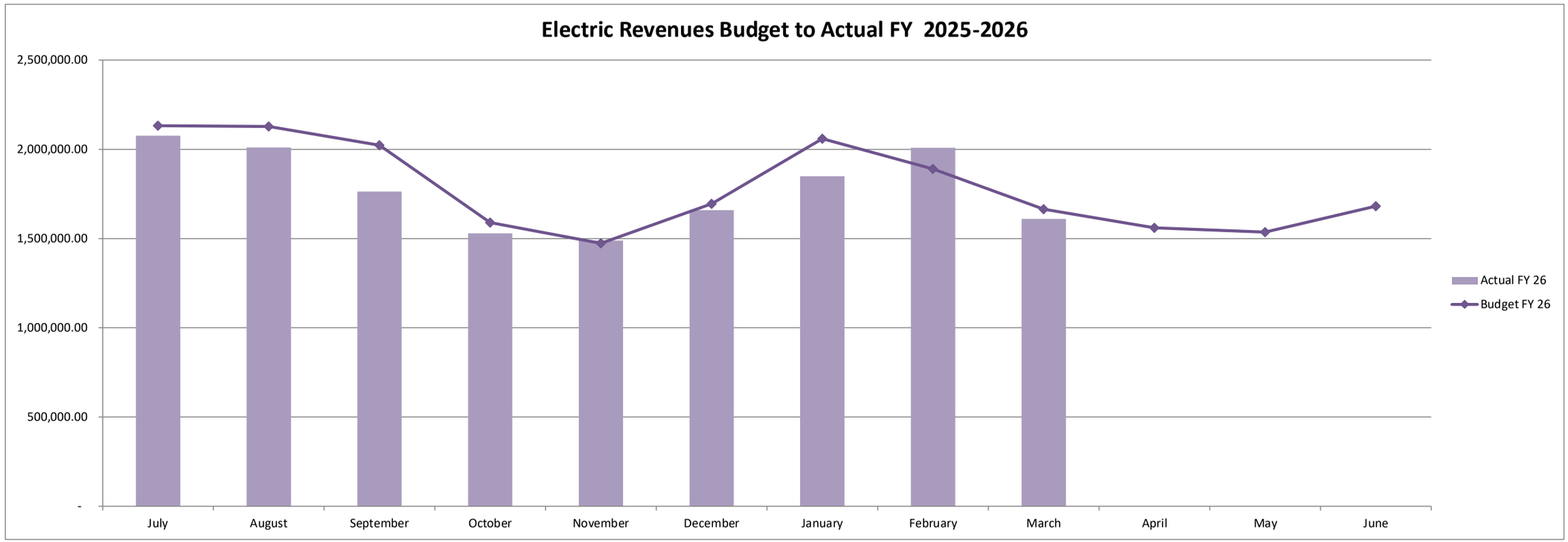
City of Shelby
Electric Revenues Budget to Actual
FY 2026

Revenues

Budget FY 26	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
Residential	929,775.32	904,104.45	831,468.92	607,247.94	593,682.42	796,180.40	1,074,100.34	946,660.49	766,939.59	663,977.52	619,719.19	709,383.19	9,443,239.76
Commercial/Industrial	1,202,496.07	1,224,338.65	1,191,680.20	981,999.59	879,653.88	898,713.49	985,721.14	942,978.04	897,543.71	895,825.50	916,421.65	971,888.32	11,989,260.24
Totals	2,132,271.39	2,128,443.10	2,023,149.12	1,589,247.53	1,473,336.30	1,694,893.89	2,059,821.48	1,889,638.54	1,664,483.29	1,559,803.02	1,536,140.84	1,681,271.51	21,432,500.00

Actual FY 26	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
Residential	938,511.73	881,852.33	718,936.64	615,678.07	639,193.54	816,753.83	964,247.20	1,064,969.48	761,416.51				7,401,559.33
Commercial/Industrial	1,137,778.91	1,128,979.32	1,044,428.15	913,046.25	849,393.34	842,736.85	884,676.36	943,457.73	848,583.77				8,593,080.68
Totals	2,076,290.64	2,010,831.65	1,763,364.79	1,528,724.32	1,488,586.88	1,659,490.68	1,848,923.56	2,008,427.21	1,610,000.28	-	-	-	15,994,640.01

Revenue Variance	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
Residential	8,736.41	(22,252.12)	(112,532.28)	8,430.13	45,511.12	20,573.43	(109,853.14)	118,308.99	(5,523.08)	(663,977.52)	(619,719.19)	(709,383.19)	(2,041,680.43)
Commercial/Industrial	(64,717.16)	(95,359.33)	(147,252.05)	(68,953.34)	(30,260.54)	(55,976.64)	(101,044.78)	479.69	(48,959.94)	(895,825.50)	(916,421.65)	(971,888.32)	(3,396,179.56)
	(55,980.75)	(117,611.45)	(259,784.33)	(60,523.21)	15,250.58	(35,403.21)	(210,897.92)	118,788.67	(54,483.01)	(1,559,803.02)	(1,536,140.84)	(1,681,271.51)	(5,437,859.99)

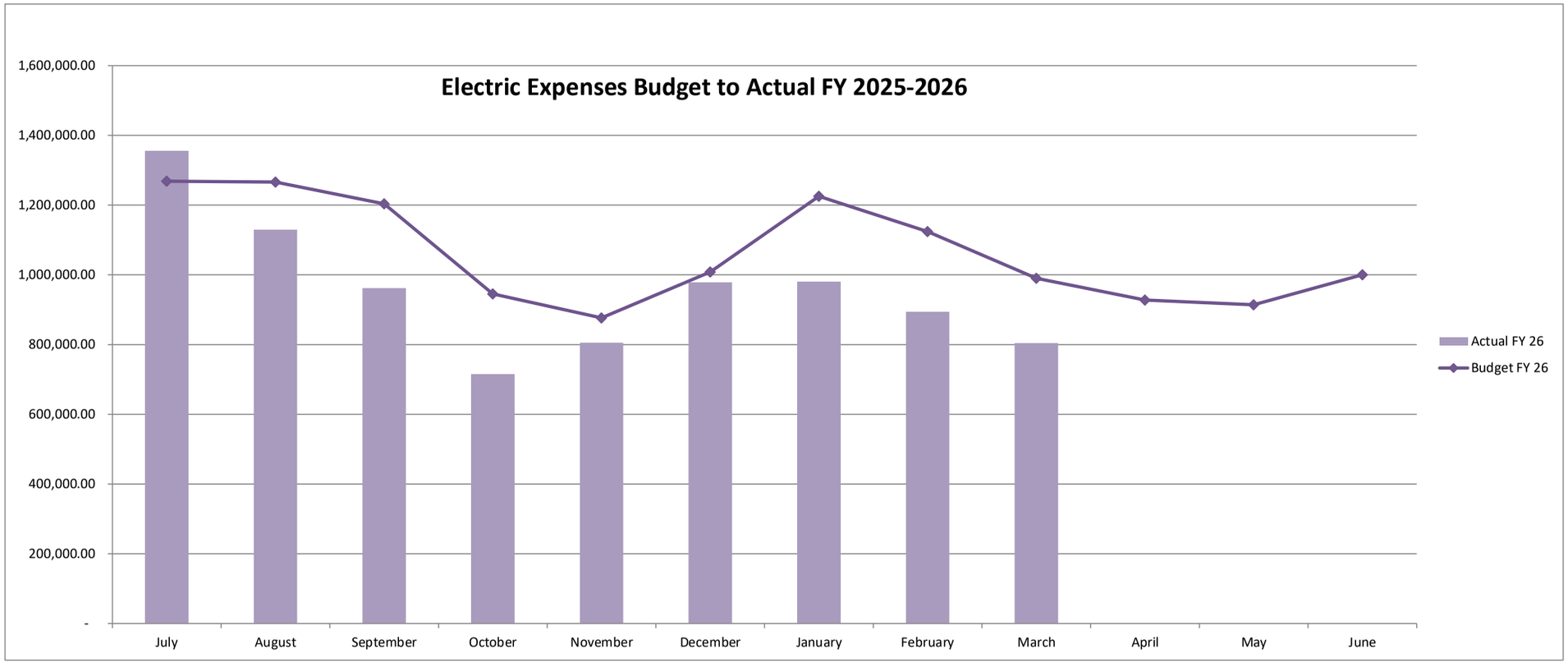

Electric Revenues Budget to Actual FY 2025-2026
2,500,000.00
2,000,000.00
1,500,000.00
1,000,000.00
500,000.00
-
July
August
September
October
November
December
January
February
March
April
May
June
Actual FY 26
Budget FY 26

Expenses

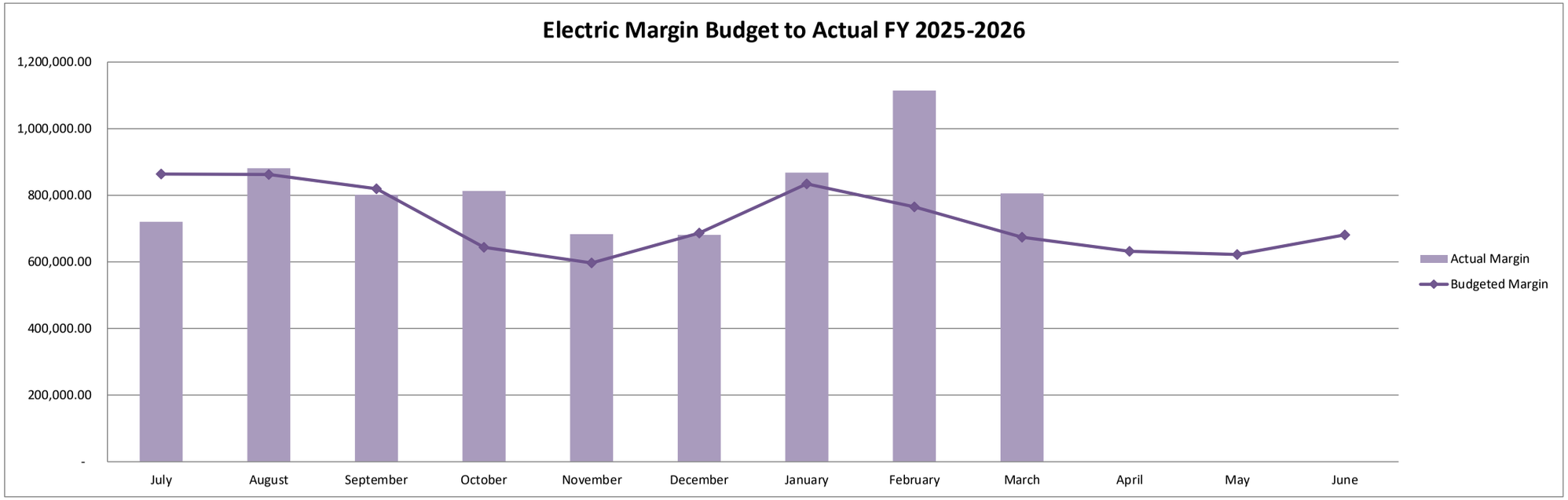
Budget FY 26	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
NCMPA1	1,225,689.19	1,223,488.58	1,162,962.66	913,543.90	846,914.88	974,272.38	1,184,042.95	1,086,217.04	956,791.52	896,618.37	883,016.69	966,441.85	12,320,000.00
													-
SEPA	42,779.74	42,702.93	40,590.42	31,885.05	29,559.53	34,004.64	41,326.17	37,911.80	33,394.51	31,294.31	30,819.58	33,731.33	430,000.00
Totals	1,268,468.93	1,266,191.51	1,203,553.08	945,428.95	876,474.41	1,008,277.01	1,225,369.13	1,124,128.84	990,186.03	927,912.68	913,836.26	1,000,173.18	12,750,000.00

Actual FY 26	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
NCMPA1	1,314,633.32	1,091,365.05	925,299.84	677,282.08	766,500.34	935,157.85	941,498.48	851,726.63	771,006.32				8,274,469.91
wholesale power 1st d	$20.93/kW	$20.93/kW	$20.93/kW	$20.93/kW	$20.93/kW	$20.93/kW	$20.93/kW	$20.93/kW	$20.93/kW				
energy charges 1st blo	$.0359/kWh	$.0359/kWh	$.0359/kWh	$.0339/kWh	.0339/kWh	.0339/kWh	.0339/kWh	.0339/kWh	.0339/kWh				
SEPA	41,277.22	38,284.26	36,696.47	38,117.99	38,743.54	43,314.80	39,275.63	42,459.78	33,330.32				351,500.01
capacity rate	4.16/kW	4.16/kW	4.16/kW	4.16/kW	4.16/kW	4.16/kW	4.16/kW	4.16/kW	4.16/kW				
avg energy cost	.089/kWh	.088/kWh	.088/kWh	.098/kWh	.119/kWh	.099/kWh	.103/kWh	.123/kWh	.120/kWh				
Totals	1,355,910.54	1,129,649.31	961,996.31	715,400.07	805,243.88	978,472.65	980,774.11	894,186.41	804,336.64	-	-	-	8,625,969.92

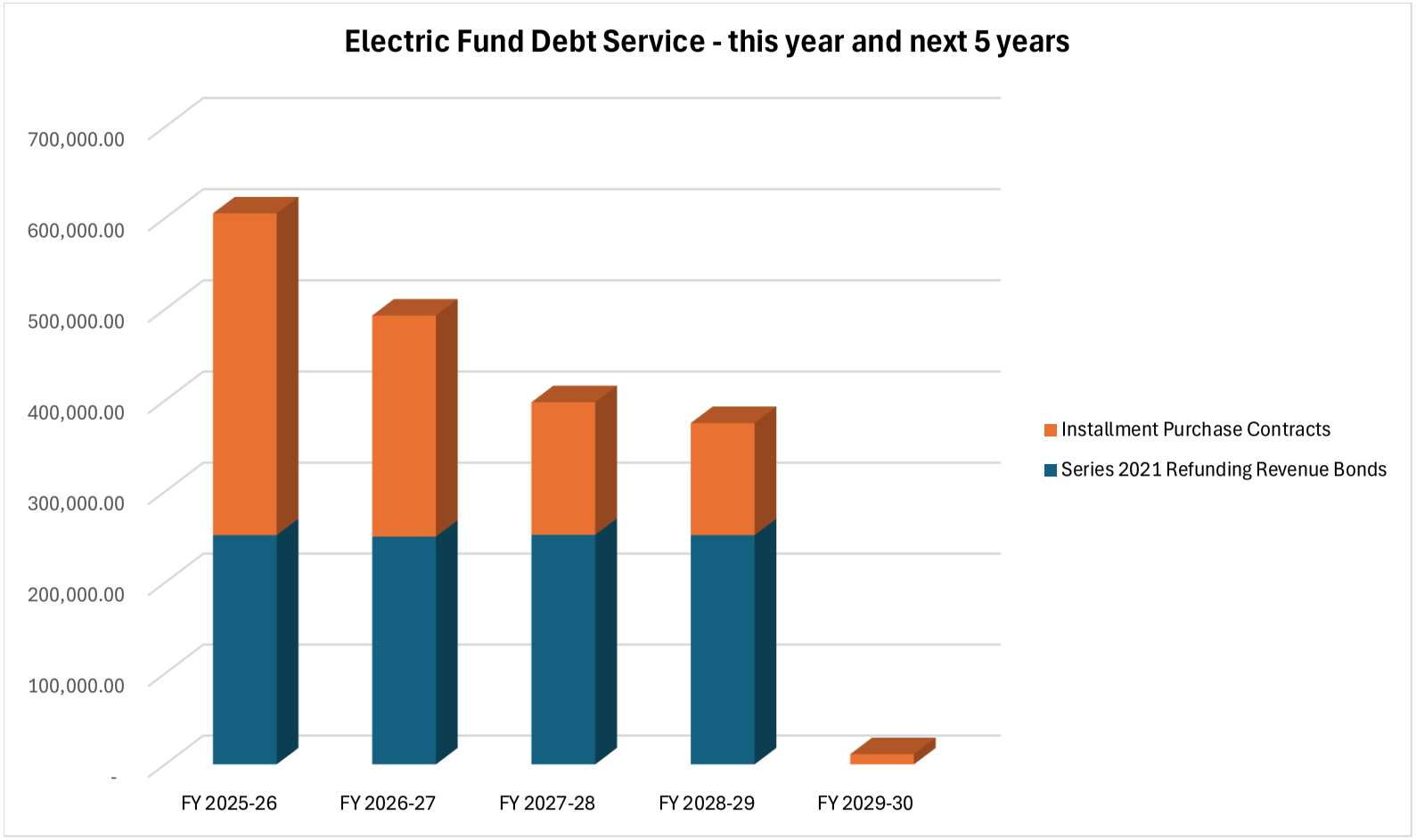
Expense Variance	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
NCMPA1	(88,944.13)	132,123.53	237,662.82	236,261.82	80,414.54	39,114.53	242,544.47	234,490.41	185,785.20	896,618.37	883,016.69	966,441.85	4,045,530.09
SEPA	1,502.52	4,418.67	3,893.95	(6,232.94)	(9,184.01)	(9,310.16)	2,050.54	(4,547.98)	64.19	31,294.31	30,819.58	33,731.33	78,499.99
Totals	(87,441.61)	136,542.20	241,556.77	230,028.88	71,230.53	29,804.36	244,595.02	229,942.43	185,849.39	927,912.68	913,836.26	1,000,173.18	4,124,030.08


Electric Expenses Budget to Actual FY 2025-2026
1,600,000.00
1,400,000.00
1,200,000.00
1,000,000.00
800,000.00
600,000.00
400,000.00
200,000.00
-
July
August
September
October
November
December
January
February
March
April
May
June
Actual FY 26
Budget FY 26

Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	2,132,271.39	2,128,443.10	2,023,149.12	1,589,247.53	1,473,336.30	1,694,893.89	2,059,821.48	1,889,638.54	1,664,483.29	1,559,803.02	1,536,140.84	1,681,271.51	21,432,500.00
Budgeted Expenses	(1,268,468.93)	(1,266,191.51)	(1,203,553.08)	(945,428.95)	(876,474.41)	(1,008,277.01)	(1,225,369.13)	(1,124,128.84)	(990,186.03)	(927,912.68)	(913,836.26)	(1,000,173.18)	(12,750,000.00)
Budgeted Margin	863,802.47	862,251.59	819,596.05	643,818.58	596,861.89	686,616.88	834,452.35	765,509.70	674,297.27	631,890.34	622,304.58	681,098.33	8,682,500.00
Actual Revenues	2,076,290.64	2,010,831.65	1,763,364.79	1,528,724.32	1,488,586.88	1,659,490.68	1,848,923.56	2,008,427.21	1,610,000.28	-	-	-	15,994,640.01
Actual Expenses	(1,355,910.54)	(1,129,649.31)	(961,996.31)	(715,400.07)	(805,243.88)	(978,472.65)	(980,774.11)	(894,186.41)	(804,336.64)	-	-	-	(8,625,969.92)
Actual Margin	720,380.10	881,182.34	801,368.48	813,324.25	683,343.00	681,018.03	868,149.45	1,114,240.80	805,663.64	-	-	-	7,368,670.09
Margin Variance	(143,422.37)	18,930.75	(18,227.57)	169,505.67	86,481.11	(5,598.85)	33,697.10	348,731.10	131,366.37	(631,890.34)	(622,304.58)	(681,098.33)	(1,313,829.91)



DEBT SERVICE - ELECTRIC FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenue Bonds						
Series 2021 Refunding Revenue Bonds						
Principal	239,138.82	240,834.84	246,262.10	249,314.94	-	-
Interest	12,819.53	9,466.84	6,076.16	2,618.99	-	-
Debt Retired in 2031	251,958.35	250,301.68	252,338.26	251,933.93	-	-
Installment Purchase Contracts						
FY 21 Installment Purchase						
Debt Retired in 2026	89,337.65					
FY 22 Installment Purchase						
Debt Retired in 2027	74,290.23	74,290.23				
FY 23 Installment Purchase						
Debt Retired in 2028	66,232.10	45,253.74	22,437.05			
FY 24 Installment Purchase						
Debt Retired in 2029	112,072.59	112,072.59	112,072.59	112,072.59		
FY 25 Installment Purchase						
Debt Retired in 2030	11,180.45	11,180.44	11,180.44	11,180.45	11,180.45	
Total Installment Debt	353,113.02	242,797.00	145,690.08	123,253.04	11,180.45	
Total Debt Service - Electric Fund	605,071.37	493,098.68	398,028.34	375,186.97	11,180.45	-


Electric Fund Debt Service - this year and next 5 years
700,000.00
600,000.00
500,000.00
400,000.00
300,000.00
200,000.00
100,000.00
-
FY 2025-26
FY 2026-27
FY 2027-28
FY 2028-29
FY 2029-30
Installment Purchase Contracts
Series 2021 Refunding Revenue Bonds

City of Shelby
Gas Revenues Budget to Actual
FY 2026

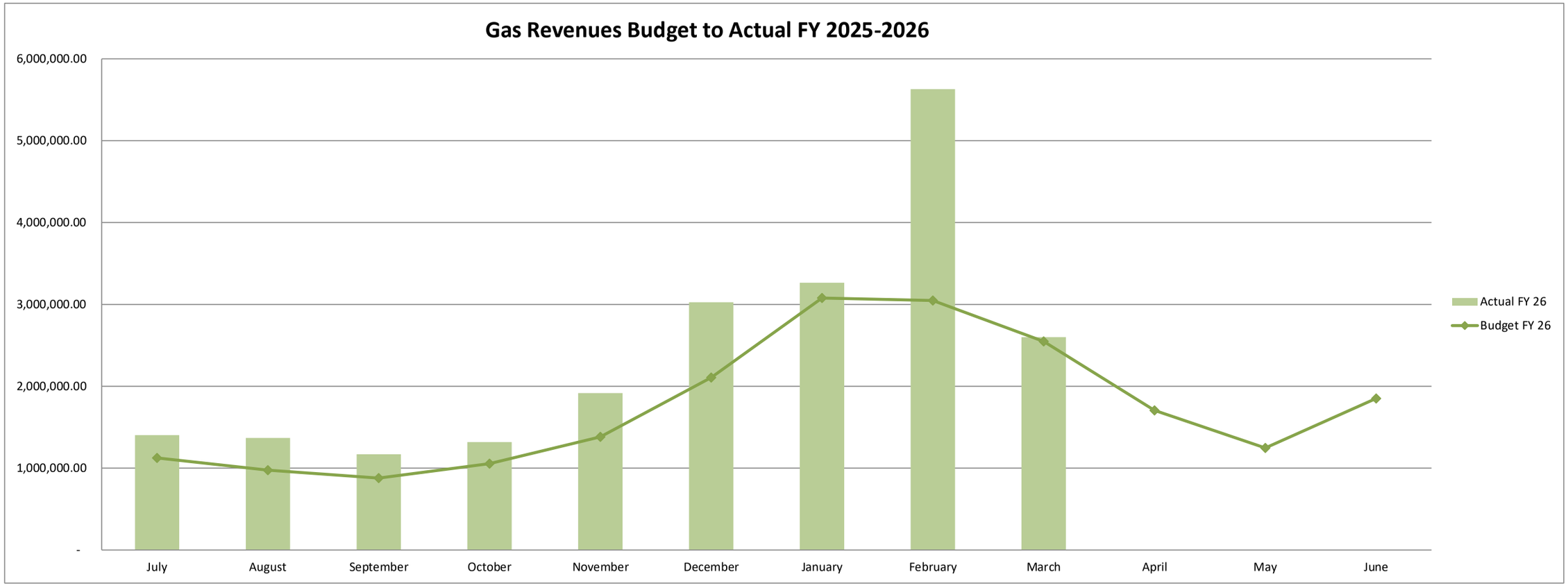
Revenues

Budget FY 26	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
Residential	122,297.76	115,215.27	123,501.93	143,519.89	220,165.62	581,262.07	949,372.32	958,941.34	640,985.22	293,120.29	178,880.71	765,344.73	5,092,607.15
Commercial	149,923.99	137,540.73	136,105.65	147,502.66	235,366.51	551,602.18	869,135.20	887,667.37	617,178.90	307,345.83	223,423.82	177,853.32	4,440,646.16
High Load Factor	15,097.10	14,097.37	12,830.74	13,985.82	15,257.65	25,917.21	26,807.18	26,603.01	23,652.84	20,564.95	22,072.26	24,027.88	240,914.02
Interruptibles	67,938.68	53,473.91	56,068.00	54,973.69	63,752.80	76,625.29	93,949.87	102,927.25	80,083.55	84,382.58	71,209.79	64,239.03	869,624.42
Special Ind Class	768,893.29	656,012.46	550,115.56	694,380.86	847,719.33	871,565.33	1,138,930.03	1,071,679.32	1,185,392.27	1,000,688.50	751,095.71	819,735.59	10,356,208.25
Totals	1,124,150.82	976,339.74	878,621.88	1,054,362.91	1,382,261.91	2,106,972.09	3,078,194.60	3,047,818.29	2,547,292.77	1,706,102.15	1,246,682.29	1,851,200.55	21,000,000.00

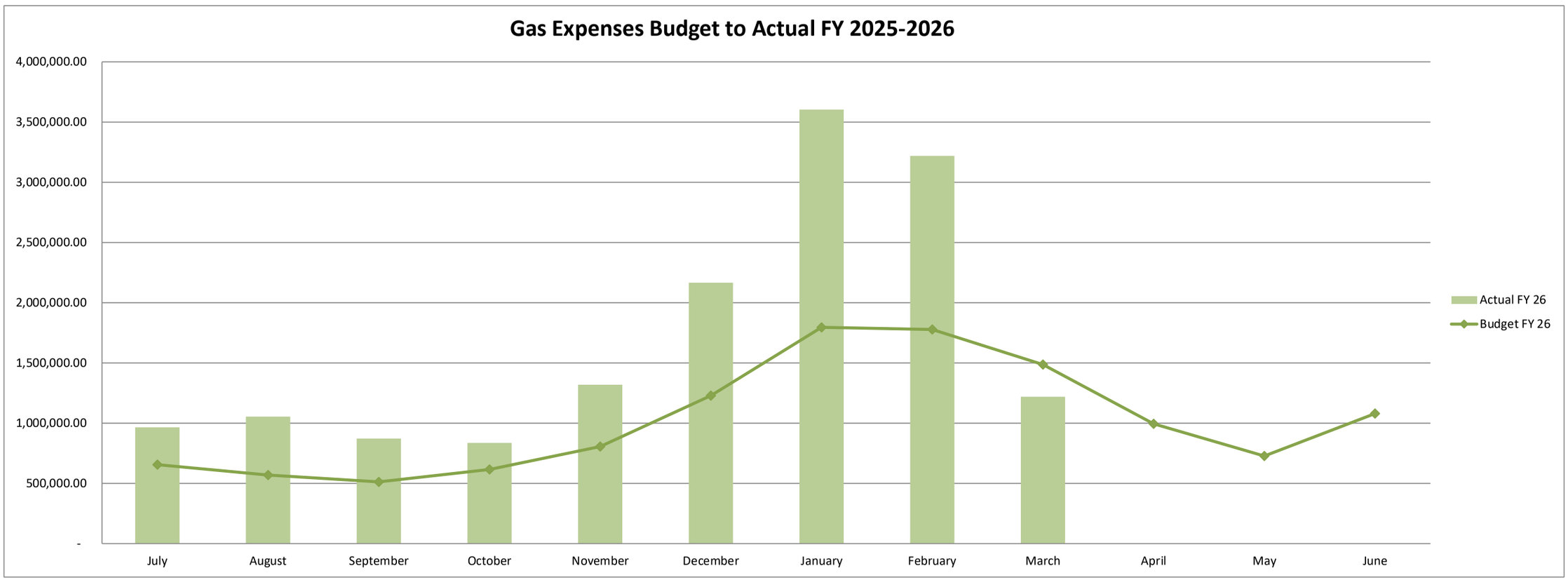
Actual FY 26	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
Residential	131,437.24	124,966.17	130,991.23	142,556.99	340,347.94	676,324.24	897,660.49	1,316,134.47	711,382.96				4,471,801.73
Commercial	169,815.71	161,489.32	174,920.40	179,802.22	331,031.71	667,492.09	814,298.25	1,284,187.61	725,382.96				4,508,420.27
High Load Factor	21,999.76	20,590.44	19,805.67	18,962.38	21,118.92	24,926.08	28,140.57	41,993.08	27,323.71				224,860.61
Interruptibles	77,938.24	76,366.82	76,924.77	65,679.11	84,699.61	92,011.86	118,958.15	136,183.76	113,173.95				841,936.27
Special Ind Class	1,002,382.54	986,028.72	767,103.24	910,706.89	1,138,683.14	1,565,489.39	1,405,798.47	2,850,962.66	1,022,371.31				11,649,526.36
Year End GL to Sales Report Reconciliation							corr for Oct NEG						
Totals	1,403,573.49	1,369,441.47	1,169,745.31	1,317,707.59	1,915,881.32	3,026,243.66	3,264,855.93	5,629,461.58	2,599,634.89	-	-	-	21,696,545.24

Revenue Variance	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Totals**
Residential	9,139.48	9,750.90	7,489.30	(962.90)	120,182.32	95,062.17	(51,711.83)	357,193.13	70,397.74	(293,120.29)	(178,880.71)	(765,344.73)	(620,805.42)
Commercial	19,891.72	23,948.59	38,814.75	32,299.56	95,665.20	115,889.91	(54,836.95)	396,520.24	108,204.06	(307,345.83)	(223,423.82)	(177,853.32)	67,774.11
High Load Factor	6,902.66	6,493.07	6,974.93	4,976.56	5,861.27	(991.13)	1,333.39	15,390.07	3,670.87	(20,564.95)	(22,072.26)	(24,027.88)	(16,053.41)

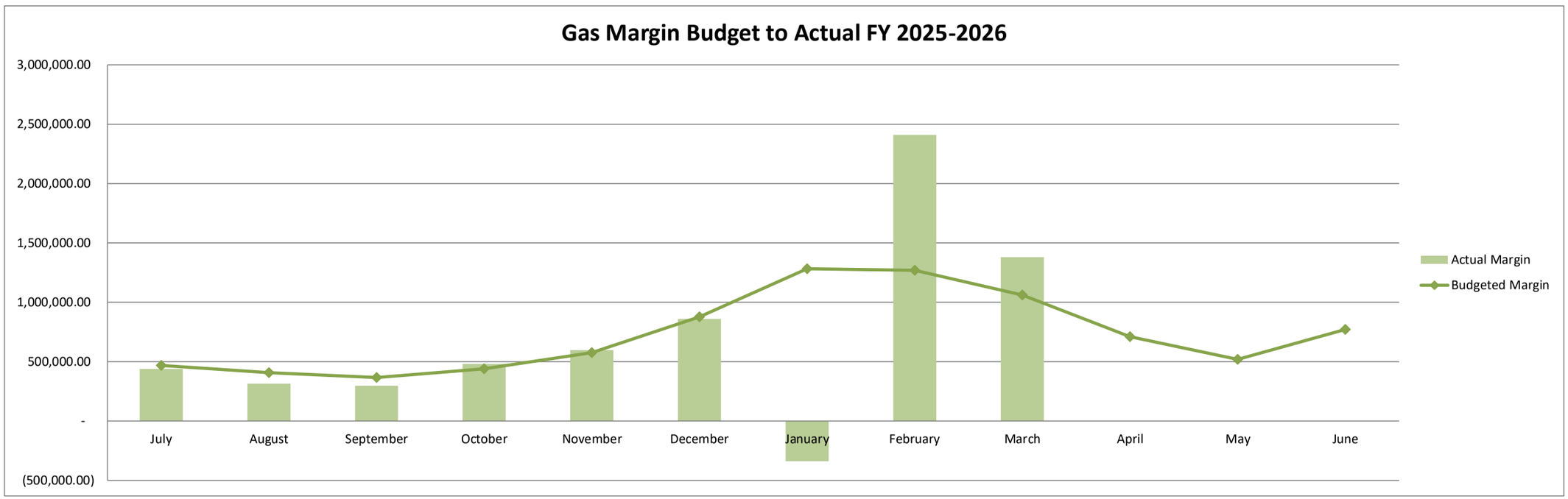
Interruptibles	9,999.56	22,892.91	20,856.77	10,705.42	20,946.81	15,386.57	25,008.28	33,256.51	33,090.40	(84,382.58)	(71,209.79)	(64,239.03)	(27,688.15)
Special Ind Class	233,489.25	330,016.26	216,987.68	216,326.03	290,963.81	693,924.06	266,868.44	1,779,283.34	(163,020.96)	(1,000,688.50)	(751,095.71)	(819,735.59)	1,293,318.11
Totals	279,422.67	393,101.73	291,123.43	263,344.68	533,619.41	919,271.57	186,661.33	2,581,643.29	52,342.12	(1,706,102.15)	(1,246,682.29)	(1,851,200.55)	696,545.24



Cost of Gas Expenses	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budget FY 26	655,754.65	569,531.52	512,529.43	615,045.03	806,319.45	1,229,067.05	1,795,613.52	1,777,894.00	1,485,920.78	995,226.25	727,231.34	1,079,866.99	12,250,000.00
Actual FY 26	965,660.84	1,055,051.01	872,134.32	837,007.00	1,319,216.40	2,165,975.57	3,603,850.03	3,218,613.75	1,219,865.08				15,257,374.00
Cycle 1 WAGOG	3.8807	3.6944	3.3230	3.1717	3.9727	5.7893	5.9283	9.8504	3.7916				
Cycle 2 WACOG	3.7876	3.5087	3.2474	3.5722	4.8810	5.8588	7.8894	6.8210	3.5082				
Cycle 3 WAGOG	3.6944	3.3230	3.1717	3.9727	5.7893	5.9283	9.8504	3.7916	3.2248				
Expense Variance	(309,906.19)	(485,519.49)	(359,604.89)	(221,961.97)	(512,896.95)	(936,908.52)	(1,808,236.51)	(1,440,719.75)	266,055.70	995,226.25	727,231.34	1,079,866.99	(3,007,374.00)

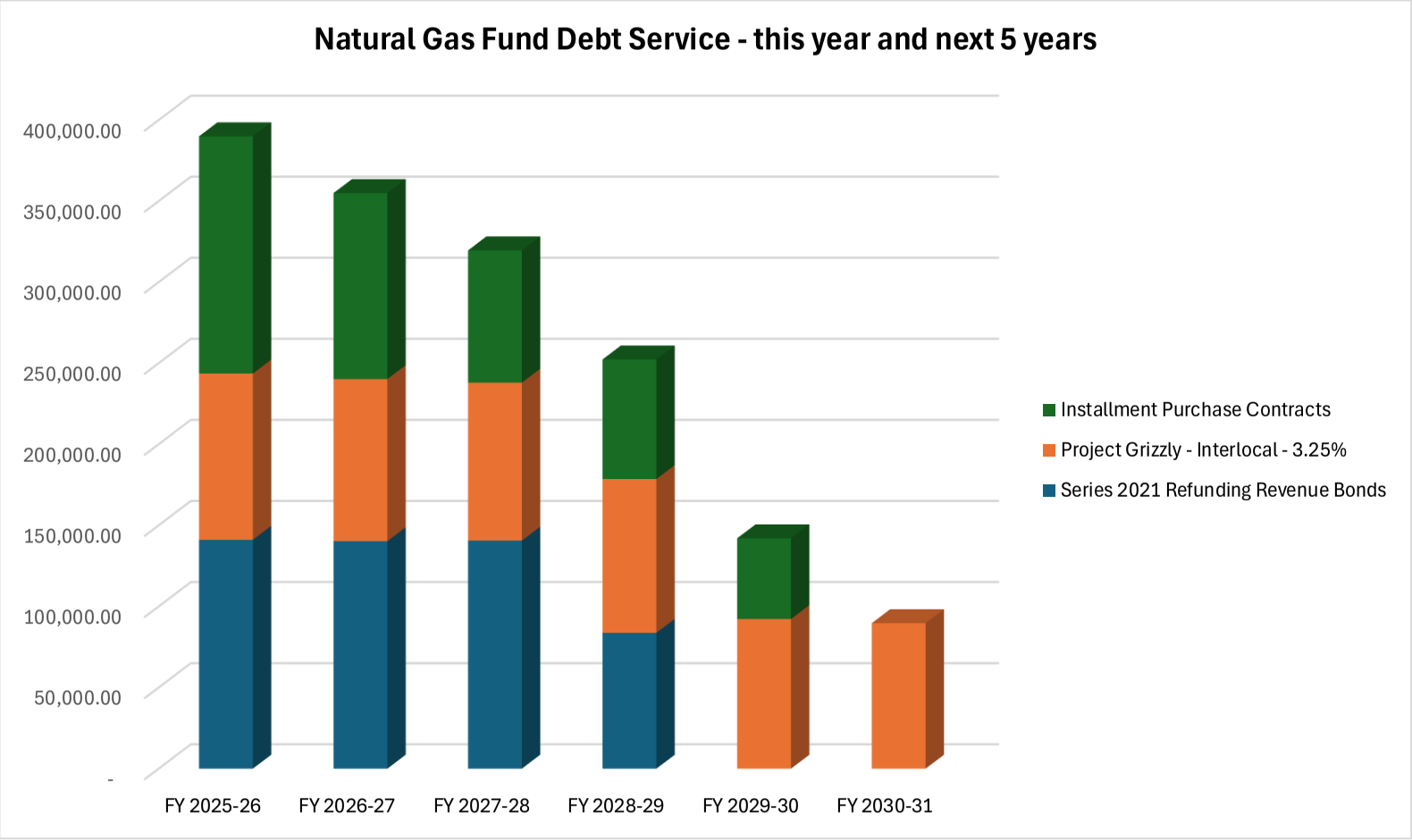


Margin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
Budgeted Revenues	1,124,150.82	976,339.74	878,621.88	1,054,362.91	1,382,261.91	2,106,972.09	3,078,194.60	3,047,818.29	2,547,292.77	1,706,102.15	1,246,682.29	1,851,200.55	21,000,000.00
Budgeted Expenses	655,754.65	569,531.52	512,529.43	615,045.03	806,319.45	1,229,067.05	1,795,613.52	1,777,894.00	1,485,920.78	995,226.25	727,231.34	1,079,866.99	12,250,000.00
Budgeted Margin	468,396.18	406,808.23	366,092.45	439,317.88	575,942.46	877,905.04	1,282,581.08	1,269,924.29	1,061,371.99	710,875.90	519,450.95	771,333.56	8,750,000.00
Actual Revenues	1,403,573.49	1,369,441.47	1,169,745.31	1,317,707.59	1,915,881.32	3,026,243.66	3,264,855.93	5,629,461.58	2,599,634.89	-	-	-	21,696,545.24
Actual Expenses	965,660.84	1,055,051.01	872,134.32	837,007.00	1,319,216.40	2,165,975.57	3,603,850.03	3,218,613.75	1,219,865.08	-	-	-	15,257,374.00
Actual Margin	437,912.65	314,390.46	297,610.99	480,700.59	596,664.92	860,268.09	(338,994.10)	2,410,847.83	1,379,769.81	-	-	-	6,439,171.24
Margin Variance	(30,483.53)	(92,417.77)	(68,481.46)	41,382.71	20,722.46	(17,636.95)	(1,621,575.18)	1,140,923.54	318,397.82	(710,875.90)	(519,450.95)	(771,333.56)	(2,310,828.76)

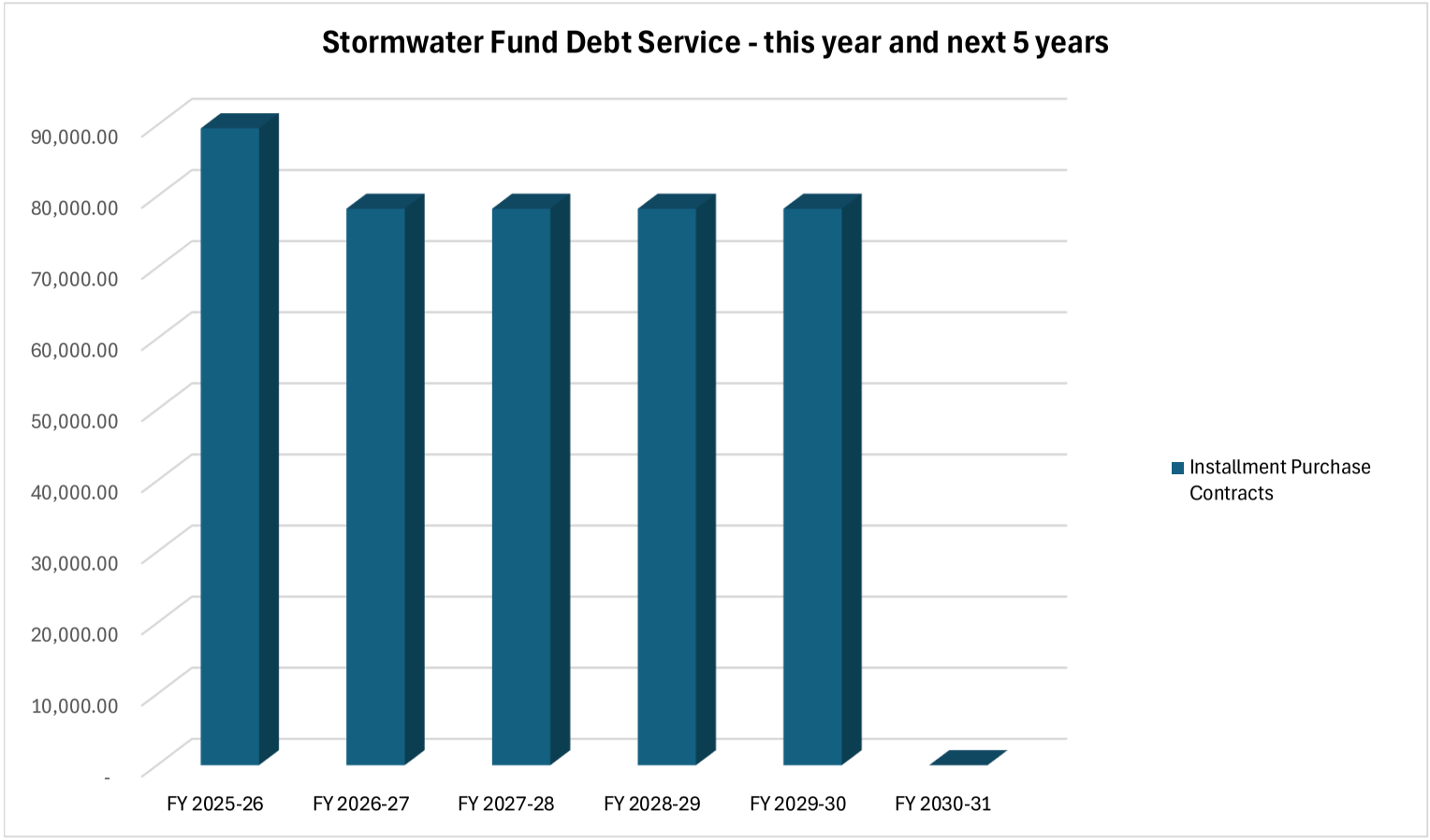


DEBT SERVICE - GAS FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenue Bonds						
Series 2021 Refunding Revenue Bonds						
Principal	134,680.29	135,703.98	137,967.78	82,862.43		
Interest	6,405.23	4,516.52	2,608.73	870.45		
Debt Retired in 2031	141,085.52	140,220.50	140,576.51	83,732.88	-	
Project Grizzly - Interlocal - 3.25%						
Principal	84,560.60	84,560.60	84,560.60	84,560.60	84,560.60	84,560.60
3.25% Interest	17,955.03	15,390.02	12,825.02	10,260.02	7,695.01	5,130.01
Debt Retired in 2032	102,515.63	99,950.62	97,385.62	94,820.62	92,255.61	89,690.61
Installment Purchase Contracts						
FY 21 Installment Purchase						
Debt Retired in 2026	24,225.77					
FY 22 Installment Purchase						
Debt Retired in 2027	25,145.86	25,145.86				
FY 23 Installment Purchase						
Debt Retired in 2028	23,244.45	15,882.00	7,874.38			
FY 24 Inallment Purchase						
Debt Retired in 2029	24,012.71	24,012.71	24,012.71	24,012.71		
FY 25 Inallment Purchase						
Debt Retired in 2030	49,752.98	49,752.98	49,752.98	49,752.98	49,753.00	

DEBT SERVICE - GAS FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Total Installment Purchase Contracts	146,381.77	114,793.55	81,640.07	73,765.69	49,753.00	
Total Debt Service - Gas Fund	389,982.92	354,964.68	319,602.20	252,319.19	142,008.61	89,690.61



DEBT SERVICE - STORMWATER FUND	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Installment Purchase Contracts						
FY 21 Installment Purchase Debt Retired in 2026	11,304.84					
FY25 Installment Purchase Debt Retired in 2030	78,263.13	78,263.13	78,263.13	78,263.13	78,263.13	
Total Debt Service - Stormwater Fund	89,567.97	78,263.13	78,263.13	78,263.13	78,263.13	-



City of Shelby
YTD Budget Report
For 3/31/2026 (75% of Fiscal Year)

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMB	AVAIL BUDGET	% USED
Total 610711 WATER ADMINSTRATION	3,597,120	4,381,436	2,357,647.69	62,184.54	1,961,604	55.20 %
Total 610713 WATER LINES OPERATIONS	1,821,948	1,718,940	1,153,362.83	380,234.09	185,343	89.20 %
Total 610714 WATER PLANT OPERATIONS	2,423,205	2,497,066	1,911,039.21	261,806.73	324,220	87.00 %
Total 610 WATER FUND	7,842,273	8,597,443	5,422,049.73	704,225.36	2,471,168	71.30 %

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMB	AVAIL BUDGET	% USED
Total 620721 SEWER ADMINISTRATION	3,689,678	3,719,253	1,231,735.79	45,973.25	2,441,544	34.40 %
Total 620723 SEWER LINES OPERATIONS	1,672,723	2,012,472	1,429,880.53	6,084.39	576,507	71.40 %
Total 620724 SEWER PLANT OPERATIONS	2,989,774	3,124,388	2,170,651.13	213,421.63	740,316	76.30 %
Total 620 SEWER FUND	8,352,175	8,856,113	4,832,267.45	265,479.27	3,758,367	57.60 %

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMB	AVAIL BUDGET	% USED
Total 630731 ELECTRIC ADMINISTRATIO	3,949,026	5,272,896	3,985,252.31	25,865.57	1,261,778	76.10 %
Total 630732 ELECTRIC PURCHASE	14,070,000	14,070,000	9,598,856.42	0.00	4,471,144	68.20 %
Total 630733 ELECTRIC LINES	4,197,084	6,356,954	3,619,500.88	1,675,897.43	1,061,555	83.30 %
Total 630734 ECONOMIC DEVELOPMENT	219,200	219,200	119,341.36	383.36	99,475	54.60 %
Total 630 ELECTRIC FUND	22,435,310	25,919,050	17,322,950.97	1,702,146.36	6,893,953	73.40 %

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMB	AVAIL BUDGET	% USED
Total 640741 NATURAL GAS ADMINISTRA	5,091,964	7,385,876	5,923,900.24	20,817.16	1,441,159	80.50 %
Total 640742 NATUTRAL GAS PURCHASE	13,200,000	13,200,000	14,740,834.78	0.00	-1,540,835	111.70 %
Total 640743 NATURAL GAS LINES	3,582,239	4,190,838	2,659,967.21	372,170.25	1,158,700	72.40 %
Total 640 NATURAL GAS FUND	21,874,203	24,776,714	23,324,702.23	392,987.41	1,059,024	95.70 %

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMB	AVAIL BUDGET	% USED
Total 650751 STORMWATER ADMINISTRAT	1,833,457	2,161,704	1,278,574.42	218,924.59	664,205	69.30 %
Total 650 STORMWATER FUND	1,833,457	2,161,704	1,278,574.42	218,924.59	664,205	69.30 %

City of Shelby
Weather Variances
Fiscal Year to Date at March 31, 2026

Month	Average Rain*	Actual Rain	Variance	Average CDD**	Actual CDD	Variance	Average HDD**	Actual HDD	Variance
July	4.47	4.30	(0.17)	436	594	158	0	0	0
August	4.27	5.80	1.53	377	342	-35	0	0	0
September	3.07	5.10	2.03	231	222	-9	14	2	-12
October	3.88	2.80	(1.08)	52	51	-1	171	178	7
November	4.43	0.90	(3.53)	3	1	-2	486	356	-130
December	5.21	2.10	(3.11)	0	0	0	628	648	20
January	4.36	5.20	0.84	0	0	0	765	772	7
February	4.08	3.00	(1.08)	2	7	5	575	578	3
March	3.85	1.80	(2.05)	4	38	34	459	253	-206
April	5.23		(5.23)	25		-25	217		-217
May	4.29		(4.29)	136		-136	61		-61
June	3.57		(3.57)	306		-306	1		-1
Totals	50.71	31.00	(19.71)	1,572	1,255	(317)	3,377	2,787	(590)

Heating Degree Days: This is a value which gives an indication of the need to heat a building in a given climate.
The number of heating degrees in a day is defined as the difference between a reference value of 65°F and the average outside temperature for that day.

Cooling Degree Days: This is a value which gives an indication of the need to cool a building in a given climate.
The number of cooling degrees in a day is defined as the difference between a reference value of 65°F and the average outside temperature for that day.

* Source www.weather.com Climate (weather.gov) Data for 2024 was pulled using Location: Shelby 2 Nne, NC; Product: Monthly Summarized Data; Year Range 2013 - 2023.

** Source www.climate.fizber.com

E. Unfinished Business

None

F. New Business

None

Agenda Item G

City Manager's Report: Justin Merritt, City Manager

I will report to Mayor and Council on a number of 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

I. Adjournment:

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

1) Motion to adjourn