



**TOWN OF DAVIDSON  
BOARD OF COMMISSIONERS**

**Town Hall Board Room - 216 S. Main Street  
April 10, 2018**

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**I. CALL TO ORDER**

**II. ANNOUNCEMENTS**

- (a) Civics 101 Participant Recognition

**III. CHANGE/ADOPT AGENDA**

**IV. PUBLIC COMMENTS - The Board shall provide at least one period for public comment per month at a regular meeting.**

**V. CONSENT- Consent items are non-controversial and routine items. Prior to the board's adoption of the meeting agenda the request of any member to have an item moved from the consent agenda to old business must be honored by the board. All items on the consent agenda must be voted on and adopted by a single motion.**

- (a) **Consider Approval of March Draft Meeting Minutes**  
**SUMMARY:** Draft meeting minutes from Mar 6, 2018; Mar 13, 2018; Mar 19, 2018; Mar 21, 2018 and Mar 27, 2018
- (b) **Consider Approval for FY 17-18 Audit Contract**  
**Finance Director Piet Swart**  
**SUMMARY:** Per North Carolina General Statute Section 159-34, the contract with the financial auditor is between the Board and auditor, and therefore must be approved by the Board. The contract under consideration is with the firm of Rowell, Craven and Short, PA to provide an audit, as required by North Carolina Statutes, of the financial statements for the year ending June 30, 2018. The expected cost of the FY2018 audit is \$22,700. The engagement letter and contract are attached. Local Government Commission Approval is required for all contracts for audit services, following approval by the Board. The audit report is due to the LGC on October 31, 2018.
- (c) **Consider Approval of Revised Regular Meeting Schedule**  
**SUMMARY:** May 8 is the next primary election date and the Davidson Town Hall is the polling location for precinct 206. The regularly scheduled meeting will be moved to Davidson United Methodist Church (DUMC) 233 S main St Davidson NC 28036 starting at 6 p.m.

- (d) **Consider Approval of Reimbursement Resolution 2018-10 - Park at Bailey Springs Phase 1**  
**Finance Director Piet Swart**  
**SUMMARY:** Resolution 2018-10 will allow the Board to reimburse the General Fund for a portion of the costs of building the park at Bailey Springs from General Obligation Bond proceeds when the bonds are issued.
- (e) **ITEM MOVED TO OLD BUSINESS FOR FURTHER DISCUSSION**  
**Annexation: 13101 Mayes Rd, Huntersville, Parcel # 00716221- Direct the Clerk to Investigate a Voluntary Non-contiguous Annexation Petition**  
**SUMMARY:** The property owners are requesting a voluntary non-contiguous annexation of, 13101 Mayes Rd, Huntersville, Parcel # 00716221.
- (f) **Consider Approval of Resolution 2018-07 to exempt the Davidson Farmers Market 10th Anniversary Celebration from Section 54-1 of the Municipal Code**  
**SUMMARY:** The Davidson Farmers Market celebrates its 10th anniversary this year and the Farmers Market board wishes to hold a special dinner on the village green. The market manager has worked with town staff to ensure that all regulations will be followed and the turf will be protected.
- (g) **Approve Tax Levy Adjustments**  
**Finance Director Piet Swart**  
**SUMMARY:** The Town received tax levy adjustment refund check requests from Mecklenburg County Assessor's Office (As approved by the Board of Equalization and Review (BER)) for \$222.87, on 2 parcels. These refunds will be issued directly by the Town. Details regarding these refund requests are available in the Finance Office.
- (h) **Consider Approval of Resolution 2018-09 Electronic Transactions**  
**Finance Director Piet Swart**  
**SUMMARY:** Resolution authorizing the Town of Davidson to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441. The North Carolina Local Government Commission released Memorandum #2018-05 which provides requirements for municipalities to conform with the North Carolina Administrative Code changes regarding the pre-audit certificate on electronic transactions. The resolution authorizes the Finance Officer to adopt written policies outlining procedures for pre-auditing electronic payments and disbursing funds via electronic transaction.

**VI. NEW BUSINESS - Items for new business have not been previously presented and are for discussion and possible action**

- (a) **Davidson-Concord Road/Robert Walker Drive Roundabout Project Municipal Agreement & Budget Amendment**  
**Public Works Director Doug Wright**  
**SUMMARY:** Consideration of an agreement with the NCDOT to start design of a roundabout for the intersection of Robert-Walker Drive and Davidson-Concord Road. The town is responsible for 20% of the project costs. The immediate commitment is \$30,000,

which is 20% of the design cost.

**VII. OLD BUSINESS - Items for old business have been previously presented and are for discussion and possible action**

- (a) **Consider Approval of Resolution 2018-07 Authorizing the Manager to Begin the Conceptual Plan Process for The Park at Beaty Street**  
**Parks & Recreation director Kathryn Spatz**  
**SUMMARY:** Discuss the charge for the Beaty Street Task Force and approve a resolution in order to move forward.
  
- (b) **Consider Approval of Public Comment Period Policy**  
Town Manager Jamie Justice  
**Summary:** Item was deferred from the Mar 27, 2018 meeting. According to the Town of Davidson Rules of Procedure the board may adopt reasonable rules for public comment periods.

**VIII. SUMMARIZE MEETING ACTION ITEMS - Town Manager will summarize items where the board has requested action items for staff**

**IX. ADJOURN**



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**Agenda**      **Consider Approval of March Draft Meeting Minutes**

**Title:**      **SUMMARY:** Draft meeting minutes from Mar 6, 2018; Mar 13, 2018; Mar 19, 2018; Mar 21, 2018 and Mar 27, 2018

**Summary:**

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**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
☐ Draft Meeting Minute - 03-06-18.	4/4/2018	Cover Memo
☐ Draft Meeting Minute - 03-13-18	4/4/2018	Cover Memo
☐ Draft Meeting Minute - 03-19-18	4/4/2018	Cover Memo
☐ Draft Meeting Minute 3-21-18 - Mini Retreat	4/4/2018	Cover Memo
☐ Draft Meeting Minute - 03-27-18	4/4/2018	Cover Memo



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March 6, 2018

**INFORMAL MEETING  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its regularly scheduled meeting on Tuesday, March 6, 2018 at the Town Hall Board Room, Davidson NC 28036. Present were Mayor Rusty Knox and Commissioners Jane Campbell, Matthew Fort, Jim Fuller, Autumn Rierson Michael and David Sitton. Staff present included: Town Manager Jamie Justice and Town Attorney Cindy Reid.

The meeting began at 6:00 p.m.

The following topics were discussed the Park at Bailey Springs, the Beaty Street Property task force, Public Facilities project, the draft Strategic Plan, Historic district, and having a mini-retreat, the Mayor also spoke briefly about the bus rapid transit, the legislative agenda and affordable housing.

***Mayor Knox motioned for the meeting to move into closed session - § 143.318.11 (a) (3) to consult with attorney, regarding Charde, et al, at 8:02 p.m. The motion passed unanimously (5-0).***

The meeting adjourned at 9:00 p.m.

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Rusty Knox  
Mayor

**Attest:**

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Carmen Clemsic  
Town Clerk



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March 13, 2018

**REGULAR MEETING  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its regularly scheduled meeting on Tuesday, March 13, 2018 in the Town Hall Board Room. Present were Mayor Rusty Knox and Commissioners Jane Campbell, Matthew Fort, Jim Fuller, Autumn Rierson Michael and David Sitton. Town Manager Jamie Justice, Assistant Town Manager Dawn Blobaum, Town Attorney Cindy Reid, Finance Director Pieter Swart, Planning Director Jason Burdette, Police Chief Penny Dunn, Public Works Director Doug Wright and Town Clerk Carmen Clemsic were also present.

- **CALL TO ORDER**

Mayor Knox called the meeting to order at 6:02 p.m.

- **ANNOUNCEMENTS**

Mayor Rusty Knox read the Arbor Day proclamation. The town's Arbor day celebration will be on March 16, 2018 at Roosevelt Wilson Park at 11 a.m.

The Mayor also read a proclamation supporting the Davidson College Men's Basketball team as they compete in the NCAA first round tournament in Boise, Idaho.

Public Information Officer Cristina Shaul announced the following events: The Davidson Mayor and Board of Commissioners will host a Coffee Chat on Monday, March 19 at 9:00 a.m. at The Egg. Please join us. Our April is for Arts events are coming up next month, so please mark your calendar for the Gallery Crawl on Friday, April 20 and Art on the Green on April 21 and 22. There will also be two ReadDavidson events in April for the book "News of the World," so please stay tuned for details.

- **CHANGE/ADOPT AGENDA**

There were no changes made to the agenda.

- **PUBLIC COMMENTS**

The public comment period of the meeting was closed at 6:50 p.m. and ten (10) citizens spoke.

- **CONSENT AGENDA**

The following items were on the consent agenda:

Consider Approval of **February Draft Meeting Minutes**

Consider Approval of **Resolution 2018-04 Fire Tanker Financing and Related BA 2018-17**

Consider Approval for a **Noise Ordinance Variance - Spring Concert at Davidson College**

Consider Approval of **Davidson College Rep for Livability Board**

Consider Approval of **Revised Regular Meeting Schedule**

**Commissioner Fuller motioned to approve the Consent Agenda. The motion passed unanimously (5-0).**

- **NEW BUSINESS**

Town Manager Jamie Justice provided options for the board to consider when creating a **Beaty Street Task Force** to determine potential usage of the property.

**Commissioner Fuller motioned to have the Public Information Officer formulate a question with input from the Commissioners if she wants and to put the question on the town website in order to gather citizen input regarding the Beaty Street Property and whether the property should be entirely a park versus multi-uses and that subpart b that we have at our work session on March 27, 2018 have a public input session and tentatively plan to vote all park or multi-uses and kick off the task force at the April 10, 2018 meeting. With an amendment from Commissioner Matt Fort to post information documents on the town website and invite citizens to view them. The motion failed (1-4). Commissioners Campbell, Fort, Michael and Sitton voted against.**

**Commissioner Sitton motioned to appoint a task force, the details of which, in terms of how we appoint the task force to be determined, that has the task of obtaining the best concepts of making Beaty Street [property] a park. The motion passed (3-2). Commissioners Campbell and Fuller voted against.**

Town Manager Jamie Justice presented a draft **Legislative Agenda** for consideration of approval.

**Commissioner Campbell motioned to approve Resolution 2018-05, Legislative Agenda with the amendment of moving item 'e' to item 'b' and shifting the rest down. The motion passed unanimously (5-0).**

- **OLD BUSINESS**

Finance Director Piet Swart provided a report on the **Unassigned Fund Balance**.

Town Manager Jamie Justice discussed the **Draft Town of Davidson 2018-2019 Strategic Plan**

- **SUMMARIZE ACTIONS ITEMS**

Town Manager Jamie Justice summarized the items where the board requested action from staff.

- **ADJOURN**

The meeting adjourned at 8:44 p.m.

**Attest:**

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Rusty Knox

Mayor

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Carmen Clemsic  
Town Clerk



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March 19, 2018

**INFORMAL MEETING - COFFEE CHAT  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its regularly scheduled meeting on Tuesday, March 19, 2018 in the Town Hall Board Room. Present were Mayor Rusty Knox and Commissioners Jane Campbell, Matthew Fort, Jim Fuller, Autumn Rierson Michael and David Sitton. Staff present included: Town Manager Jamie Justice, Assistant Town Manager Dawn Blobaum and Public Information Officer Cristina Shaul

The meeting began at 9:02 a.m.

The following topics were discussed Beaty St property and the Board of Commissioners answered citizen questions.

No actions were taken.

The meeting adjourned at 10:14 a.m.

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Rusty Knox  
Mayor

**Attest:**

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Carmen Clemisic  
Town Clerk



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March 21, 2018

**MINI RETREAT  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its Mini Retreat meeting on Friday March 21, 2018 in the Town Hall Board Room. Present were Mayor Rusty Knox and Commissioners Jane Campbell, Matthew Fort, Jim Fuller, Autumn Rierson Michael and David Sitton. Commissioner Fort left the meeting at noon. Staff present included: Staff present included: Town Manager Jamie Justice, Assistant Town Manager Dawn Blobaum, Town Attorney Cindy Reid, Planning Director Jason Burdette, Economic Development Manager Kim Fleming, Public information Officer Cristina Shaul, Senior Planner Chad Hall, Senior Planner Trey Akers, Senior Planner Travis Johnson, Planning Technician Lindsay Laird and Town Clerk Carmen Clemsic were also present.

The meeting began at 10:06 a.m.

The following topics were discussed: the board of commissioners provided more detail on their vision for the town, particularly in the areas of land use, historic preservation, economic development, and affordable housing.

The meeting adjourned at 4:00 p.m.

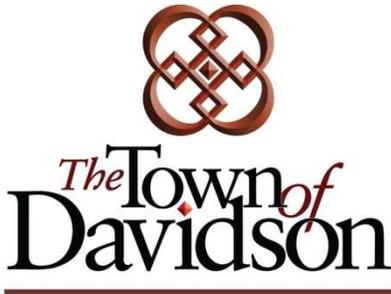
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Rusty Knox  
Mayor

**Attest:**

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Carmen Clemsic  
Town Clerk



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March 27, 2018

**WORK SESSION  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its regularly scheduled meeting on Tuesday, March 27, 2018 in the Town Hall Board Room. Present were Mayor Rusty Knox and Commissioners Jane Campbell, Matthew Fort, Jim Fuller, Autumn Rierson Michael and David Sitton. Town Manager Jamie Justice, Assistant Town Manager Dawn Blobaum, Finance Director Pieter Swart, Planning Director Jason Burdette, Economic Development Manager Kim Fleming, Human Resources Manager Heather James, Fire Chief Bo Fitzgerald, Police Chief Penny Dunn, Parks & Recreation Director Kathryn Spatz, Public Works Director Doug Wright and Town Clerk Carmen Clemsic were also present.

- **Call to Order**

Mayor Knox called the meeting to order at 6:01 p.m.

- **Announcements**

Public Information Officer Cristina Shaul announced the following events: In the Davidson Town Hall lobby, there is a collection box for items that will go to Safe Alliance, one of our community partners that provides assistance for victims of domestic violence. Much needed items include health products, school supplies, cleaning products, socks and underwear, etc. – a full list is in the lobby. It will be here until the day after Mother’s Day (May 14).

Mecklenburg County Parks and Recreation needs to hear from Davidson on the Northern Regional Recreation Center. On their website, [northmeckrec.com](http://northmeckrec.com), there’s a survey link – please take the survey and weigh in on outdoor and indoor options for this new center.

Offices will close for the holiday on Friday, March 30 and re-open for business at 8: 00 a.m. on Monday, April 2.

Might be moved: The developer of the Davidson Springs neighborhood is hosting a public information session on Monday, April 9 from 5:00 to 7:00 p.m. in the Davidson Town Hall board room to review their plans for phase 3 and 4 along James Alexander Way. Please come learn more.

Davidson Connections is Thursday, April 12 at 9:00 a.m. at Homewood Suites.

Free Cone Day at Ben and Jerry’s is Tuesday, April 10 from noon-9:00 p.m.

Our first Community Dinner will take place Friday, May 4 in the parking lot behind Summit. More details to come – it should be a lot of fun!

Mayor Knox gave Officer Kanita Boone the oath of office.

- **Changes to the Agenda**

*Commissioner Fort motioned to move the Commissioner Reports to the end of the meeting. The motion passed unanimously (5-0). (The item was deferred to another meeting)*

*Commissioner Fuller motioned to temporarily suspend the rules of procedure in order to hear public comments during the Beaty Street Property Task Force agenda discussion item. The motion passed unanimously (5-0).*

- **Old Business**

The Mayor opened a public comment period to hear input from citizens regarding the Beaty Street property.

Parks & Recreation Director Kathryn Spatz discussed the conceptual plan for the composition and charge of the **Beaty Street Property Task Force**.

Consider Approval of **Draft Strategic Plan 2018-2019**.

*Commissioner Fuller motioned to adopt the existing strategic plan with two amendments; amend affordable housing and other indicia of inclusion and amend operations bullet point # 3 from 'TBD' to late spring 2018. The motion passed unanimously (5-0).*

Public Information Officer Cristina Shaul provided an update of the **Potential Changes to the Town's Vision Statement and Core Value #5**. The board provided feedback and asked for public input and will vote at the Apr 24, 2018 board meeting.

Assistant Town Manager Dawn Blobaum provided a **Public Facilities Project Update**.

*Commissioner Campbell motioned to move forward with Creech & Associates using \$10K from the public facilities capitol funds to complete phase I and have them to come back to the board in a timely manner on their ability to work with the historical aspects of the project prior to phase II. The motion passed unanimously (5-0).*

- **Discussion Items**

Senior Planner Travis Johnson provided an update on the revised schedule for the **Mobility Plan** which is currently underway.

Senior Planner Chad Hall provided an update on the **Local Historic District expansion process**.

Public Works Director Doug Wright reviewed the **Davidson-Concord Rd/ Robert Walker Dr Roundabout** which is a possible use for the General Obligation Bond. This will be up for consideration of approval at April 10, 2018 meeting.

The **General Obligation Bonds Potential Parks Projects** was deferred to the Apr 3, 2018 meeting.

Finance Director Piet Swart and Commissioner Matt Fort had a board discussion regarding **benchmarking** and key performance indicators (KPIs) for use in the budget approval process.

The **Public Comment Period Policy** was deferred to the Apr 3, 2018 meeting.

- **Commissioner Reports (ITEM DEFERRED)**

Commissioner Autumn Rierson Michael - Centralina Council of Governments

Commissioner Matthew Fort - Lake Norman Chamber

Commissioner Jim Fuller - Visit Lake Norman

Commissioner David Sitton - Lake Norman Regional Economic Development Organization & North Mecklenburg Alliance

Commissioner Jane Campbell - Charlotte Regional Transportation Planning Organization & Lake Norman Transportation Commission

Mayor Rusty Knox - Metropolitan Transportation Commission

- **Summarize Actions Items**

Town Manager Jamie Justice summarized the items where the board requested action from staff.

- **Adjourn**

The meeting adjourned at 7:54 p.m.

**Attest:**

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Carmen Clemsic  
Town Clerk

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Rusty Knox  
Mayor



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**Agenda Title: Consider Approval for FY 17-18 Audit Contract  
Finance Director Piet Swart**

**SUMMARY:** Per North Carolina General Statute Section 159-34, the contract with the financial auditor is between the Board and auditor, and therefore must be approved by the Board. The contract under consideration is with the firm of Rowell , Craven and Short, PA to provide an audit, as required by North Carolina Statutes, of the financial statements for the year ending June 30, 2018. The expected cost of the FY2018 audit is \$22,700. The engagement letter and contract are attached. Local Government Commission Approval is required for all contracts for audit services, following approval by the Board. The audit report is due to the LGC on October 31, 2018.

**Summary:**

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**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
□ Audit Contract FY2018	4/5/2018	Cover Memo
□ Audit Engagement Letter FY2018	4/5/2018	Cover Memo

CONTRACT TO AUDIT ACCOUNTS

Of TOWN OF DAVIDSON Primary Government Unit

Discretely Presented Component Unit (DPCU) if applicable

On this 4TH day of APRIL, 2018

Auditor: ROWELL, CRAVEN & SHORT, P.A. Auditor Mailing Address: 7540 MATTHEWS-MINT HILL ROAD

CHARLOTTE, NORTH CAROLINA 28227-

Hereinafter referred to as The Auditor

and BOARD OF COMMISSIONERS (Governing Board(s)) of TOWN OF DAVIDSON (Primary Government)

and : hereinafter referred to as the Governmental Unit(s), agree as follows: (Discretely Presented Component Unit)

- 1. The Auditor shall audit all statements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning JULY 1, 2017, and ending JUNE 30, 2018. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with auditing standards generally accepted in the United States of America. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board). County and Multi-County Health Departments: The Office of State Auditor will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on Eligibility Determination as required by Office of the State Auditor (OSA) and in accordance with the instructions and timeline provided by OSA.
3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's Auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the SLGFD staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

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Primary Government Unit

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Discretely Presented Component Unit (DPCU) if applicable

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5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract. **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end. Audit report is due on: OCTOBER 31, 2018. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoices shall be sent via upload through the current portal address: <https://nctreasurerslgfd.leapfile.net>. Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date shall be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Government shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (Note: **Fees listed on Fees page.**) This does not include fees for any Pre-Issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item #12).
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall submit to the SLGFD either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to the SLGFD simultaneously with the

Governmental Unit's audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the fiscal year end.
12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit shall not be billed for the pre-issuance review. The pre-issuance review shall be performed **prior** to the completed audit being submitted to the SLGFD. The pre-issuance review report shall accompany the audit report upon submission to the SLGFD.
13. The Auditor shall electronically submit the report of audit to the SLGFD as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. **Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit report Reissuance form.** These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If the SLGFD determines that corrections need to be made to the Governmental Unit's financial statements, those corrections shall be provided within three days of notification unless another deadline is agreed to by the SLGFD.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the SLGFD.

The SLGFD's process for submitting contracts, audit reports and invoices is subject to change. Auditors shall use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
15. If an approved contract needs to be amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload the amended contract is <https://nctreasurerslgfd.leapfile.net>. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit shall be attached to the contract, and by reference here becomes part of the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses shall not be accepted by the SLGFD.
17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.
19. The contract shall be executed, pre-audited, physically signed by all parties including Governmental Unit and the Auditor and then submitted in PDF format to the Secretary of the LGC. The current portal address to upload the contractual documents is <https://nctreasurerslgfd.leapfile.net>. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2017. These instructions are subject to change. Please check the NC Treasurer's web site at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx> for the most recent instructions.
20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. **E-Verify.** Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

***SIGNATURE PAGES FOLLOW FEES PAGE***

# TOWN OF DAVIDSON

Contract to Audit Accounts (cont.)

Primary Government Unit

Discretely Presented Component Unit (DPCU) if applicable

## FEES – PRIMARY GOVERNMENT

AUDIT: \$ 17,025.00

WRITING FINANCIAL STATEMENTS: \$ 5,675.00

ALL OTHER NON-ATTEST SERVICES: \$ -NONE-

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a “significant threat” requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ 17,025.00

\*\* NA if there is to be no interim billing

## FEES – DPCU (IF APPLICABLE)

AUDIT: \$ N/A

WRITING FINANCIAL STATEMENTS: \$ N/A

ALL OTHER NON-ATTEST SERVICES: \$ N/A

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a “significant threat” requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ \_\_\_\_\_

\*\* NA if there is to be no interim billing

Contract to Audit Accounts (cont.) TOWN OF DAVIDSON

Primary Government Unit

Discretely Presented Component Unit (DPCU) if applicable

*Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.*

**Audit Firm Signature:**

ROWELL, CRAVEN & SHORT, PA  
Name of Audit Firm

By ANN R. CRAVEN, CPA

Authorized Audit firm representative name: Type or print  
*Ann R. Craven*

Signature of authorized audit firm representative

Date 4/4/2018

acraven@rowellcravenshort.com  
Email Address of Audit Firm

**Governmental Unit Signatures:**

TOWN OF DAVIDSON

Name of Primary Government  
By RUSTY KNOX, MAYOR

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson \*\*

Date

*\*\* If Governmental Unit has no audit committee, mark this section "N/A"*

**\*\*\*Please provide us the most current email addresses available as we use this information to update our contact database\*\*\***

**PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)**

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

By PIETER SWART, FIINANCE DIRECTOR

**Primary Government Unit Finance Officer:**

Type or print name

Primary Government Finance Officer Signature

Date

*(Pre-audit Certificate **must be dated.**)*

pswart@townofdavidson.org

Email Address of Finance Officer

**Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a)**



7540 Matthews-Mint Hill Road  
Charlotte, NC 28227  
Phone: 704-545-9771  
Fax: 704-545-0946  
[www.rowellcravenshort.com](http://www.rowellcravenshort.com)

April 4, 2018

Board of Commissioners  
Mr. Pieter Swart, Finance Director  
Town of Davidson  
216 South Main Street  
Davidson, North Carolina 28036

We are pleased to confirm our understanding of the services we are to provide Town of Davidson for the year ended June 30, 2018. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Town of Davidson as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Davidson's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Davidson's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedules
- 3) GASB-required Supplementary Pension Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies Town of Davidson's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of Expenditures of federal and state awards.
- 2) Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual – General Fund
- 3) Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual – Solid Waste Fund
- 4) Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual – Stormwater Fund
- 5) Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Capital Projects Funds

## **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Town of Davidson's financial statements. Our report will be addressed to the Honorable Mayor and Board of Commissioners of Town of Davidson. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and on compliance and other matters will each include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion of the effectiveness of the government's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the government's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town of Davidson is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

## **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors are limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities required by generally accepted auditing standards.

### **Audit Procedures—Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Davidson's compliance with applicable laws, regulations, contracts, agreements and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We will also assist in preparing the financial statements and related notes of Town of Davidson in conformity with U.S. generally accepted accounting principles based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information, of which you are aware, that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations, contracts or grant agreements or abuse that we may report.

You are also responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements

indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in a written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Rowell, Craven, and Short, PA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Local Government Commission or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Rowell, Craven, and Short, PA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to Local Government Commission or its designee. The Local Government Commission or its designee may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Local Government Commission. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately June 26, 2018 and to issue our reports no later than October 31, 2018. Ann R. Craven is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rate plus out of pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$22,700. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption

that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Town of Davidson and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign and return it to us.

Very truly yours,

*Rowell, Craven & Short, P.A.*

Rowell, Craven, and Short, PA

RESPONSE:

This letter correctly sets forth the understanding of Town of Davidson.

Management signature: \_\_\_\_\_  
Title: \_\_\_\_\_ Town Manager \_\_\_\_\_  
Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_  
Title: \_\_\_\_\_ Mayor \_\_\_\_\_  
Date: \_\_\_\_\_



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**Agenda      Consider Approval of Revised Regular Meeting Schedule**

**Title:**      **SUMMARY:** May 8 is the next primary election date and the Davidson Town Hall is the polling location for precinct 206. The regularly scheduled meeting will be moved to Davidson United Methodist Church (DUMC) 233 S main St Davidson NC 28036 starting at 6 p.m.

**Summary:**

---

**ATTACHMENTS:**

	<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
▣	Regular Meeting Schedule 2018 - Revised 4-10-18	4/9/2018	Cover Memo

## Board of Commissioners Meeting Schedule 2018

Month	* Informal Meeting 6:00 P.M. (1st Tuesday of the month)	* Regular Meeting - 6:00 P.M. (2nd Tuesday of the month)	* Regular Meeting - 6:00 P.M. (4th Tuesday of the month)	Informal Meeting *** 9:00 A.M. - 6:30 P.M. **** (3rd Monday of the month)
January	2	9	23	***22
February	6	13	27	19 ****
March	6	13	27	*** 19
April	3	10	24	16****
May	1	8 (MOVED TO DUMC)	22	***21
June	5	12	No Meeting	No Meeting
July	3	10	No Meeting	No Meeting
August	7	14	28	No Meeting
September	4	11	25	17****
October	2	9	23	***15
November	6	13	No Meeting	19****
December	4	11	No Meeting	No Meeting
<b>Additional Meetings</b>	<b>Mini Retreat</b> Date: Jan 5, 2018 Time: 9:30 a.m. Location: Starrette Farms 204 Pecan Ln Statesville NC 28625	<b>Retreat</b> Date: Jan 25, 2018      Time: 8:30 a.m. Date: Jan 26, 2018      Time: 8:30 a.m. Location: River Run Country Club 19125 River Falls Dr Davidson NC 28036		<b>Mini Retreat</b> Date: Mar 21, 2018 Time: 10 a.m. - 4 p.m. Location: Town Hall 216 S Main St Davidson NC 28036
	<b>Civics 101</b> Date: March 29, 2018 Time: 9:30 a.m. - 11:30 a.m. and 6:30 p.m. - 8:30 p.m. Location: Town Hall - 216 South Main St. Davidson NC 28036	<b>Regular Meeting</b> Date: May 8, 2018 Time: 6:00 p.m. Location: Davidson United Methodist Church 233 South Main St Davidson NC 28036		
*All Regular and Informal Meetings are held at Town Hall, Meeting Room - 216 South Main St.				
*** 9:00 a.m. **** 6:30 p.m. - 3rd Monday of the month meetings are held at The Egg - 231 Griffith Street				



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**Agenda Title:** **Consider Approval of Reimbursement Resolution 2018-10 - Park at Bailey Springs Phase 1**  
**Finance Director Piet Swart**  
**SUMMARY:** Resolution 2018-10 will allow the Board to reimburse the General Fund for a portion of the costs of building the park at Bailey Springs from General Obligation Bond proceeds when the bonds are issued.

**Summary:**

---

**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
□ Resolution 2018-10	4/6/2018	Cover Memo



## RESOLUTION 2018-10

### RESOLUTION REGARDING THE INTENT OF THE TOWN OF DAVIDSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE DESIGN, CONSTRUCTION AND EQUIPPING OF A PARK LOCATED IN THE TOWN FROM THE PROCEEDS OF TAX EXEMPT OBLIGATIONS

*WHEREAS*, the Board of Commissioners (the “*Board*”) of the Town of Davidson, North Carolina (the “*Town*”) has determined that it is in the best interests of the Town to pay the costs of the design, construction and equipping of the park at Bailey Springs located in the Town (the “*Project*”);

*WHEREAS*, the Town reasonably expects to receive the proceeds of the sale of tax-exempt obligations (the “*Obligations*”) to finance the Project;

*WHEREAS*, the Town desires to proceed with the Project and will incur additional capital expenditures (the “*Capital Expenditures*”) in connection therewith before the issuance of the Obligations; and

*WHEREAS*, the Town will advance money from funds currently on hand to pay for the Capital Expenditures and the Town intends, and reasonably expects, to reimburse itself for the Capital Expenditures from a portion of the proceeds of the sale of the Obligations;

*NOW, THEREFORE, BE IT RESOLVED* by the Town as follows:

Section 1. *Official Declaration of Intent.* The Town presently intends, and reasonably expects, to reimburse itself for the Capital Expenditures incurred and paid by the Town on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Obligations. The Town reasonably expects to issue the Obligations to finance a portion of the costs of the Project and the maximum principal amount that the City expects to reimburse itself from the proceeds of the Obligations for the costs of the Project is \$131,129, which is the amount allocated from fund balance on February 27, 2018 via Budget Ordinance Amendment BA2018-16 as duly adopted by the Board.

Section 2. ***Compliance with Regulations.*** This Resolution is a declaration of official intent of the Town under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the Town's intent to reimburse itself for the Capital Expenditures from proceeds of the Obligations.

Section 3. ***Itemization of Capital Expenditures.*** The Finance Director of the Town or his designee, with advice from bond counsel, is hereby authorized, directed and designated to act on behalf of the Town in determining and itemizing all of the Capital Expenditures incurred and paid by the Town in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of issuance of the Obligations.

Section 4. ***Effective Date.*** This Resolution is effective immediately on the date of its adoption.

**Adopted on the 10th day of April 2018.**

\_\_\_\_\_  
Rusty Knox, Mayor

**Attest:**

\_\_\_\_\_  
Carmen Clemsic, Town Clerk



---

**Agenda**     **ITEM MOVED TO OLD BUSINESS FOR FURTHER DISCUSSION**  
**Title:**     **Annexation: 13101 Mayes Rd, Huntersville, Parcel # 00716221- Direct the Clerk to Investigate a Voluntary Non-contiguous Annexation Petition**  
**SUMMARY:** The property owners are requesting a voluntary non-contiguous annexation of, 13101 Mayes Rd, Huntersville, Parcel # 00716221.

**Summary:**

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**ATTACHMENTS:**

	<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
▣	Petition Request - 13101 Mayes Rd - Goduti Property	4/4/2018	Cover Memo
▣	R2018-08 - Directing the Clerk to Investigate - 13101 Mayes Rd	4/4/2018	Cover Memo

**PETITION REQUESTING ANNEXATION**

Date: \_\_\_\_\_ February 20<sup>th</sup>, 2018 \_\_\_\_\_

Description of area/subdivision name: Parcel ID 00716221

To the Board of Commissioners of the Town of Davidson:

1. We the undersigned owners of real property respectfully request that the area described in Paragraph 2 below be annexed to the Town of Davidson.

2. The area to be annexed is contiguous to the Town of Davidson and the boundaries of such territory are as follows:

\*(Insert Description of Boundaries)

3. We acknowledge that any zoning vested rights acquired pursuant to G.S. 160A-385.1 or G.S. 153A-344.1 must be declared and identified on this petition. We further acknowledge that failure to declare such rights on this petition shall result in a termination of vested rights previously acquired for the property. (If zoning vested rights are claimed, indicate below and attach proof.)

<u>Name</u>	<u>Address</u>	<u>Do you declare vested rights?*</u> (Indicate yes or no.)	<u>Signature</u>
1. Fred Goduti	13101 Mayes Rd, Huntersville, NC 28078	YES	
2. Amy Goduti	13101 Mayes Rd, Huntersville, NC 28078	YES	

13101 Mayes road huntersville nc

Advanced Search Market Analysis Search Help

Tutorials Quick Tips Report Issues More Map Apps

Search Results Layers/Labels Property Report Zoom To

Property Key

Parcel ID	GIS ID
00716221	00716221
Address located on Property (Postal City)	
13101 MAYES RD HUNTERSVILLE NC 28078	
Owner Name	Mailing Address
FREDERICK GODUTI	12647 FRAMFIELD CT HUNTERSVILLE NC 28078
AMY GODUTI	12647 FRAMFIELD CT HUNTERSVILLE NC 28078

Is the mailing address wrong? Request Change

Photo: 1 / 1



Photo Date: 10/23/2000 Source: Mecklenburg County (Historic)

Link To

Google Street View

Birdseye View maintained by Mecklenburg County

Unselect Property

Associated Information

Legal Desc	LA M52-523
Land Area	6.5 AC
Fire District	Davidson Rural
Special District	Fire Service C
Account Type	Individual
Municipality	Mecklenburg County-

**Print**

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Landscape 11 x 8.5 ▾

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**RESOLUTION 2018-08**  
**DIRECTING THE CLERK TO INVESTIGATE**  
**A PETITION RECEIVED UNDER G.S. 160A-58.1(b)**  
*13101 Mayes Rd.*

**WHEREAS**, a petition requesting annexation of an area described in said petition was received on February 20, 2018 by the Board of Commissioners; and

**WHEREAS**, G.S. 160A-58.2 provides that the sufficiency of the petition shall be investigated by the Town Clerk before further annexation proceedings may take place; and

**WHEREAS**, the Board of Commissioners of the Town of Davidson deems it advisable to proceed in response to this request for annexation;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Town of Davidson that:

The Town Clerk is hereby directed to investigate the sufficiency of the above described petition and to certify as soon as possible to the Board of Commissioners the result of her investigation.

**Adopted on the 10th day of April 2018.**

\_\_\_\_\_  
Rusty Knox, Mayor

**Attest:**

\_\_\_\_\_  
Carmen Clemsic, Town Clerk



---

**Agenda Title:** **Consider Approval of Resolution 2018-07 to exempt the Davidson Farmers Market 10th Anniversary Celebration from Section 54-1 of the Municipal Code**  
**SUMMARY:** The Davidson Farmers Market celebrates its 10th anniversary this year and the Farmers Market board wishes to hold a special dinner on the village green. The market manager has worked with town staff to ensure that all regulations will be followed and the turf will be protected.

**Summary:**

---

**ATTACHMENTS:**

	<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
▣	R2018-07 Davidson Farmers Market Alcohol Exemption	4/2/2018	Cover Memo



**RESOLUTION 2018-07**  
**To Exempt the Davidson Farmers Market 10<sup>th</sup> Anniversary Celebration Dinner**  
**from Section 54-1 of the Municipal Code on June 3, 2018**

**WHEREAS**, a request has been made to exempt the Davidson Farmers Market 10<sup>th</sup> Anniversary Celebration on June 3, 2018 from Section 54-1 of the Davidson Municipal Code; and

**WHEREAS**, Section 54-1 (a) of the Town of Davidson Municipal Code states it shall be unlawful for any person to possess an open container of malt beverage or unfortified wine, or to possess or consume fortified wine, spirituous liquor or mixed beverages on property owned and operated by the town; and

**WHEREAS**, Section 54-1 (f) authorizes the town board of commissioners to exempt outdoor festivals or events of a national, state, or local significance if notice received at minimum of 30 days prior to the event; and

**WHEREAS**, Section 50-7 (d) authorizes the town board of commissioners to exempt events; and

**WHEREAS**, a request has been made within said notice requirement; and

**WHEREAS**, no public hearing is required to allow the use of the green for the consumption of alcohol until 10:00 p.m. on June 3, 2018; and

**WHEREAS**, staff have taken appropriate measures to ensure downtown business owners' support of the event;

**NOW, THEREFORE BE IT RESOLVED** that the Town of Davidson Board of Commissioners do hereby conditionally authorize the exemption of the Davidson Farmers Market 10<sup>th</sup> Anniversary Celebration for distribution on June 3, 2018 from Section 54-1 of the Davidson Municipal Code in order to allow the consumption of alcohol on the town maintained green located in front of the Davidson Library contingent upon staff approval of the event.

**ADOPTED THIS 10<sup>th</sup> DAY OF April, 2018.**

**Attest:**

\_\_\_\_\_  
Carmen Clemsic  
Town Clerk

\_\_\_\_\_  
Rusty Knox  
Mayor



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**Agenda      Approve Tax Levy Adjustments**

**Title:        Finance Director Piet Swart**

**SUMMARY:** The Town received tax levy adjustment refund check requests from Mecklenburg County Assessor's Office (As approved by the Board of Equalization and Review (BER)) for \$222.87, on 2 parcels. These refunds will be issued directly by the Town. Details regarding these refund requests are available in the Finance Office.

**Summary:**

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**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
No Attachments Available		



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**Agenda Title: Consider Approval of Resolution 2018-09 Electronic Transactions  
Finance Director Piet Swart**

**SUMMARY:** Resolution authorizing the Town of Davidson to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441. The North Carolina Local Government Commission released Memorandum #2018-05 which provides requirements for municipalities to conform with the North Carolina Administrative Code changes regarding the pre-audit certificate on electronic transactions. The resolution authorizes the Finance Officer to adopt written policies outlining procedures for pre-auditing electronic payments and disbursing funds via electronic transaction.

**Summary:**

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**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
▣ Resolution 2018-09	4/6/2018	Cover Memo
▣ LGC Memo #2018-05	4/6/2018	Cover Memo



**RESOLUTION 2018-09**

**Resolution authorizing the Town of Davidson  
to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441**

WHEREAS, it is the desire of the Board of Commissioners that the Town of Davidson is authorized to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441

WHEREAS, it is the responsibility of the Finance Officer to adopt a written policy outlining procedures for pre-auditing obligations that will be incurred by electronic payments as required by NC Administrative Code 20 NCAC 03 .0409;

WHEREAS, it is the responsibility of the Finance Officer, to adopt a written policy outlining procedures for disbursing public funds by electronic transaction as required by NC Administrative Code 20 NCAC 03 .0410;

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Town of Davidson

**Section 1.** Authorizes the Town of Davidson to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441;

**Section 2.** Authorizes the Finance Officer to adopt a written policy outlining procedures for pre-auditing obligations that will be incurred by electronic payments as required by NC Administrative Code 20 NCAC 03 .0409;

**Section 3.** Authorizes the Finance Officer to adopt a written policy outlining procedures for disbursing public funds by electronic transaction as required by NC Administrative Code 20 NCAC 03 .0410; and

**Section 4.** This resolution shall take effect immediately upon its passage.

**Adopted on the 10th day of April 2018.**

---

Rusty Knox, Mayor

**Attest:**

---

Carmen Clemsic, Town Clerk



*Dale R. Folwell, CPA*

**Memorandum # 2018-05**

To: Finance Officers of Local Governments and LEAs

From: Sharon Edmundson, Director, Fiscal Management Section

Subject: Changes to Pre-audit Certification Requirements for Electronic Obligations and Payments; Administrative Code - 20NCAC 03 .0409 and 20 NCAC 03 .0410

Date: March 12, 2018

The 2015 legislature modified GS 159-28 (d2) (local governments) and 115C-441(d2) (local school administrative units) to allow the Local Government Commission (LGC) to adopt rules to address the execution of the pre-audit and disbursement process related to electronic transactions for local government and local school administrative units. The new pre-audit and disbursement rules were effective as of November 1, 2017, and exist as part of the North Carolina Administrative Code (20 NCAC 03.0409 and 20 NCAC 03.0410).

Units of government can now be exempt from the pre-audit certificate and disbursement certificate requirements on electronic transactions ***if they follow the requirements as detailed in the new administrative code rules.*** The purpose of this memorandum is to briefly outline the requirements that will allow local governments to take advantage of these changes for electronic transactions utilizing the following:

- (1) charge cards;
- (2) credit cards;
- (3) debit cards;
- (4) gas cards;
- (5) procurement cards; or
- (6) electronic funds transfers

It is important to note that ***none of these rule changes exempt a unit of government from going through the pre-audit process;*** the rules only exempt a unit from affixing the certificate of pre-audit on electronic transactions IF the unit abides by the rules set forth in the administrative code.

### **Requirements to Take Advantage of Pre-Audit Certificate Exemption on Electronic Obligations**

There are multiple steps a unit of government must take in order to take advantage of the rule change for electronic **obligations**. These steps are:

1. The unit's governing board shall adopt a resolution authorizing the unit to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441 (see Addendum A for a sample resolution).
2. The unit's board must adopt policies and procedures for electronic obligations or delegate the authority and responsibility for writing those policies and procedures to the finance officer.
3. The written policy must outline the basic procedures for pre-auditing obligations incurred by electronic transactions. The written policy and any procedures developed by the finance officer must provide sufficient internal controls over the obligation process, which must include the following:
  - a. Ensure that there is an appropriate budget ordinance or project/grant ordinance appropriation authorizing the obligation;
  - b. ensure that sufficient monies remain within the appropriation to cover the amount that is expected to be paid out during the current fiscal year if accounted for in the budget ordinance, or to cover the entire amount if accounted for in a project or grant ordinance.
  - c. Record the amount of the transaction in the unit's encumbrance system.
4. The unit must provide training to all personnel about the written policy and the procedures that must be followed before undertaking an electronic transaction.
5. If a governmental unit is not already doing so, the unit of government must present to its governing board at least quarterly a budget to actual statement by fund that includes budgeted accounts, actual payments made, amounts encumbered (including electronic obligations) and the amount of the budget that is unobligated.
6. The unit's written policy and procedures must include a method to track obligations, commonly called an encumbrance system. The system can be manual or maintained as part of the unit's accounting system or any combination thereof.

### **Requirements to Take Advantage of Disbursement Certificate Exemption on Electronic Payments**

Likewise there are multiple steps a unit of government must take in order to take advantage of the rule change for electronic **payments**. These steps are:

1. The unit's governing board shall adopt a resolution authorizing the unit to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441 (see Addendum A for a sample resolution).

2. The unit's board must adopt policies and procedures for electronic payments or delegate the authority and responsibility for writing those policies and procedures to the finance officer.
3. The unit must adopt a written policy outlining basic procedures for disbursing public funds electronically. The written policy must provide sufficient internal controls to ensure the following:
  - a. ensure that the amount claimed is payable;
  - b. ensure that there is an appropriate budget ordinance or project/grant ordinance appropriation authorizing the expenditure;
  - c. ensure that sufficient monies remain within the appropriation to cover the amount that is due to be paid out during the current fiscal year if accounted for in the budget ordinance, or to cover the entire amount if accounted for in a project/grant ordinance; and
  - d. ensure that the unit has sufficient cash to cover the payment.

Some of the questions we have received about this new process, along with our responses, are noted below.

Q *Does the board's delegation of authority to the finance officer to develop the policies and procedures need to be in writing?*

A. Yes.

Q. *My unit already publishes monthly budget-to-actual financial reports on its website – will these suffice for the requirement to provide these reports to the board?*

A. We believe so if they meet all the other requirements listed.

While these changes do not address all the business challenges that local governments face in operating in an increasingly electronic environment, they should provide a way for entities to more easily operate within the requirements of the General Statutes in this particular area.

If you have any questions or concerns about this publication, please contact us at (919) 814-4299 or via email at [Sharon.edmundson@nctreasurer.com](mailto:Sharon.edmundson@nctreasurer.com)



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**Agenda Title: Davidson-Concord Road/Robert Walker Drive Roundabout Project Municipal Agreement & Budget Amendment**  
**Public Works Director Doug Wright**

**SUMMARY:** Consideration of an agreement with the NCDOT to start design of a roundabout for the intersection of Robert-Walker Drive and Davidson-Concord Road. The town is responsible for 20% of the project costs. The immediate commitment is \$30,000, which is 20% of the design cost.

**Summary:**

---

**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
☐ BA 2018-18 Match For Roundabout	4/5/2018	Cover Memo
☐ Transportation Improvement Project - Municipal Agreement.	4/12/2018	Cover Memo

AMENDMENT TO THE BUDGET ORDINANCE

**BE IT ORDAINED** by the Governing Board of the Town of Davidson, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2018:

**Section 1:** To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>	<u>Account</u>	<u>Decrease</u>	<u>Increase</u>
10-20-4510-595	C/O MATCH FUNDS RobWal Roundabout		\$ 30,000.00

Provide Match Funds for the design work necessary for the construction of a round-about at Robert Walker Drive and Davidson-Concord Road.

**Section 2:** To amend the General Fund, the estimated revenues are to be changed as follows:

<u>Acct. No.</u>	<u>Account</u>	<u>Decrease</u>	<u>Increase</u>
10-00-3314-100	PAYMENT IN LIEU		\$ 30,000.00

Recognizes revenue paid by developer of WestBranch project.

**Section 3:** Copies of this budget amendment shall be furnished to the Clerk of the Governing Board, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 10th day of April, 2018



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

ROY COOPER  
GOVERNOR

JAMES H. TROGDON, III  
SECRETARY

March 21, 2018

TO: Mr. Doug Wright  
Town of Davidson  
P.O. Box 579  
Davidson, NC 28036

FROM: Cindy Iorlano  
Administrative Officer I

A handwritten signature in cursive script that reads "Cindy Iorlano".

SUBJECT: **REVISED** - Transportation Improvement Project - Reimbursement Agreement  
With Town of  
Davidson  
WBS Element No. 47886.1.1, 47886.2.1, and 47886.3.1  
TIP No. U-6092

Enclosed please find duplicate originals of the **REVISED** above-mentioned Agreement. The FUNDING provision has been modified to allow the Town of Davidson to submit payment of each phase prior to the Department requesting authorization for each phase.

Please dispose of the agreements that were previously sent to you that were dated "2/12/2018," and execute these revised agreements dated "3/16/2018" by signing both originals, affixing your seal, and returning both originals **within thirty (30) days** of the date of this letter to NC Division of Highways, Attention: Cindy Iorlano, 716 West Main Street, Albemarle, NC 28001. Please also submit a check made payable to North Carolina Department of Transportation in the amount of thirty thousand dollars (\$30,000.00) with the partially executed Agreements as required by the terms of the Agreement for the Town's local match participation in the Preliminary Engineering phase of the project.

Thank you for your assistance in this matter. Please call me at the number below if you need additional information.

Enclosures

CAI

Mailing Address:  
NC DEPARTMENT OF TRANSPORTATION  
DIVISION 10  
716 WEST MAIN STREET  
ALBEMARLE, NC 28001

Telephone: (704) 983-4400  
Fax: (704) 982-3146  
Customer Service: 1-877-368-4968

Location:  
716 WEST MAIN STREET  
ALBEMARLE, NC 28001

Website: [www.ncdot.gov](http://www.ncdot.gov)

NORTH CAROLINA

**TRANSPORTATION IMPROVEMENT PROJECT –  
MUNICIPAL AGREEMENT**

MECKLENBURG COUNTY

DATE: 3/16/2018

NORTH CAROLINA DEPARTMENT OF  
TRANSPORTATION

TIP #: U-6092

WBS Elements: PE 47886.1.1

ROW 47886.2.1

CON 47886.3.1

AND

FEDERAL-AID NUMBER: STBGDA-1003 (166)

TOWN OF DAVIDSON

THIS MUNICIPAL AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department" and the Town of Davidson, a local government entity, hereinafter referred to as the "Municipality".

WITNESSETH:

WHEREAS, the Department has plans to make certain street and highway constructions and improvements within the Municipality under Project U-6092, in Mecklenburg County; and,

WHEREAS, the Department and the Municipality have agreed that the municipal limits, as of the date of the awarding of the contract for the construction of the above-mentioned project, are to be used in determining the duties, responsibilities, rights and legal obligations of the parties hereto for the purposes of this Agreement; and,

WHEREAS, this Agreement is made under the authority granted to the Department by the North Carolina General Assembly, including but not limited to, the following legislation: General Statutes of North Carolina (NCGS), Section 136-66.1, Section 160A-296 and 297, Section 136-18, and Section 20-169, to participate in the planning and construction of a Project approved by the Board of Transportation for the safe and efficient utilization of transportation systems for the public good; and,

WHEREAS, the parties to this Agreement have approved the construction of said Project with cost participation and responsibilities for the Project as hereinafter set out.

NOW, THEREFORE, the parties hereto, each in consideration of the promises and undertakings of the other as herein provided, do hereby covenant and agree, each with the other, as follows:

## **SCOPE OF THE PROJECT**

1. The Project consists of the conversion of the existing stop-controlled intersection at Robert Walker Drive (SR 6023) and Davidson Concord Road (SR 2693) to a roundabout.

## **PLANNING AND DESIGN**

2. The Department shall prepare the environmental and/or planning document, and obtain any environmental permits needed to construct the Project, and prepare the Project plans and specifications needed to construct the Project. All work shall be done in accordance with departmental standards, specifications, policies and procedures.

## **RIGHT OF WAY**

3. The Department shall be responsible for acquiring any needed right of way required for the Project. Acquisition of right of way shall be accomplished in accordance with the policies and procedures set forth in the North Carolina Right of Way Manual.

## **UTILITIES**

4. It is not known at this time if there are municipally-owned water and sewer lines to be adjusted or relocated. If during the project it becomes necessary to adjust or relocate municipally-owned water and/or sewer lines a separate Utility Agreement will be prepared at the appropriate time.

## **CONSTRUCTION**

5. The Department shall construct, or cause to be constructed, the Project in accordance with the plans and specifications of said Project as filed with, and approved by, the Department. The Department shall administer the construction contract for said Project.

## **MAINTENANCE**

6. Upon completion of the Project:
  - A. The Department shall be responsible for all traffic operating controls and devices which shall be established, enforced, and installed and maintained in accordance with the North Carolina General Statutes, the latest edition of the Manual on Uniform Traffic Control Devices for Streets and Highways, the latest edition of the "Policy on Street and Driveway Access to North Carolina Highways", and departmental criteria.

- B. The improvement(s) shall be a part of the State Highway System and owned and maintained by the Department.
- C. The Municipality, at its own expense, shall be responsible for all liability and maintenance for the sidewalk.

**FUNDING**

- 7. The Municipality shall participate in the costs of the Project as follows:
  - A. Subject to compliance by the Municipality, with the provisions set forth in this Agreement and the availability of federal funds, the Department shall participate in the costs of the project, up to a maximum amount of One Million Nine Thousand Dollars (\$1,009,000), as detailed below. The Municipality shall provide a local match, as detailed in the FUNDING TABLE below, pursuant to Provisions 7B, 7C and 7D. Costs that exceed the total estimated cost shall be borne by the Municipality.

**FUNDING TABLE**

<b>PHASE</b>	<b>FEDERAL FUNDS (STBG-DA)</b>	<b>LOCAL FUNDS (NON-FEDERAL MATCH)</b>
PE	\$120,000	\$30,000
RIGHT OF WAY	\$20,000	\$5,000
CONSTRUCTION	\$869,000	\$217,000
<b>Totals</b>	<b>\$1,009,000</b>	<b>\$252,000</b>
<b>Total Estimated Cost</b>	<b>\$1,261,000</b>	

- B. Upon partial execution of this Agreement, the Municipality shall submit a check for \$30,000 to the Department’s Division Engineer to cover the local match for the estimated costs of the Preliminary Engineering Phase.
- C. Prior to the Department requesting authorization for the Right of Way (ROW) phase, the Department shall request a check in the amount of \$5,000 for the local match of the estimated costs of the ROW phase.
- D. Prior to the Department requesting authorization for the Construction phase, the Department shall request a check in the amount of \$217,000 for the local match of the estimated costs of the Construction phase.

- E. Upon completion of the Project, the Department will bill the Municipality for any excess project costs. Reimbursement to the Department shall be made in one final payment and within sixty (60) days of invoicing by the Department. If the actual cost of the work is less than \$1,261,000, the Department shall reimburse the Municipality any overpayment. A late payment penalty and interest shall be charged on any unpaid balance due in accordance with NCGS § 147-86.23.
  
- F. In the event the Municipality fails for any reason to pay the Department in accordance with the provisions for payment herein above provided, NCGS § 136-41.3 authorizes the Department to withhold so much of the Municipality's share of funds allocated to said Municipality by NCGS § 136-41.1 until such time as the Department has received payment in full under the reimbursement terms set forth in this Agreement.

## **ADDITIONAL PROVISIONS**

- 8. It is the policy of the Department not to enter into any agreement with another party that has been debarred by any government agency (Federal or State). The Municipality certifies, by signature of this agreement, that neither it nor its agents or contractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State Department or Agency.
  
- 9. To the extent authorized by state and federal claims statutes, each party shall be responsible for its respective actions under the terms of this agreement and save harmless the other party from any claims arising as a result of such actions.
  
- 10. All terms of this Agreement are subject to available departmental funding and fiscal constraints.
  
- 11. This Agreement contains the entire agreement between the parties and there are no understandings or agreements, verbal or otherwise, regarding this Agreement except as expressly set forth herein.
  
- 12. The parties hereby acknowledge that the individual executing the Agreement on their behalf is authorized to execute this Agreement on their behalf and to bind the respective entities to the terms contained herein and that he has read this Agreement, conferred with his attorney, and fully understands its contents.
  
- 13. A copy or facsimile copy of the signature of any party shall be deemed an original with each fully executed copy of the Agreement as binding as an original, and the parties agree that this

Agreement can be executed in counterparts, as duplicate originals, with facsimile signatures sufficient to evidence an agreement to be bound by the terms of the Agreement.

14. By Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor ( i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor).

IT IS UNDERSTOOD AND AGREED upon that the approval of the Project by the Department is subject to the conditions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given.

L.S. ATTEST:

TOWN OF DAVIDSON

BY: \_\_\_\_\_ BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

Approved by \_\_\_\_\_ of the local governing body of the Town of Davidson as attested to by the signature of Clerk of said governing body on \_\_\_\_\_(Date)

This Agreement has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

(SEAL)

BY: \_\_\_\_\_  
(FINANCE OFFICER)

Federal Tax Identification Number

\_\_\_\_\_

Remittance Address:

Town of Davidson

Attention: Mr. Doug Wright

P.O. Box 579

Davidson, NC 28036

DEPARTMENT OF TRANSPORTATION

BY: \_\_\_\_\_  
(CHIEF ENGINEER)

DATE: \_\_\_\_\_

APPROVED BY BOARD OF TRANSPORTATION ITEM O: \_\_\_\_\_ (Date)



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**Agenda Title:** **Consider Approval of Resolution 2018-07 Authorizing the Manager to Begin the Conceptual Plan Process for The Park at Beaty Street**  
**Parks & Recreation director Kathryn Spatz**  
**SUMMARY:** Discuss the charge for the Beaty Street Task Force and approve a resolution in order to move forward.

**Summary:**

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**ATTACHMENTS:**

	<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
☐	R2018-06 Authorizing the Manager to begin the Conceptual Plan process for the Park at Beaty Street	4/2/2018	Cover Memo



## Resolution 2018-06

### Authorizing the Manager to Begin the Conceptual Plan Process for the Park at Beaty Street.

**WHEREAS**, a conceptual plan process will allow the community and the Board of Commissioners to fully explore potential programs for a park on Beaty Street; and

**WHEREAS**, Community stakeholders including, adjoining neighborhoods, citizens at large, and Livability Board members, all of whom must apply to serve; and

**WHEREAS**, Parks & Recreation Director, with support from representative, Mecklenburg County Parks & Recreation, Natural Resources Division shall serve as staff liaison to the Task Force; and

**WHEREAS**, the Manager is authorized to advertise for applicants for the Task Force; and

**WHEREAS**, the Board of Commissioners shall appoint the Park at Beaty Street Conceptual Plan Task Force and that it shall be retired after the Board of Commissioners adopt a concept plan; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Town of Davidson that the once established Park at Beaty Street Conceptual Plan Task Force is charged with the following:

- Sponsor public forums to solicit community input and identify recreational needs
- Identify and evaluate all assets on-site
- Investigate park and recreation elements needed, including walking trails and other amenities
- Consider ancillary uses as appropriate, respecting historic character of surrounding parcels
- Develop planning level cost estimates for the various options to help in setting priorities and developing financing plans
- Evaluate each option on the basis of capital and operational costs, potential impacts on the natural environment, potential revenues, recreational needs and effect on programs
- Meet with the Davidson Board of Commissioners for review and comment before making final recommendations
- Make recommendations for the consideration of the Davidson Board of Commissioners

**Adopted on the 10th day of April, 2018.**

---

Rusty Knox, Mayor

**Attest:**

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Carmen Clemsic, Town Clerk



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**Agenda**      **Consider Approval of Public Comment Period Policy**

**Title:**      Town Manager Jamie Justice

**Summary:** Item was deferred from the Mar 27, 2018 meeting. According to the Town of Davidson Rules of Procedure the board may adopt reasonable rules for public comment periods.

**Summary:**

---

**ATTACHMENTS:**

	<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
▢	Town_of_Davidson_Public_Comment_Policy v.2	4/4/2018	Cover Memo



## **Public Comment Policy**

**DRAFT 4-4-18**

### **Overview**

In 2005, the North Carolina General Assembly, through the passage of NCGS 160A-81.1, required that each municipality in North Carolina provide a period for public comment at least once per month at a regular meeting of the board of commissioners. The General Assembly gave board of commissioners the authority to adopt rules governing the conduct of the public comment period. The Town of Davidson recognizes the importance of receiving comments from the public. The purpose of the public comment period is to give the public an opportunity to express their views, comments or opinions to the board of commissioners. It is a time for the board of commissioners to listen to the public. The following rules have been established to maintain order and decorum during the public comment period. Furthermore, these rules are designed to ensure fairness to each speaker by establishing rules in advance that will be applied equally to each speaker.

### **Public Comment Period**

The public comment period shall be reserved as an item of business on the agenda for the board of commissioners' regular meeting, which is currently held on the second Tuesday of each month. All comments to the board of commissioners during the public comment period shall be subject to the following guidelines:

1. Prior to the start of the public comment period, persons wishing to address the board of commissioners will register on a sign-up sheet stationed by the meeting room door. Prior to beginning the public comment period, the Mayor will collect the sign-up sheet and recognize speakers in the order that they registered. Speakers will address the board of commissioners from the podium and special accommodations will be made for persons with a disability with appropriate advanced notice to the Town Clerk. Speakers will be asked to provide their name and address for the record.
2. Speakers may speak on any topic unless it is a topic for which a public hearing is being held on the same regular meeting agenda. Topics must be germane to the Town of Davidson.

2. Each speaker shall be limited to a maximum time of three (3) minutes. Each speaker will only be allowed to speak once during the public comment period. The Town Clerk shall serve as time keeper and the Mayor will promptly announce when the speaker's time has expired.
3. No time may be yielded or transferred from one speaker to another. Each speaker will be concise and avoid repetition. In order to avoid repetition and delay, groups of people supporting the same position are encouraged to designate a spokesperson for the group.
4. The public comment period is not intended to require the board of commissioners and/or any staff to answer any impromptu questions. Board members may ask a speaker to clarify information in order to better understand the speaker's comments. The board of commissioners will not take action on an item presented during the public comment period. Upon completion of the public comment period and when appropriate, the board of commissioners may summarize the comments heard from citizens and the board of commissioners may refer inquiries made during the public comment period to the Town Manager to address as appropriate. If necessary, the item may be added to the agenda of a future meeting, thereby providing the staff an opportunity to research the item and provide data to the board of commissioners for consideration and review.
5. Speakers will address comments to the entire board of commissioners as a whole and not one individual member. Discussions between speakers and members of the audience will not be permitted during the public comment period.
6. Speakers who have prepared written remarks are encouraged to leave a copy of such remarks with the Town Clerk. Speakers who have materials that they want distributed to the board related to the item they plan to discuss during the public comment period, shall provide nine (9) copies of those documents to the Town Clerk prior to the start of the meeting. The Clerk shall distribute the copies to the Davidson Mayor and Board of commissioners, Attorney, and Town Manager and retain one copy for the record.
7. Speakers shall be civil and courteous in their language and presentation. Insults, personal attacks, accusations, profanity, vulgar language, inappropriate gestures, or other inappropriate behavior will not be tolerated.
8. In order to provide for the maintenance of order and decorum in the conduct of the meeting, the Mayor may declare "out-of-order" any person who fails to comply with this policy. The Mayor shall caution any such person to abide by the provisions of this policy. Refusal to do so shall be grounds for removal of the speaker from the meeting.