LENOIR CITY COUNCIL
TUESDAY, JANUARY 19, 2021
6:00 P.M.

PRESENT: Mayor Joe Gibbons presiding. Councilmembers present were Jonathan Beal, Ike Perkins, David Stevens, and Ben Willis. City Manager Scott Hildebran and Communications Director Joshua Harris were also in attendance at the meeting.

VIA TELECONFERENCE:
Participating via teleconference were Mayor Pro-Tem Crissy Thomas, Councilmembers Todd Perdue, Ralph Prestwood, City Attorney T.J. Rohr, and City Clerk Shirley Cannon.

Department Directors participating via teleconference were Finance Director Donna Bean, Fire Chief Hair, Police Chief Brent Phelps, Recreation Director Kenny Story, Planning Director Jenny Wheelock, Economic Development Director Kaylynn Horn, Public Utilities Director Radford Thomas, Public Works Director Jared Wright and Communications Director Joshua Harris.

Also participating via teleconference was Garrett Stell, *News Topic*.

I. CALL TO ORDER

A. The meeting was opened by a moment of silence followed by the Pledge of Allegiance as led by Mayor Gibbons.

II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

III. CONSENT AGENDA ITEMS

A. Upon a recommendation by City Manager Hildebran, the following Consent Agenda items were submitted for approval:

1. Minutes: Approval of the minutes of the City Council meeting of Tuesday, January 5, 2021 as submitted.
2. FY2021 Annual Audit Contract: Approval of the FY2021 Annual Audit Contract as submitted by S. Eric Bowman, PA for the City of Lenoir. The agreed upon cost for the audit is $98.00 per hour per person with a 75% cap for interim invoice approval of $36,382.00, which is 75% of the prior year's audit fee. (A copy of the Audit Contract is hereby incorporated into these minutes by reference. Refer to pages 32-51).
3. Budget Amendments: Approval of Budget Amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2021 as follows:

1) General Fund to allocate COVID reimbursement	$314,054.98
2) Water Fund to allocate COVID reimbursement	$ 25,400.00
3) Main Street to allocate COVID reimbursement	$ 8,200.00
4) LTDA to allocate COVID reimbursement	$ 18,000.00

5) General Fund to allocate funding for NC Rural Center Grant Reimbursement for Woodgrain Millwork $ 55,000.00
6) General Fund to allocate funding for donation to improve bathrooms and deck at T.H. Broyhill Walking Park $100,000.00

A copy of the Budget Amendment is here by incorporated into these minutes by reference. (Refer to page 52).

Upon a motion by Councilmember Stevens, Council voted 7 to 0 to approve the above listed items on the Consent Agenda as presented and as recommended by City Manager Hildebran.

IV. REQUESTS AND PETITIONS OF CITIZENS

V. REPORTS OF BOARDS AND COMMISSIONS

VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

A. Items of Information

PLANNING BOARD:

1. The Planning Board and Board of Adjustments will conduct a virtual meeting on Monday, January 25 at 5:30 p.m.

COMMITTEE OF THE WHOLE:

2. The Committee of the Whole will conduct a virtual meeting on Tuesday, January 26 at 8:30 a.m.

FOOTHILLS REGIONAL AIRPORT AUTHORITY:

3. The Foothills Regional Airport Authority will conduct a virtual meeting on Wednesday, January 27 at noon.

B. ITEMS FOR COUNCIL ACTION

ORDINANCE; CHAPTER 160D LEGISLATION:

1. A public hearing was held on Tuesday, January 5, 2021 in order for City Council to consider the N.C.G.S. 160D Ordinance updates as presented by Planning Director Jenny Wheelock regarding legislation adopted by the General Assembly pertaining to Chapter 160D. This law also makes technical and clarifying amendments to Chapter 160D.

   A copy of the proposed Ordinance is on file in the Planning Department. The Ordinance will also be submitted to Municode for codification into the City of Lenoir's Code of Ordinances.

City Council deferred action on adoption of the submitted Ordinance until the January 19 City Council meeting due to current legislation guidelines pertaining to public hearings. The legal ad for the public hearings was published in the *News-Topic* on Friday, December 25, 2020 and again on Friday, January 1, 2021.

Staff recommends approval of the proposed Ordinance as submitted.

City Council commended Planning Director Wheelock and Staff for the excellent job they did in incorporating these changes into the proposed ordinance.

Upon a motion by Councilmember Perdue, Council voted 7 to 0 to adopt the Ordinance for Chapter 160D and to codify the ordinance with Municode as recommended and as presented by City Staff.

BID AWARD; T.H. BROYHILL WALKING PARK:

2. City Staff recommends Council award the low bid of $70,892.00 to Precision Construction Company, Granite Falls, NC, for the renovations/upgrades to the restroom facility at the T.H. Broyhill Walking Park.

   A copy of the bid tab is hereby incorporated into these minutes by reference. (Refer to pages 53).

   Recreation Director Story stated that, although the donation would be funding the necessary upgrades, City Staff would be making the repairs to the conservation deck at the pond.

   On behalf of City Council, Mayor Gibbons recognized and thanked the Broyhill Family Foundation, Inc. for their generous donation of $100,000.00 for this improvements project.

   Upon a motion by Councilmember Perkins, Council voted 7 to 0 to award the low bid of $70,892.00 to Precision Construction Company for the Improvements Project at T. H. Broyhill Walking Park as submitted.

VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY

VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR

BOARD RE-APPOINTMENTS:

A. Mayor Gibbons recommended the following individuals for re-appointment to the City's Authorities/Boards/Commissions. These re-appointments were announced at the January 5 City Council meeting.

Lenoir Business Advisory Board	**Tim Biddix**	**3-year term**
	Matt Underwood	**3-year term**
Planning Board	**James Bradshaw**	**4-year term**

Upon a motion by Councilmember Perdue, Council voted 7 to 0 to appoint the above list of individuals to the City's Authorities/Boards/Commissions as recommended by Mayor Gibbons.

BOARD ANNOUNCEMENT; PARKS & RECREATION ADVISORY BOARD:

A. Mayor Gibbons announced that Tim Poarch will be appointed to serve a two-year term on the Parks & Recreation Advisory Board. This new appointment will be voted on by City Council at the February 2, 2021 meeting.

IX. REPORT AND RECOMMENDATIONS OF COUNCIL MEMBERS

VIRTUAL MARTIN LUTHER KING, JR. CELEBRATION:

A. Councilmembers Ike Perkins and Crissy Thomas expressed appreciation to Rocky Dula, who participated in a virtual program honoring Dr. Martin Luther King, Jr. on Monday, January 18. Mr. Dula recited the original "I Have a Dream Speech," given by Dr. King in 1968.

Councilmembers Ike Perkins and Crissy Thomas also thanked Lester Whittington, Director, Martin Luther King, Jr. Center, and others for arranging special music in honor of this historic event.

X. ADJOURNMENT

A. There being no further business, the meeting was adjourned at 6:23 p.m.

Shirley M. Cannon, City Clerk	Joseph L. Gibbons, Mayor

CONTRACT TO AUDIT ACCOUNTS

The	Governing Board City Council
of	Primary Government Unit (or charter holder) City of Lenoir
and	Discretely Presented Component Unit (DPCU) (if applicable) NA

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name S. Eric Bowman, PA
	Auditor Address PO Box 1476 Morganton, NC 28680

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/21	Audit Report Due Date 10/31/21

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). 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 GAAS. 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 requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

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).

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 LGC 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.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she 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 the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) 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 U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

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 LGC Staff within four months of fiscal year end. 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 GAAS include a review of the Governmental Unit's (Units') 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/her 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 (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) 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 invoice marked 'approved 'with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs 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. 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 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, 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 LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. 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(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) 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 uponcompletion.

13. 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(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final 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 LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). 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(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. 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 modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). 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 to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this 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 28 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. 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 primary 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.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools or hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. 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.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. 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.

26. 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.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). 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. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later. T**he auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern.

30. Applicable to charter school contracts only: No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

31. 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).

32. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit

33. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

34. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards,2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☑ Auditor ☐ Governmental Unit ☐ Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	***Title and Unit / Company:***	***Email Address:***
David Stevens	Council Member/Smith,Stevens	dstevens@ssfcpa.net

OR Not Applicable ☐ *(Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)*

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. 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 billings for the last annual audit of the unit submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

Primary Government Unit	City of Lenoir
Audit Fee	$ 98 per hour per person
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	$
Writing Financial Statements	$ 98 per hour per person
All Other Non-Attest Services	$
75% Cap for Interim Invoice Approval *(not applicable to hospital contracts)*	$ 36,382.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	NA
Audit Fee	$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	$
Writing Financial Statements	$
All Other Non-Attest Services	$
75% Cap for Interim Invoice Approval *(not applicable to hospital contracts)*	$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* S. Eric Bowman, PA	
Authorized Firm Representative (typed or printed)* S. Eric Bowman	Signature*
Date* 12/10/20	Email Address* sericbowmanpa@bellsouth.net

GOVERNMENTAL UNIT

Governmental Unit* City of Lenoir	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	1-19-2021
Mayor/Chairperson (typed or printed)* Joe L Gibbons-Mayor	Signature*
Date 1-19-2021	Email Address josephlgibbons@yahoo.com

Chair of Audit Committee (typed or printed, or "NA") NA	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

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.

Primary Governmental Unit Finance Officer* (typed or printed) Donna Bean	Signature* Donna Bean
Date of Pre-Audit Certificate*	Email Address* dbean@ci.lenoir.nc.us

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU* NA	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

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.

DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT

2020-2021 Fiscal Year
Budget Amendment Ordinance 2021-01
1/19/2021

ITEM 1: ADJUSTMENTS TO THE GENERAL FUND BUDGET TO ALLOCATE COVID REIMBURSEMENT.

ACCOUNT	TYPE	AMOUNT OF INCREASE
GENERAL FUND GRANT REVENUE	REVENUE	314,054.98
4120 ADMIN	EXPENDITURE	50,000.00
4130 FINANCE	EXPENDITURE	65,000.00
4250 VEHICLE SERVICES	EXPENDITURE	404.98
4260 BLDG MAINTENANCE	EXPENDITURE	10,050.00
4270 ENGINEERING	EXPENDITURE	9,600.00
4310 POLICE SUPPORT SERVICES	EXPENDITURE	30,000.00
4311 POLICE DETECTIVES	EXPENDITURE	5,590.00
4312 POLICE PATROL	EXPENDITURE	15,000.00
4340 FIRE SUPPORT	EXPENDITURE	50,000.00
4341 FIRE SUPPRESSION	EXPENDITURE	15,000.00
4510 STREET ADMINISTRATION	EXPENDITURE	20,000.00
4511 STREET MAINTENANCE	EXPENDITURE	2,500.00
4512 STREET TRAFFIC CONTROL	EXPENDITURE	500.00
4710 SANITATION	EXPENDITURE	2,500.00
4740 CEMETERIES	EXPENDITURE	2,300.00
4910 PLANNING	EXPENDITURE	6,000.00
6120 RECREATION ADMINISTRATIVE	EXPENDITURE	4,000.00
6121 AQUATIC/FITNESS CENTER	EXPENDITURE	19,000.00
6122 MULBERRY CENTER	EXPENDITURE	1,400.00
6123 ML KING CENTER	EXPENDITURE	2,080.00
6130 PARKS	EXPENDITURE	3,130.00
TOTAL GENERAL FUND		314,054.98

ITEM 2: ADJUSTMENTS TO THE WATER FUND BUDGET TO ALLOCATE COVID REIMBURSEMENT.

ACCOUNT	TYPE	AMOUNT OF INCREASE
WATER FUND GRANT REVENUE	REVENUE	25,400.00
7130 RHODHISS PLANT	EXPENDITURE	90.00
7131 WATER DISTRIBUTION	EXPENDITURE	7,500.00
7132 WATER RESOURCES	EXPENDITURE	1,740.00
7133 WATER ADMIN	EXPENDITURE	9,000.00
7140 WASTEWATER COLLECTION	EXPENDITURE	3,850.00
7141 WASTEWATER PRETREATMENT	EXPENDITURE	2,000.00
7142 GUNPOWDER WASTEWATER PL	EXPENDITURE	660.00
7143 LOWER CREEK WASTEWATER PL	EXPENDITURE	560.00
TOTAL WATER FUND		25,400.00

ITEM 3: ADJUSTMENTS TO THE MAIN STREET BUDGET TO ALLOCATE COVID REIMBURSEMENT.

ACCOUNT	TYPE	AMOUNT OF INCREASE
MAIN STREET GRANT REVENUE	REVENUE	8,200.00
4920 MAIN STREET	EXPENDITURE	8,200.00

ITEM 4: ADJUSTMENTS TO THE LENOIR TOURISM DEVELOPMENT AUTHORITY FUND BUDGET TO ALLOCATE COVID REIMBURSEMENT.

ACCOUNT	TYPE	AMOUNT OF INCREASE
4990 LTDA COVID GRANT	REVENUE	18,000.00
4990 LTDA COVID EXPENDITURES	EXPENDITURE	18,000.00

ITEM 5: ADJUSTMENTS TO THE GENERAL FUND BUDGET TO ALLOCATE FUNDING FOR THE NC RURAL CENTER GRANT REIMBURSEMENT FOR WOODGRAIN MILLWORK.

ACCOUNT	TYPE	AMOUNT OF INCREASE
3326 RURAL CENTER GRANT	REVENUE	55,000.00
4110 ECONOMIC DEVELOPMENT	EXPENDITURE	55,000.00

ITEM 6: ADJUSTMENTS TO THE GENERAL FUND BUDGET TO ALLOCATE FUNDING FOR DONATION TO IMPROVE BATHROOMS AND DECK AT THE BROYHILL WALKING PARK.

ACCOUNT	TYPE	AMOUNT OF INCREASE
3833 CONTRIBUTION FOR BEAUTIFICATION PROJECT	REVENUE	100,000.00
6134 CAPITAL IMPROVEMENTS	EXPENDITURE	100,000.00

CITY OF LENOIR

COUNCIL ACTION FORM

I. Agenda Item:

Bid Award: Renovations/Upgrades to the Restroom Facility and the Large Deck that overlooks the Pond at T.H. Broyhill Walking Park.

II. Background Information:

The Restrooms and Deck Area are in need of repairs and upgrades to accommodate the patrons who use the park. This project is being funded by a generous $100,000.00 Donation from the Broyhill Family Foundation, Inc. The bids below are for the restroom upgrades only and the remaining balance of the donation will be for materials for self-performed deck repair.

Bids:	Precision Contracting Company	$70,892.00
	Brushy Mountain Builders	$74,575.00
	David E. Looper & Company	$93,381.00

III. Staff Recommendation:

Staff recommends awarding the low bid to Precision Contracting Company in the amount of $70,892.00

IV. Reviewed by:

City Attorney:

Finance Director:

Public Works/Public Utilities Director:

Planning Director:

Recreation Director: Kenny Story

BID TAB

2021 T.H. Broyhill Walking Park
City of Lenoir

Kenny Story
Recreation Director

Contractor	Bid Security	Bid Price
Precision Contracting Co.	Yes	$70,892.00
Brushy Mountain Builders Inc.	Yes	$74,575.00
David E. Looper & Company	Yes	$93,381.00

Precision Contracting Co.

1761 Morris Creek Rd.

Granite Falls, NC 28630

Office (828) 759-3994 Mobile (828) 217-1879

Unlimited License #64428

To: Kenny Story
Parks and Recreation Director/City of Lenoir

January 3, 2021

Shelia Brady
Broyhill Foundation Administrator

Re: Renovation/Upgrades to Broyhill Walking Park
Existing Toilet Building

Item: Construction Cost Proposals

Folks,
See the following requested proposals:

1. See attached our prelim drawings for reference and scope of work.
2. All the existing exterior items on building will remain with only minor repairs. See new floor plan for location of new 3x7 metal exterior door to serve as access to new Storage Room, this door will match existing. Across the rear 25', we will install concrete curb approx. 8" wide, 12" tall on top existing concrete floor to prevent future water damage. We will replace approx. 24" bottom wood siding and trim on all 4 walls due to current water/age damage. We will repaint all the exterior building. Painting of building only, not Pergola Roof.
3. The interior including the concrete slab will be demolished and removed.
4. The new interior will include concrete slab sloped to new floor drains, new painted block walls, new acoustical tile ceilings with R16 insulation.
5. Each of 3 new toilets will have ADA std fixtures, see Triplett Plumbing quote for the scope of work.
6. The 3 new Toilet Rooms will have a specialty floor covering to be determined. Allowance for this item is $3,000.00.
7. The Storage Room will have the relocated electrical panel, mop sink and space for other utilities.
8. Heating will be new electric recessed wall units similar to existing.
9. Electrical will include relocation of the existing service panel, re-connection to all existing service panel, re-connection to all existing fixtures to remain, all new LED light fixtures, 3 new LED fixtures in exterior entry ceiling, 4 new LED bulbs in 2 existing Gazebo Ceiling.
10. Removal of existing electric water coder. We will install new single foundation unit furnished by City.

11. All labor, equipment, taxes, clean-up, supervision and complete commercial insurance package.

Total Base Bid $70,892.00

We will be glad to preform the work as cost plus 10% fee, have this amount a max. sum, give back owner all cost savings.

Option #1
See Triplett Option #2 for revised hw heaters, this will allow Mop Sink to have hot water.
Add Cost of $922.00

Option #2
See Triplett Option #3 for all S.S. plumbing fixtures.
Add Cost of $13,673.00

Option #3
Replace 60 existing 2x6x12 Pergola Ceiling Beams with pre-finished PVC beams.
Add Cost of $11,624.00

Option #4
Replace existing Pergola beams with 2x6x12T wood that we will field stain and seal.
Add Cost of $5,644.00

Per our meeting on 12-8-20 to review this proposal, we discussed that due to the nature of this project and the high probability of unexpected issues, that for budget planning we would recommend a contingency allowance of 15% total cost. We will only use this allowance item for approved extra change orders.

Thank you for the opportunity of this proposal.

David Gray
David Gray
Adam Gray

Brushy Mountain Builders

INCORPORATED

January 5, 2021

Mr. Kenny Story

Parks & Rec. Director City of Lenoir

Reference: Upgrades to restrooms at Broyhill Walking Park

Mr. Story,

Brushy Mountain Builders, Inc. proposes the following for the Broyhill Walking Park Restroom Project:

- Exterior improvements consist of; New 3' by 7' exterior door to storage room, Install concrete curb along back to prevent water damage, replace rotted wood along the bottom of building, & painting of exterior.
- Remove & replace concrete slab with proper slopes to new drains, new painted block walls, & new ACT with R-16 insulation.
- Three new toilets with ADA fixtures.
- Relocate Electrical panel to storage room and mop sink.
- The new toilet rooms will have new specialty flooring. Allowance is $3,000.00.
- Replace existing heaters with similar units.
- Replace all lighting with LED fixtures.
- Remove existing electric water heater and replace with new one provided by others.
- Final cleanup.

Total price for this scope of work is $74,575.00.

Alternate #1 Hot water heater that will accommodate mop sink $985.00.

Alternate #2 Provide Stainless Steel plumbing fixtures $14,150.00

Alternate #3 Replace existing "Pergola" beams with pre finished PVC beams $11,400.00

Alternate #4 Replace existing "Pergola" beams with treated 2 by 6's stain & seal $5,250.00

If you have any questions are need additional information please feel free to contact me (828)217-2300 or jmoore@brushymountaininc.com .

Thank you,

John N Moore

John Moore

Brushy Mountain Builders, Inc.

3390 GAITHER WALKER CIRCLE • LENOIR, NC 28645 • PHONE: 828-758-5577 • FAX: 828-495-4003

David E. Looper & Company
GENERAL CONTRACTORS

January 8, 2021

Mr. Kenny Story
Lenoir Parks and Recreation
Lenoir, NC

RE: Renovations to existing Restroom Building

Mr. Story,

We are pleased to provide pricing for the Renovation and Modification to the existing Broyhill Walking Park Toilets. Our price includes the following:

General Scope:

- Project supervision and project management
- Tools and equipment
- Builders risk and permitting
- Add standing curb along rear elevation
- Repair siding affected by water damage only
- Exterior siding will be painted in its entirety
- Provide one new hollow metal frame and door for access to new storage area
- Interior demolition to include:
  - Removal of existing separation walls, frames and doors
  - Removal of existing fixtures
  - Removal of existing concrete slab on grade
- Provide new under slab plumbing
- Provide new concrete slab on grade
- New separation walls will be CMU
- Finishes to include:
  - Painted CMU Walls
  - New acoustical ceilings with insulation overhead
  - Floor finish assumed to be epoxy finished concrete
- Plumbing fixtures to include:
  - One (1) mop sink
  - Three (3) lavatories (standard ADA)
  - Three (3) water closets (standard ADA)
- Electrical to include:
  - Electrical panel relocation
  - Electric unit heaters
  - New LED light fixtures

Project Total $93,381.00

Hickory Office:

PO Box 3224
320 15th Street SE
Hickory, NC 28603

828-324-1284
828-324-1289 (fax)
NC GC License
31511

Charleston Office:

2089 Wambaw Creek
Road, Unit 2
Charleston, SC
29492

843-471-2742
828-471-2741 (fax)

Exclusions:

- Asbestos testing or abatement
- Any work beyond building foot print
- Bonding of any kind
- Toilet accessories and changing stations
- No work associated with pergola
- Contractor contingency

We appreciate this opportunity and would be happy to discuss any questions that you may have regarding this proposal.

Respectfully,

Dustin W. Davis

Dustin W. Davis – Preconstruction Service Manager
dustin@delcompany.com
828-270-6892 - Mobile