

AGENDA

**Agenda Meeting of the Southern Pines Town Council
March 5, 2014, 7:00 PM, Community Room, Southern Pines Police Department
450 West Pennsylvania Avenue**

1. Manager's Comments

2. Consent Agenda

All items listed below are considered routine and will be enacted by one motion and without discussion.

- A. Adopt Worksession Minutes of January 27, 2014, Agenda Meeting Minutes of February 5, 2014 and Regular Business Meeting Minutes of February 11, 2014 as written.
- B. Board Appointments
 - Appearance Commission
- C. Audit Contract Fiscal Year 2013-2014
- D. Budget Amendments
 - State Library Aid \$896
 - Weymouth Pass-Through Grant \$25,000
 - Downtown Park Picnic Shelter

3. Public Hearing

- A. Community Development Block Grant Application: TYR Tactical

4. Miscellaneous

- A. Resolution Approving Administrative Guidelines and Policies for the Community Development Block Grant Economic Development Program to Serve "TYR Tactical"

MINUTES
Worksession Meeting of the Southern Pines Town Council
January 27, 2014, 3:00pm, Community Room, Southern Pines Police Department
450 W. Pennsylvania Avenue

Present: Mayor David McNeill, Mayor Pro Tem Mike Fields, Councilmember Fred Walden, Councilmember Jim Simeon, Councilmember VanCamp

Absent: None

Call to Order

1. Request for Financial Support: Pat Corso, Partners and Caleb Miles, CVB

Pat Corso, Partners in Progress and Caleb Miles, CVB were present for discussion with Council. Mr. Corso gave an overview of a new project titled 'Moore Alive' and commented the rural situation in North Carolina is not good and that the votes and population are clustered around urban centers.

Mr. Corso continued by speaking in regards to rural North Carolina and commented this is a 'boot-straps approach' and if we want to do well, we have to do well for ourselves because the changes that got Moore County where it is will not sustain.

Mr. Corso read a letter from a resident of Pinehurst #7 regarding the lack of home sales due to the lack of interest in relocating to the area and continued by reading a letter from JoAnn Desell, a local real-estate broker, regarding declining real-estate values and lack of home-buyers and horse farms sales in Horse Country.

Mr. Corso gave an overview of an economic impact study regarding the equestrian community value of Moore County and commented the direct impact totals \$33.1 Million with an indirect impact of an estimated \$132 Million. Mr. Corso continued by commenting the Town gets a chance to create national exposure through the 2014 U.S. Open with search engine optimization and digital marketing.

Mr. Corso commented there are 4 key dynamic markets they are researching that will create demand and new opportunities for Moore County and the goal is to have a Town-approved website live by April 2014.

Caleb Miles, CVB, presented a slideshow overview of the 'Moore Alive' program and a place-based marketing study and commented the Moore Alive website will provide information for anyone considering relocating to Moore County.

Mr. Corso gave an overview of the RFP process and commented that this is not just an ordinary website but a robust, digitally-managed website.

Mr. Miles commented Liaison Design Group and New Media Group were the companies selected for the Moore Alive project and gave an overview of the companies. Mr. Miles continued with an overview of the project scope and budget and commented the content will be custom designed for Moore County and managed for the first 18 months.

Mr. Miles commented the process is on schedule and idea is to have the website live to take advantage of the U.S. Open while it is here, but the website needs to be able to carry itself afterwards. Mr. Miles continued by presenting and giving a brief overview of a landing page for the Moore Alive project.

Mr. Corso gave an overview of website highlights and commented the website will be very robust and will give us a chance to stabilize and increase property values. Mr. Corso continued by commenting that this is a Moore County effort and asked Council for \$10,000 to apply toward the project, which could be applied to 2 fiscal years.

Mr. Corso commented the will cost approximately \$50,000 annually to continue after the initial 18 months and after 2 years, the website will need to be completely redone due to outdated technology. Mr. Corso continued by commenting this is an opportunity that shouldn't be missed.

Councilmember Simeon asked for information regarding the Duke Energy grant that was received. Mr. Corso responded by stating Duke Energy thinks they are taking an innovative approach in addressing issues in rural North

Carolina. Mr. Miles commented there was a very fast turnaround on the grant which he thinks is a testament to the value of the project.

Councilmember VanCamp commented that the landing page for the proposed project seems 'Pinehurst focused and inquired if it was due to the U.S. Open. Mr. Miles responded in the affirmative and commented the information is focused just on the U.S. Open.

Mr. Corso commented the intent and the purpose is to give information for the entire county and continued by assuring Council that Pinehurst will not be the placeholder for the landing page.

Mr. Miles commented building a website for a county is challenging and spoke regarding search engine optimization.

Brief discussion ensued regarding providing input responsibilities of content and the balance of communities throughout the website. Mr. Corso commented the vignettes on the website will represent all communities in Moore County and it is imperative that every community is represented throughout the process.

Councilmember VanCamp commented that the Town, the Southern Pines Business Association and Partners in Progress each have websites and inquired why another website is needed. Mr. Miles commented their websites target audience is visitors, not people looking to relocate to Moore County. Councilmember VanCamp commented she would search for the city, not the county when looking for a community to relocate to. Mr. Miles responded by commenting the website will need to be optimized for all the communities.

Mayor Pro Tem Fields commented that the website is to attract people to relocate to Moore County and that the area realtors, homebuilders and the hospital are direct beneficiaries of new residents and inquired if they are being asked to contribute to the project. Mr. Miles responded by commenting that the realtors and homebuilders funded the study.

Mr. Corso commented that the realtors, homebuilders and the hospital are not being asked to contribute to the project and the only way to be non-parochial is to focus on the towns and the entire community. Mr. Corso continued by commenting that the short-term impact will increase revenues and will attract new people.

Mr. Corso commented he thinks there are property value and tax base issues and there is a chance to capture the opportunity to address them but it has to be done actively and collectively through the towns and county government.

Mayor Pro Tem Fields commented he thinks the communities come together through the county government and that he thinks Moore County should be funding the website through their economic development.

Councilmember Simeon inquired if examples are available of counties with characteristics similar to Moore County that have done a project like this. Mr. Miles commented to his knowledge this is the first project for an overall community.

Mayor Pro Tem Fields inquired if a one-time, upfront contribution is being requested or if another contribution will be requested when the website needs to be redone and if the benefiting entities will be funding the ongoing project. Mr. Corso responded by stating that he cannot say they will not return for additional contributions.

Mr. Corso commented that nothing can represent the citizens of a community like the proposed website will but it could be a pay-as-you-go project for business advertisement.

Mayor Pro Tem Fields commented that he thinks what is being proposed is a good marketing campaign but he is concerned with the Southern Pines taxpayers helping to fund the project when the taxpayers are already funding it through Moore County and through the Town's participation with Partners in Progress. Mayor Pro Tem Fields continued by commenting he sees this as an increase to the Town's economic development funds. Discussion ensued.

Mayor McNeill commented he thinks our area is under increased competition with other areas to have people relocate but he thinks the communities need to sync their websites to tell the story of Moore County and he thinks this is an opportunity to promote the area. Mayor McNeill continued by commenting he thinks the Town will benefit from this project from a tax-base standpoint and this is an opportunity to fill a niche.

2. Review of Audit Fiscal year 12-13: Jennifer Lambeth, Dixon Hughes Goodman

Jennifer Lambeth, Dixon Hughes Goodman gave an overview of the Audit for Fiscal Year 2012-2013 and commented there are no discrepancies to report.

Mayor McNeill thanked Ms. Lambeth for her efforts and commented that it is very gratifying to see that the Town has had another good year. Mayor McNeill continued by commending Town Manager Parsons, Finance Director Crystal Gabric and staff for their work in maintaining a fine system.

3. Rezoning Discussion 2796 & 2784 Camp Easter Road: Pete Mace

Pete Mace and Dean King, Pinnacle Design Group were present for discussion with Council. Mr. Mace gave an overview of the rezoning request to build townhomes and commented their plan would be to leave the majority of the trees on the parcel.

Councilmember VanCamp inquired if they would leave the existing structure on the parcel. Mr. Mace responded by commenting they would try to leave a portion of the structure and they would like RM-2 zoning to build 33 townhomes.

Mayor Pro Tem Fields inquired why townhomes fit the proposed area due to RS-3 being the densest zoning in that area. Discussion ensued. Mr. Mace commented a straight RM-2 rezoning is not being requested and that the plan would be for Conditional District.

Mayor McNeill inquired if there is an example of a similar development to what is being proposed. Dean King gave an overview of the proposed development.

Mayor Pro Tem Fields inquired how many townhomes could be built on the 6.5 acre lot. Discussion ensued. Mayor Pro Tem Fields commented increasing density in Town has been discussed but he doesn't consider this lot to be in the urban core of Town.

Discussion ensued regarding tree removal and buffering for the proposed development.

Councilmember VanCamp commented the parcel is currently zoned for 8 homes and inquired if a compromise could be met in place of the requested 33 homes. Mr. Mace responded by commenting a compromise may be possible and they just wanted to see what concerns existed regarding the request.

Mayor Pro Tem Fields commented that Staff's recommendation is to allow a cluster subdivision which would allow 5.8 single-family detached dwelling units.

Mr. Mace spoke regarding 3 older houses on Page Street between Connecticut Avenue and Vermont Avenue and devising a plan to rezone and build townhomes. Mr. Mace presented site photos for Council's review and commented they would like to rezone the property to RM-1.

4. MF Text Amendment Request: Kevin Lindsay, Crawford Design

Kevin Lindsay, Crawford Design was present for discussion with Council and gave an overview of the proposed text amendment. Mr. Lindsay regarding a section in the UDO of limiting 8 multi-family units in 1 building and commented they would like the removal of the limitation of the maximum amount of contiguous units from the Central-Business District.

Planner Chris Kennedy commented 8 units were determined by an average block width and 10 units requires a conditional-use permit. Mr. Kennedy continued by commenting that staff has written language that will allow 9 units by right and Council can increase the number of units in a planned development or conditional-use district.

Planning Director Bart Nuckols commented the 8 unit restriction applies anywhere in Town that allows multi-family townhouses. Planning Director Nuckols continued with an overview of the language in the proposed text amendment.

Discussion ensued regarding the conditional-use permit process for more than 8 requested units.

Mr. Lindsay gave a brief overview of the proposed development concept plan. Discussion ensued regarding unit limitations in planned development districts.

Discussion ensued regarding researching unit limitations in the UDO or proceeding with the proposed text amendment. Mr. Lindsay commented they would like to receive the text amendment so they can proceed in the planning process.

Mayor Pro Tem Fields inquired if Mr. Lindsay's proposed project would need a conditional-use permit. Planner Kennedy responded in the affirmative.

Discussion ensued regarding differentiating the type of units and their limitations and development design issues.

Mayor McNeill asked Town Manager Parsons to have staff review the text amendment to provide Mr. Lindsay with an answer within 30 days.

Council recessed at 5:00pm.

Council reconvened at 5:06pm.

5. Discussion Regarding Pool Park Master Plan: Robert Reeve

Recreation & Parks Director Robert Reeve gave an overview of the Pool Park Master Plan and commented they have been moving forward with drafting plans with the consultant and the splash pad RFP has been awarded. Recreation & Parks Director Reeve continued by commenting that the splash pad should be operational by the end of April 2014 if everything goes as planned.

Director Reeve spoke regarding a meeting in 2005 with the Aquatics Task Force in regards to the redevelopment of Pool Park and commented the pool would be replaced with a 'water element' which is the splash pad and they are looking for direction on what to do with the pool at this point.

Mayor Pro Tem Fields commented the Aquatics Study stated the pool would need to be replaced if kept operational and he is ok with closing the pool since there will be a water element which will improve Pool Park.

Councilmember VanCamp inquired why the Town would want to open the pool for another year since it is a great expense.

Director Reeve commented now is the time to proceed in closing the pool because they are at the point in the process as specified in the Aquatics Study.

Councilmember VanCamp inquired if any negative feedback is anticipated from the community and how it would be handled. Director Reeve responded by commenting that he thinks everyone understands that the Town was going to move forward with redeveloping Pool Park and depending on the weather, a splash pad can be operational a lot longer than a pool.

Town Manager Parsons commented the closing of the pool should come as no great surprise and that plans were to close the pool in a budget hearing in 2005. Town Manager Parsons continued by commenting that pay-to-swim attendance is almost non-existent and that great effort and money is being applied to reinventing the park.

Councilmember Walden inquired how much the pool was used in the previous year. Director Reeve responded by commenting that according to the statistics, usage has dramatically decreased.

Councilmember Simeon inquired the operational hours of the pool. Director Reeve responded by commenting the pool is open Monday through Saturday from 12:30pm – 6:30pm and the first hour is free of charge.

Director Reeve continued by commenting the look of the pool is the problem, not water quality. The perception is the pool is outdated and not up to the standards of Southern Pines.

Mayor McNeill inquired if there was a vision for a new pool. Director Reeve responded in the affirmative and commented the Aquatics Plan included an option to create a new aquatics facility at the intersection of Morganton Road and Henley Road.

Discussion ensued regarding specifications of the proposed splash pad. Director Reeve commented that lifeguards are not required to staff the splash pad and the use of the splash pad is available more throughout the year in comparison to a pool.

Councilmember Walden commented there may be some opposition in closing the pool but something will go in its place.

Mayor Pro Tem Fields commented a water element without charge will be installed in place of the pool. Director Reeve responded in the affirmative.

Discussion ensued regarding closing and removal of the pool prior to installation of the proposed splash pad.

Mayor McNeill commented he thinks the public needs to be made aware of the intent of closing the pool.

Discussion ensued regarding operational and repair cost of the pool in comparison to closing the pool and installing the proposed splash pad. Director Reeve commented a swimming pool should last approximately 25 years and this pool is approaching 51 years.

Mayor McNeill commented he would be more comfortable announcing the intent to close the pool with action to be taken at the February Regular Business Meeting. Council was in agreement.

6. Performance Bonds Update:

Town Manager Parsons commented for the first time in the Town's history they have had to call a bond on Scot's Glen and commented the owner informed the Town of his intent to not renew the bond and complete infrastructure improvements.

- Scot's Glen

Assistant Town Manager Adam Lindsay gave a brief overview of the process in calling the bond on Scot's Glen and commented these improvement bonds are for work to be done but may not be appropriate at this time due to seasonal plantings or sidewalk installation.

- Arboretum

Assistant Town Manager Lindsay commented the Arboretum bond is due to close in April but is being requested for renewal and that it is a much larger bond.

- Camden Villas

Assistant Town Manager Lindsay commented a letter of intent to renew the bond for Camden Villas was received and the renewal amount is approximately \$54,000 – \$55,000.

Town Attorney Doug Gill commented there was an inquiry on the municipal attorney listserv regarding the process on calling a bond, to which there was no response and that this must be a very unusual situation. Brief discussion ensued.

7. Appearance Commission Budget Request: Pennsylvania/Broad Street Crosswalks

Assistant Town Manager Lindsay gave an overview of the proposed budget request and commented the Appearance Commission has requested a stamped adhesive overlay to be installed on 6 crosswalks in the Downtown area. Assistant Town Manager Lindsay continued by commenting the price for the project is expected to be approximately \$40,000 but some pavement conditions would need to be improved prior to installation.

Councilmember Walden inquired the life expectancy for paint compared to the adhesive overlays. Assistant Town Manager Lindsay responded by commenting that paint might last 1-2 years and the paint would begin to chip and the appearance quality would decrease and to paint the crosswalks would require closing a street but the overlays would close a street for approximately 1-2 hours.

Councilmember Simeon inquired if any discussion has taken place with the Downtown merchants regarding the proposed project. Assistant Town Manager Lindsay responded by commenting he doesn't recall any discussions but some of their interests are represented on the Appearance Commission.

Town Manager Parsons commented he does not think any direct discussion has taken place but higher-visibility crosswalks have been requested in the past.

Councilmember VanCamp inquired if the overlay life expectancy is 8-10 years. Assistant Town Manager Lindsay responded in the affirmative. Councilmember VanCamp inquired if there is any intention to repave any of the roads and intersections that would receive the overlays. Discussion ensued.

Councilmember Simeon commented he thinks this will add a very attractive appearance to Downtown and provide better crosswalk safety.

Town Manager Parsons that commented crosswalk overlays are common in areas that receive grants for downtown revitalization and communities that have business improvement districts.

Mayor McNeill commented that presently it might not be a good time to pursue this on streets that haven't been resurfaced.

Council agreed to have staff research the item further for additional discussion.

As so incorporated to these minutes of January 27, 2014 are exact copies as so recorded in the ordinance and resolution books of the Town of Southern Pines as if fully set out in the minutes.

There being no further business the meeting adjourned at 5:53 p.m.

Phillip Britt
Town Clerk

MINUTES
Agenda Meeting of the Southern Pines Town Council
February 5, 2014, 7:00 PM, Community Room, Southern Pines Police Department
450 West Pennsylvania Avenue

Present: Mayor McNeill, Mayor Pro Tem Fields, Councilmember Walden, Councilmember VanCamp, Councilmember Simeon

Absent: None

Call to Order

1. Architectural Reviews

A. AR-01-14 Outback Steakhouse, 100 Southern Rd., Landon Bradshaw, Petitioner

Landon Bradshaw, Callison Architects and Chip Vest, Managing Partner, Outback Steakhouse was present for discussion with Council. Mr. Bradshaw gave an overview of the proposed architectural review and commented the concept is to implement their new nationwide design intent for a new modern look.

Councilmember Simeon inquired if any alternate color schemes are available. Mr. Bradshaw responded in the negative and commented they will address such issues if the project becomes site-specific.

Mayor Pro Tem Fields commented he is ok with the proposed color scheme.

Councilmember VanCamp asked for a renovation timeframe. Mr. Bradshaw responded by commenting that the estimation for completion is approximately 15 weeks with a goal to be finished prior to the U.S. Open.

Discussion ensued regarding signage limitations. Planner Chris Kennedy commented signage will be addressed separately from the architectural review by a sign permit.

Brief discussion ensued regarding the proposed design standards.

Mayor Pro Tem Fields commented he is in favor of the proposal. Councilmember VanCamp commented the proposal is very stylish.

Discussion ensued regarding design standards of the Southern Pines Village. Mayor Pro Tem Fields commented the Outback Steakhouse is on a separate parcel of land and he is not concerned with proposal looking like the rest of the Southern Pines Village.

Mayor Pro Tem Fields spoke regarding the new UDO not requiring applicants to meet with Council regarding small architectural reviews and commented he does not think applicants have to be present for small projects such as presented. Discussion ensued.

2. Consent Agenda

- A. Adopt Agenda Meeting Minutes of January 8, 2014 and Regular Business Meeting Minutes of January 14, 2014 as written.

Corrections to the minutes were noted by the Town Clerk.

B. Budget Amendments

- Fund Balance to Special Appropriations \$10,000

Brief discussion ensued regarding changing the budget amendment amount to \$5,000.

Mayor Pro Tem Fields commented he is in favor of leaving the \$5,000 budget amendment on the Consent Agenda but reserves his right to request its removal at the Regular Business Meeting.

Council agrees to change the requested budget amendment amount to \$5,000.

- Fund Balance to Pool Park Plan \$25,000

Mayor McNeill spoke regarding an email from Town Manager Parsons in regards to a meeting with Dorothy Brower and Oliver Hines regarding Pool Park and commented that Town Manager Parsons suggested removal of the proposed budget amendment to be placed as a Miscellaneous item to allow public comment.

Councilmember VanCamp inquired if the announcement of the item is too 'last-minute' for public comment and if it should be available at a later date. Councilmember VanCamp continued by commenting it seems there is a fissure in the public and it needs to be addressed.

Councilmember Simeon commented he thinks the item needs to be discussed further and Council needs to hear from the community. Councilmember Simeon continued by commenting there is a greater concern in the public and he doesn't think there is a viable alternative available for closing the pool and that a splash pad doesn't equate with a swimming pool.

Mayor Pro Tem Fields commented that Southern Pines is the only community with a public swimming pool and it is in bad shape.

Councilmember Simeon commented he thinks the Town needs a public pool and if the pool is removed, a plan needs to be in place to have a similar facility. Councilmember Simeon continued by inquiring if the pool has been marketed as a multi-faceted area for the community and if any analysis has been conducted regarding public pool entry fees to see if it is not an economic drain.

Councilmember VanCamp commented the problem is that the pool is not marketable in its condition.

Recreation & Parks Director Robert Reeve gave an overview of the Aquatics Task Force and the 2005 Aquatics Study and commented the pool is 51 years old and over the past 9 years, significant time has been spent promoting pool use and cited marketing examples. Director Reeve continued by commenting they have successfully marketed the pool but it is up to the citizens on how they utilize it.

Councilmember Simeon commented he has concerns with eliminating a public swimming pool in the community and not having a swimming alternative.

Councilmember VanCamp inquired if alternative attendance at other pools has been considered. Director Reeve responded by commenting that he has contacted other pool facilities in the area and it seems they are willing to work with the Town.

Mayor Pro Tem Fields commented that municipalities are not building pools due to the liability and maintenance cost and to invest money into a pool where there is not enough usage to justify the expenditure is throwing money away.

Discussion ensued regarding swimming pool alternatives as recommended in the Aquatics Study. Councilmember VanCamp inquired if the public is satisfied with the proposed splash pad. Discussion continued.

Director Reeve commented a low bid has been awarded for the splash pad installation and the proposed performance stage is out for bid. Discussion ensued regarding the status of the RFP process.

Assistant Town Manager Adam Lindsay inquired if an agreement has been signed. Director Reeve responded in the negative and commented a purchase order has not yet been issued.

Councilmember Simeon inquired what staffing or supervision is in place if the splash pad is installed. Director Reeve responded by commenting staff is not needed for a splash pad and that it is open to the public but supervision can be available during group functions.

Councilmember Simeon commented the liability with a splash pad seems to be as great as a swimming pool due to the water element. Discussion ensued regarding supervision for the splash pad.

Discussion continued regarding the pool inspection process prior to opening. Councilmember Walden inquired how the underground pipes are determined to be ready for use when inspections are conducted. Director Reeve commented the pipes are unable to be inspected and can't guarantee what will happen underground and that only visual repairs can be done.

Assistant Town Manager Lindsay inquired what is currently budgeted to open the pool and commented that according to the aquatics study, it seems there was an expectation to close the pool when a splash pad was to be installed.

Director Reeve responded by commenting money is available for lifeguards and general operational needs and the typical amount has been spent for the closing of the pool last summer. Director Reeve continued by commenting the splash pad went out for bid first because they want the water element prior to opening the pool.

Councilmember VanCamp commented change is never easy and this topic has been discussed for many years, so the decision is not being made spontaneously and Council needs to be transparent regarding the decision to close the pool.

Mayor McNeill commented the Aquatics Study provided some consideration for a new pool in the future and the plan did call for a splash pad.

Director Reeve commented the Aquatics Study was presented to Council for guidance in the redevelopment of Pool Park. Mayor McNeill inquired if the plan was formally approved by Council. Director Reeve responded by commenting the plan was presented for informational purposes.

Mayor Pro Tem Fields commented the Pool Park Master Plan has been in the works for a while and the question was what year to close the pool and it appears this is the year to do it.

Councilmember Walden commented his concern is investing money into the pool while having issues with the underground system.

Director Reeve commented the Town has been very diligent in moving forward with the process and the information has been available during budgetary processes.

Mayor McNeill commented he wants to make sure the community understands why Council is considering closing the pool and adding a splash pad and he would like for the public to provide input regarding the decision.

Mayor Pro Tem Fields commented he is concerned with the timing of the process although multiple surveys have been conducted and a lot of money has been spent on the Aquatics Study. Mayor Pro Tem Fields continued by commenting that the Town is running out of time and it would be nice to remove the pool prior to the splash pad installation.

Mayor McNeill proposed adding a Miscellaneous item to the agenda for a pool plan presentation, public comments and then the proposed budget amendment. Council was in agreement.

C. Acceptance of Fiscal Year 2012-2013 Annual Audit

No discussion ensued.

D. Camden Villas Performance Bond Renewal: \$54,338

Assistant Town Manager Lindsay gave a brief overview of the proposed bond renewal and commented the bond is for landscaping and street improvements in the subdivision. Assistant Town Manager Lindsay continued by speaking in regards to the Scot's Glen bond renewal and gave an update regarding the bond status.

E. Resolution: Moore County Transportation Committee

Planning Director Bart Nuckols gave an overview of NCDOT Transportation Analysis Zones for employment and population data and commented the resolution is for verification that local governments have performed the analysis and agree that the totals are acceptable. Planning Director Nuckols continued by commenting NCDOT will proceed with the plan upon adoption of the resolution.

Discussion ensued regarding inconsistencies and corrections made in the original NCDOT projections.

3. Public Hearing

A. Community Development Block Grant Applications

Assistant Town Manager Lindsay commented this is the first in a series of public hearings for CDBG funds and is a general public hearing. Assistant Town Manager Lindsay continued by commenting that a public hearing specific to Corporate Park will be held next month.

Additional Discussion Items

Mayor McNeill requested the addition of a Board Appointment to the Consent Agenda for Harry Neely to the Appearance Commission.

Assistant Town Manager Lindsay spoke regarding discussions between Police Chief Bob Temme and the State Bureau of Investigation regarding reward money for information in the recent murder investigations. Assistant Town Manager Lindsay continued by commenting that the City of Rocky Mount recently had a similar situation where Federal Forfeiture Funds were used as reward money, which helped solve their investigation.

No further discussion ensued.

As so incorporated to these minutes of February 5, 2014 are exact copies as so recorded in the ordinance and resolution books of the Town of Southern Pines as fully set out in the minutes.

There being no further business the meeting adjourned at 8:20p.m.

Phillip Britt
Town Clerk

MINUTES

Regular Business Meeting of the Southern Pines Town Council February 11, 2014, 7:00 PM, Douglass Community Center, 1185 W. Pennsylvania Avenue

Present: Mayor David McNeill, Mayor Pro Tem Mike Fields, Councilmember Fred Walden, Councilmember Jim Simeon, Councilmember Teresa VanCamp

Absent: None

Call To Order

Pledge of Allegiance

1. Manager's Comments

Town Manager Parsons gave an overview of the items on the Consent Agenda.

2. Consent Agenda

- A. Adopt Agenda Meeting Minutes of January 8, 2014 and Regular Business Meeting Minutes of January 14, 2014 as written.
- B. Budget Amendments
 - Fund Balance to Special Appropriations \$5,000
- C. Board Appointments
 - Appearance Commission
 - Harry Neely 02/12/2014 – 10/31/2016
- D. Acceptance of Fiscal Year 2012-2013 Annual Audit
- E. Camden Villas Performance Bond Renewal: \$54,338
- F. Resolution: Moore County Transportation Committee

Upon motion by Councilmember Walden, seconded by Councilmember Simeon and carried unanimously, the Consent Agenda was adopted.

3. Architectural Reviews

- A. AR-01-14 Outback Steakhouse, 100 Southern Rd., Landon Bradshaw, Petitioner

Mayor McNeill gave a brief overview of the proposed architectural review.

No discussion ensued.

Upon motion by Mayor Pro Tem Fields, seconded by Councilmember Walden and carried unanimously, AR-01-14 Outback Steakhouse, 100 Southern Rd. was approved.

4. Public Hearing

- A. Community Development Block Grant Applications

Town Manager Parsons gave a brief overview and commented that the hearing is to announce the Town's intention to apply for CDBG funds and the hearing is required prior to submitting specific applications. Town Manager Parsons

continued by commenting the next public hearing will be held next month regarding an application for funds for a project in the Southern Pines Corporate Park.

There were no public comments.

Upon motion by Mayor Pro Tem Fields, seconded by Councilmember Walden and carried unanimously, the Public Hearing was closed.

5. Miscellaneous

A. Pool Park Plans Presentation: Recreation & Parks Director Robert Reeve

Mayor McNeill commented that this project dates back a number of years and Council desires to inform the public of what is to occur with Pool Park and to allow comments regarding the plans.

Recreation & Parks Director Robert Reeve gave an overview of the 2005 Aquatics Services Study and Pool Park Master Plan and commented in 2005, a decision was made to close the pool that due to its age and low attendance issues. Director Reeve continued with an overview of 3 options in the Aquatics Services Study that would continue pool operations and commented the Aquatics Task Force suggested constructing a new aquatic facility at an alternate site with a splash pad if the Town decided upon installing a new pool.

Director Reeve spoke regarding the process of compiling the Pool Park Master Plan and commented when the process reached the point where funding could be researched, the suggested elements in the plan would be pursued and a fund was created 2 years ago to allocate funds toward designing the first elements of the master plan to proceed in installing a splash pad with the understanding that the pool would be unavailable for public use.

Director Reeve commented they are at the point to build a splash pad and it is the first priority in the process. Director Reeve continued by commenting bids for the proposed performance stage are expected to be received in the next couple of days.

Councilmember VanCamp asked Director Reeve to address safety concerns. Director Reeve commented that 4 lifeguards are hired each year due to the extreme liability of a pool, but lifeguards are not necessary with a splash pad due to no standing water.

Councilmember Simeon inquired what types of safety issues the Town would institute to include a splash pad in the park. Director Reeve commented rules and regulations would be posted at the park and the splash pad could be supervised during certain group events. Councilmember Simeon inquired how the safety issues would be implemented. Director Reeve responded by commenting the splash pad is an element just like any other park element and could be supervised by adults or age limitations could be set with adult supervision and that the splash pad could be staffed if desired.

Councilmember Simeon commented anytime there is water, there is the same liability or safety concern that is not present with a basketball or tennis court.

Councilmember Walden inquired the present condition of the pool. Director Reeve responded by commenting that a typical pool has a use of approximately 25-30 years and the Town's pool is almost 51 years old with several issues. Director Reeve continued by commenting the pool and the decking have significant cracks which pose tripping hazards and the changing rooms are not ADA accessible along with other issues. Director Reeve commented significant funds were not invested towards the facility due to the idea of moving forward with the new park elements.

Director Reeve commented the cosmetic issues need to be addressed but underground issues such as the pipes have not been discussed and the pool is showing its age.

Councilmember VanCamp inquired what communities in Moore County have a public swimming pool or a splash pad. Director Reeve responded by commenting he was not aware of any other splash pads and that Taylortown may have a public pool.

Councilmember VanCamp commented the loss of providing swimming lessons is a negative and inquired if arrangements could be made to provide swimming lessons. Director Reeve responded by commenting that he has contacted other pools in the area for providing swimming lessons and they seem willing to make accommodations.

B. Public Comments on Pool Park

Cheryl Mensch, 20 Hunter Court, commented that she thinks that kids growing up should always have an available pool and a splash pad does not compare to a swimming pool. Mrs. Mensch continued by suggesting investing the money for the alternative park elements into renovating the pool or building a new pool.

Deeca Miller, 829 S. Mechanic Street, commented it was irresponsible to allow to the pool to get it in its present condition and kids don't have anything to do during the summer. Ms. Miller continued by commenting she doesn't think it is fair to the low-income single parents because the pool is an outlet and they need the pool.

Arthur Mason, 795 W. New Hampshire Avenue, commented he thinks the splash pad will be too dangerous for children without supervision and he would hate to lose the pool.

Roy McCoy, Pastor, Worship Center, commented discussion regarding closing the pool should not occur unless a new pool is to be built and demolition should not be considered due to the citizens not having anywhere to go. Mr. McCoy continued by commenting that it is a slap in the face when all citizens are not being considered and it is an embarrassment to the Town to not want to fund the repairs and lifeguards for the pool.

Sinaya Lawrence, 829 S. Mechanic Street, commented that safety is a concern with a splash pad.

Tessie Taylor, 937 N. Ashe Street, commented in her opinion, a splash pad is ok for little kids and for it to be effective, parents would not have the freedom to allow their kids to go to the splash pad unsupervised. Ms. Taylor continued by commenting when there is water and children, there is danger and she thinks the splash pad would increase the Town's liability.

Ms. Taylor inquired if half of the proposed \$1.7Million could be invested in rebuilding the pool at its current location and if CDBG funds could be applied for to renovate the pool. Ms. Taylor continued by commenting she thinks there is a concerted effort to create an insignificance of West Southern Pines and it appears that all major Town upgrades occur east of the bridge.

Ms. Taylor commented it is difficult for a people to have their identity slowly stripped away due to dollar signs when the dollars belong to those people.

O'Linda Gillis, Moore County NAACP President, requested county and municipal budgets for the pool in the Southern Pines Pool Park and commented she was told the Pool Park was a neighborhood park and that it does not match up in comparison to other Town parks. Ms. Gillis continued by requesting total federal, state, and local funds used for operational expenses for all Town parks and commented that funds can be found to renovate and keep the pool and that there are no sponsor signs in the Pool Park as in other Town parks.

Michael Lawrence, 829 S. Mechanic Street, asked for Council to keep the pool open.

Dorothy Brower, 102 Eastman Road, commented that she is upset with the school and pool closings in West Southern Pines and that those are two community assets that the citizens are very proud of. Ms. Brower continued by commenting a lot of labor and love went into both of those institutions and she thinks the pool is closing due to intentional neglect.

Ms. Brower spoke regarding pools in Asheboro, Sanford and other counties and commented that federal, state and local funds can be applied for and that she sympathizes with the Town regarding funds being spent to maintain the pool but she thinks it is due to no prior preventative maintenance.

Ms. Brower spoke regarding opportunities to make more money at the pool and commented there are groups and individuals that are willing to donate funds to ensure that kids can swim who want to. Ms. Brower continued by commenting that whatever is done needs to be more attractive for children.

Ms. Brower inquired if the Town is in violation for keeping the pool operational in its current condition without making proper repairs and commented that no one has complained because the kids are happy to be there. Ms. Brower continued by commenting that she thinks the priority should be in community building and providing the resources for people who move to Town.

Oliver Hines, 635 W. Michigan Avenue, spoke regarding the importance of the pool's location and commented the location is important and is awesome. Mr. Hines continued by commenting that at some point a change will have to be embraced but it can't be now.

Mr. Hines spoke regarding kids dressing inappropriately and commented there is no security for the splash pad and we can't create situations that we can't control and we are asking for something we don't need. Mr. Hines commented you have to think about safety and the concern of others.

Mr. Hines commented we need options before we consider closing the pool and we shouldn't close places in the community that the citizens are used to and it is not a good time to close the pool.

Maurice Holland, Jr., 346 Midway Road, Aberdeen, commented that the Town of Aberdeen built the Lake Recreation Facility with grant funds and the Town could look into the Blue Cross Blue Shield Foundation for grant funds.

Hugh Mensch, 20 Hunter Court, commented he never heard of the Aquatics Study while serving on the Comprehensive Long Range Plan Committee and the West Southern Pines Committee and continued by commenting a splash pad might be good for younger children but he doesn't see anything in the plans for the older kids.

Mr. Mensch commented he hasn't heard anything regarding operational costs for the pool, which seems to be the main objection and he thinks Council should look for a comparison of what can be done to keep the pool open or other sources of funds to keep the pool open. Mr. Mensch continued by commenting that it seems the community wants to keep the pool and that the needs of the families in the community to have a pool are justified.

Marsh Smith, 568 San Tee Road, commented as long as he can remember the Town pool and Elks Club pool has always been here and the Elks Club pool is maintained by a small group of volunteers and looks pretty good. Mr. Smith continued by commenting that the Town can maintain the pool and should fix the parts that have fallen into disrepair.

Mr. Smith commented the Town can take pride in keeping the pool going and that the pool allows people to learn to swim and surely the Town can find funds to pay for lifeguards.

Cynthia McDonald, 893 W. Pennsylvania Avenue, commented that kids look forward to the pool in the summer.

Mayor McNeill commented this was not a public hearing but an opportunity for public input and the item was presented to Council at the January Worksession. Mayor McNeill continued by commenting there is disconnect between what is recommended in the plan and what the community wants.

Councilmember VanCamp thanked those who spoke and provided input.

Councilmember Walden thanked everyone for attending and commented that the discussion regarding closing the pool took place 9 years ago due to decreased usage. Councilmember Walden continued by commenting that Council must have reason to justify its decisions they make and that numbers reveal a lot of things and the pool's use was way down last year. Councilmember Walden presented pool use statistics and operational cost for 2013.

Councilmember Walden commented he was looking for the users of pool to express the value of the service the community is receiving and it doesn't seem the community is using the pool as we have the sentiment in keeping it open and it seems the sentiment is ownership.

Roy McCoy commented there is a lot that can be done as a community and we can come together to receive funds and grants.

Mayor Pro Tem Fields gave an overview of the operational and repair cost for the pool and commented it would cost approximately \$100,000 to open the pool this year. Mayor Pro Tem Fields continued by commenting revenues in 2013 totaled \$1,800 and he understands the importance of the pool and what it means to the community, but Council has to be careful with the tax dollars and he is concerned with the cost to open the pool and if it is reopen, he thinks the rest of the Pool Park plans need to be scrapped.

Councilmember Simeon commented he still has the opinion that a mechanism needs to be found to keep the pool open or to have a viable alternative and that swimming pools were significant parts of the community he grew up in and spoke regarding public pools in other communities.

Councilmember Simeon commented he thinks a pool and what it does for a community is tremendous and the lessons learned in swimming are transferrable to other areas of life. Councilmember Simeon commented he thinks the Town needs to look into alternative revenue possibilities and do what is possible to keep the pool open. Councilmember Simeon commented he looks at learning to swim in the same way as he looks at learning to read.

Councilmember VanCamp commented she is working with information she was given and there were surveys and studies done where people were interested in a splash pad but she is not sure that is presently the case. Councilmember VanCamp continued by commenting she understands that a pool is an outlet for kids in the summer.

Councilmember VanCamp commented the decision is difficult but she would refer to the community that uses the pool to help make the decisions and if the community would possibly forgo a year of pool use. Councilmember VanCamp commented she doesn't have all the answers but she looks at the potential and everyone will have to make difficult decisions if this is going to happen.

Mayor McNeill commented he thinks the 2009 plan was well-intended but disconnect is present between what was planned and where we are today and inquired if the splash pad contract has been executed.

Town Manager Parsons responded in the negative and commented there was no intent to move forward until a decision was made by Council.

Mayor McNeill inquired if there are any penalties for not executing the contract. Town Manager Parsons responded in the negative and commented there are no financial penalties other than what has been spent on design and engineering.

A motion was made by Mayor McNeill for Council direct staff to not proceed with the splash pad, for Recreation & Parks Director Robert Reeve to determine the cost to open the pool for the 2014 season, for Council to form and appoint a 5-member committee to review the Pool Park Master Plan to make sure the Pool Park plans are consistent with the desires of the community, and research to be conducted for potential funding sources, such as the North Carolina Parks and Recreation Trust Fund, Z. Smith Reynolds Foundation, Blue Cross Blue Shield Foundation, as well as Community Development Block Grants.

Town Manager Parsons inquired if Mayor McNeill would include in the motion not to proceed with opening of bids for the performance stage until the long-term plan for Pool Park is determined. Mayor McNeill was in agreement.

Mayor McNeill commented he thinks a committee needs to be formed to work with staff in reviewing the Pool Park Master Plan.

Motion was seconded by Councilmember Walden.

Councilmember Simeon commented the Mayor's proposal gives the opportunity to evaluate available options and he encouraged Council to proceed.

Mayor Pro Tem Fields commented an Aquatics Study was done in 2005 and a redevelopment plan in 2009 where 500 people spoke regarding closing the pool and its alternative and commented he has been under the assumption that the pool would close and a splash pad would go in its place.

Mayor McNeill commented he did not hear any of the 500 people speak about the position they were in 5 years ago and the redevelopment plan in 2009 was well-intended and the perception was another pool would be built, which did not occur. Mayor McNeill continued by commenting he thinks the proposed committee will review the Pool Park Master Plan and make recommendations to Council at a Worksession for discussion and they will also work staff researching funding opportunities and he thinks it is worth pursuing.

Mayor Pro Tem Fields commented he is concerned that Council is just 'kicking the can down the road' again because a vote was called in 2005 to close the pool.

Councilmember VanCamp commented it would be ridiculous to have this happen all over again and that a time limit or specific goals should be set but with more community involvement.

Councilmember Simeon commented that Council has to look at the alternatives of renovation cost or building a new facility in a new location. Discussion ensued.

Mayor Pro Tem Fields commented Council has reviewed some of the alternatives which are very expensive and tough decisions will need to be made on where the funding will come from and what services or programs will not be provided to the Town to help fund a new pool.

Mayor McNeill commented he does not look to the Town to be the sole-provider of a new swimming pool and he can't see the Town undertaking such a large project without outside assistance.

Councilmember VanCamp commented she thinks a 5-member committee is a good idea as long as they have time constraints.

Mayor McNeill commented the committee will bring recommendations to Council prior to spending any money on opening the pool.

Mayor Pro Tem Fields commented the process to open the pool has to start now and he doesn't think the committee has time to deliver recommendations. Discussion ensued.

Councilmember VanCamp commented she would like to see the \$100,000 put towards something new and Council needs renovation totals to review.

Town Manager Parsons commented he will ask staff to compile the bare minimum totals for opening the pool for this year.

Discussion ensued regarding delaying opening the pool.

Mayor Pro Tem Fields inquired if the Mayor's motion would include delaying opening the pool for 1 year while the information is compiled. Mayor McNeill responded in the affirmative.

Motion carries unanimously.

C. Budget Amendment

- Fund Balance to Pool Park Plan \$25,000

6. Public Comments

Marsh Smith, 568 San Tee Road, thanked Mayor McNeill for his leadership and commented it was a courageous stand in keeping the pool open. Mr. Smith continued by commenting that the problem with keeping the pool open is symptomatic of the problems in West Southern Pines and the underlying problem is many residential lots in West Southern Pines have had intestate succession issues. Mr. Smith continued by commenting with intestate succession issues, banks will not issue loans for remodeling or renovations and the Town needs to consider helping the Southern Pines Land and Trust receive a grant to help the community cleanup ownership titles which will help with revitalization in West Southern Pines.

Dorothy Brower, 102 Eastman Road, commented that dialogue tonight was not directed at one particular person and that people weren't aware of the Aquatics Study. Ms. Brower continued by commenting that she does not think Council had the numbers of the community in regards to closing the pool and this new opportunity can be more inclusive.

Tessie Taylor, 937 N. Ashe Street, commented she was one of the original people who requested and initiated the Aquatics Study and the problem lies in the premise that we can wait until the time to hold these types of discussions and these discussions should occur months prior to decisions being made.

Ms. Taylor continued by commenting the communication lines need to open and we need to hear where we are in project processes and the citizens are looking forward to working with the Town to get the best dollar-value for the community.

O'Linda Gillis, President of Moore County NAACP, commented that people came to speak regarding the use and continued use of the pool and that the citizens cannot read Council's minds regarding what they are looking for. Ms. Gillis continued by commenting that due to weather conditions, more young people were not in attendance but more could have been present to speak against closing the pool.

As so incorporated to these minutes of February 11, 2014 are exact copies as so recorded in the ordinance and resolution books of the Town of Southern Pines as fully set out in the minutes.

There being no further business the meeting adjourned at 9:13 p.m.

Phillip Britt
Town Clerk

MEMORANDUM

TO: Town Council
Reagan Parsons, Town Manager

FROM: Crystal Gabric, Finance Director

DATE: February 26, 2014

SUBJECT: Audit Contract

Attached please find the audit contract for the fiscal year ending 2014 with the firm of Dixon Hughes Goodman LLP.

The rate structure for the contract is the same cost as the last fiscal year with a fixed cost of \$28,200 for the audit and \$4,050 for the reporting model conversion. Due to Statements on Auditing Standards (SAS) pronouncements, risk assessments are required to be a part of the annual audit. The cost of the risk assessments based upon the current contract is \$145 to \$150 per hour. If a single audit is required, the cost will be \$145 to \$150 per hour as well.

Please approve the contract for the annual audit for the fiscal year ending 2014.

CONTRACT TO AUDIT ACCOUNTS
 Of Town of Southern Pines
 Governmental Unit

On this 5th day of February, 2014, Dixon Hughes Goodman LLP

130 Turnberry Way, Pinehurst, North Carolina 28374

Auditor

Mailing Address

, hereinafter referred to as

the Auditor, and Board of Commissioners of Town of Southern Pines, hereinafter referred
 Governing Board Governmental Unit

to as the Governmental Unit, agree as follows:

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit for the period beginning July 1, 2013, and ending June 30, 2014. 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 will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate discretely presented component units, 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 generally accepted auditing standards. 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 Circular A-133 and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers 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/or workpapers 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 CPA Board).
3. This contract contemplates an unqualified opinion being rendered. If financial statements are not prepared in accordance with GAAP, or the statements fail to include all disclosures required by GAAP, please provide an explanation for that departure from GAAP in an attachment.
4. This contract contemplates an unqualified opinion being rendered. 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*, 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 (See Item 22). 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*, 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 State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2014. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must 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 relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will 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 must 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] The process for

Contract to Audit Accounts (cont.)

Town of Southern Pines

(Name of Governmental Unit)

invoice approval has changed. All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent through the portal at: <http://nctreasurer.slgfd.leapfile.net>. Subject line should read "Invoice - only". The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor for them 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 Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the following 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:

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] N/A

Audit \$28,200 plus application of risk assessment standards at our standard hourly rate of \$145-\$150/hr. and compliance work for Single Audit at \$145-\$150/hr.

Preparation of the annual financial statements \$4,050 plus reporting model conversion at our standard hourly rates of \$145-\$150/hr.

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 \$ 33,900**

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements 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 client 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 accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed prior to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC 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 must be sent to the Secretary of the LGC. These audited financial statements are used in the preparation of official statements for debt offerings (the Auditors' opinion is not included), by municipal bond rating services, to fulfill secondary market disclosure requirements of the Securities and Exchange Commission, and other lawful purposes of the Governmental Unit, without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless, another time frame is agreed to by the LGC.
- The LGC's process for submitting contracts, audit reports and Invoices are subject to change. Auditors should 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>
- In addition, if the OSA designates certain programs to be audited as major programs, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.
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 and/or compensation as may be agreed upon by the Governing Board and the Auditor.
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the LGC for approval. The portal address to upload your amended contract and letter of explanation documents is <http://nctreasurer.slgfd.leapfile.net>. No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

Contract to Audit Accounts (cont.) Town of Southern Pines
 (Name of Governmental Unit)

- 16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item 17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms 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 will not be approved by the LGC.
- 17. Special provisions should be limited. Please list any special provisions in an attachment. See attachment.
- 18. A separate contract should not be made for each division to be audited or report to be submitted. A separate contract must be executed for each component unit which is a local government and for which a separate audit report is issued.
- 19. The contract must be executed, pre-audited, physically signed by all parties and submitted in PDF format including Governmental Unit and Auditor signatures to the Secretary of the LGC. The current portal address to upload your contractual documents is http://nctreasurer.slgfd.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 September 4, 2013. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
- 20. The contract is not valid until it is approved by the LGC Secretary. 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. The Auditor acknowledges that any private employer transacting business in this State who employs 25 or more employees in this State must, when hiring an employee to work in the United States, use E Verify to verify the work authorization of the employee in accordance with N.C.G.S. §64 26(a). The Auditor acknowledges further that any such private employer and its subcontractors must comply with all of the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (North Carolina's E-verify law), and that such private employer has a duty under the law to ensure compliance by its subcontractors. ~~The Auditor further acknowledges that this contract is of the type governed by S.L. 2013-418, which makes it unlawful for a local government to enter into certain types of contracts unless the contractor and its subcontractors comply with North Carolina's E-verify law, and that failure to comply with such law could render this contract void. The Auditor hereby covenants, warrants and represents for itself and its subcontractors that with respect to this contract the Auditor and its subcontractors shall comply with the provisions of North Carolina's E-verify law and that failure to comply with such law shall be deemed a breach of this contract and may render this contract void.~~
- 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.) N/A
- 24. **All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.**

Audit Firm Signature:
 Firm Dixon Hughes Goodman LLP
 By Jennifer W. Lambeth
 (Please type or print name)
Jennifer Lambeth
 (Signature of authorized audit firm representative)
 Email Address of Audit Firm:
jennifer.lambeth@dhgllp.com
 Date February 5, 2014

Governmental Unit Signatures:
 By _____
 (Please type or print name and title)

 (Signature of Mayor/Chairperson of governing board)
 Date _____
Date Governing Body Approved Audit Contract - G.S. 159-34(a)
 Date: _____

Unit Signatures (continued):
 By N/A
 (Chair of Audit Committee- please type or print name)

 N/A
 (Signature of Audit Committee Chairperson)
 Date N/A
 (If Governmental Unit has no audit committee, this section should be marked "N/A.")
 This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

 Governmental Unit Finance Officer (Please type or print name)

 (Signature)
 Email Address of Finance Officer

 Date _____
 (Preaudit Certificate must be dated.)



DIXON HUGHES GOODMAN LLP
Certified Public Accountants and Advisors

February 5, 2014

Town of Southern Pines
125 S.E. Broad Street
Southern Pines, NC 28387

We are pleased to confirm our understanding of the services we are to provide for The Town of Southern Pines (the "Town") for the year ended June 30, 2014. This attachment to item 17, "Contract to Audit Accounts" (LGC-205) is intended to further clarify certain provisions of the Contract.

AUDIT SERVICES

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, 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 the Town as of and for the year ended June 30, 2014.

AUDIT OBJECTIVES

The objective of our audit is the expression of opinions as to whether the Town's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with Single Audit Act Amendments of 1996 and Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* ("OMB Circular A-133") and the *State Single Audit Implementation Act*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance; and, OMB Circular A-133 and the *State Single Audit Implementation Act* in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Town 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 auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the

Comptroller General of the United States; the provisions of OMB Circular A-133; and the *State Single Audit Implementation Act*, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133 and the *State Single Audit Implementation Act*, and other procedures we consider necessary to enable us to express such an opinion. If our opinions on the financial statements or the Single Audit compliance opinions 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 to issue a report as a result of this engagement.

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 errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. 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 an unavoidable 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 auditing standards generally accepted in the United States of America and *Government 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 or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes 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, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is 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 may include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We may request written representations from the Town's attorneys as part of the engagement, and they may bill the Town for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters. Because of the importance of management's written or verbal representations to an effective audit, you agree to release Dixon Hughes Goodman LLP and its personnel from any liability and costs relating to our services under this letter attributable to any misrepresentations by management.

AUDIT PROCEDURES – INTERNAL CONTROLS

Our audit includes 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, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly we will express no

such opinion. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, OMB Circular A-133 and the *State Single Audit Implementation Act*.

As required by OMB Circular A-133 and the *State Single Audit Implementation Act*, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133 and the *State Single Audit Implementation Act*.

AUDIT PROCEDURES – COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures 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*.

OMB Circular A-133 and the *State Single Audit Implementation Act* require that we also plan and perform the audit to obtain reasonable assurance about whether the Town has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina* for the types of compliance requirements that could have a direct and material effect on each of the Town's major programs. The purpose of these procedures will be to express an opinion on the Town's compliance with requirements applicable to each of its major programs in our reports on compliance issued pursuant to OMB Circular A-133 and the *State Single Audit Implementation Act*.

MANAGEMENT'S RESPONSIBILITIES

Management is responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town and the respective changes in financial position and, where applicable, cash flows in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. The responsibility for the financial statements and all representations contained therein remains with management and those charged with governance, which includes officers and directors of the Town. Management is also responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is also responsible for providing us with access to all information of which management is aware that is relevant to the preparation and fair

presentation of the financial statements, such as records, documentation and other matters. You also agree to provide us with any additional information that we may request from management for the purpose of the audit as well as unrestricted access to any person within the Town from whom we determine it necessary to obtain audit evidence. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management 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.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. 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.

Management is responsible for the design, implementation and maintenance of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the Town involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts 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 Town received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Town complies with applicable laws and regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report. As required by OMB Circular A-133 and the *State Single Audit Implementation Act*, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a Summary Schedule of Prior Audit Findings and a Corrective Action Plan if necessary.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us 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 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.

We understand that the Town's employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

REQUIRED SUPPLEMENTARY INFORMATION

Our audit is for the purpose of forming an opinion on the financial statements taken as a whole. Accounting principles generally accepted in the United States ("GAAP") provide for certain required supplementary information ("RSI") to accompany the basic financial statements. We understand the following RSI will accompany the basic financial statements:

1. Management's Discussion and Analysis ("MD&A")
2. Law Enforcement Officers' Special Separation Allowance – Schedule of Funding Progress
3. Law Enforcement Officers' Special Separation Allowance – Schedule of Employer Contributions

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.

The Town's management is responsible for the fair presentation of the RSI. As part of our engagement, we will apply certain limited procedures to the 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.

SUPPLEMENTARY INFORMATION

We understand that the following supplementary information other than RSI will accompany the basic financial statements:

1. Combining non-major and fiduciary fund statements
2. Budgetary schedules for all funds required to adopt a budget other than the General Fund and annually adopted major special revenue funds
3. Schedule of Ad Valorem Taxes Receivable
4. Analysis of Current Tax Levy – County-Wide Levy
5. Financial Data Schedule
6. Schedule of Expenditures of Federal and State Awards

Such information is presented for the purpose of additional analysis of the financial statements and is not a required part of the basic financial statements. The Town's management is responsible for the fair presentation of the supplementary information. We will subject the supplementary information to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the accounting and other records used to prepare the financial statements or to the financial statements themselves in accordance with auditing standards generally accepted in the United States of America.

Your responsibilities include acknowledging to us in the written representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) 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 (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Our responsibility is to report whether such information is fairly stated in all material aspects in relation to the basic financial statements taken as a whole. You agree to include our report on the supplementary information other than RSI in any document that contains, and indicates that we have reported on, the supplementary information other than RSI. You also agree to include the audited financial statements with any presentation of the supplementary information other than RSI that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information other than RSI no later than the date the supplementary information other than RSI is issued with our report thereon.

OTHER INFORMATION

Our audit is for the purpose of forming an opinion on the basic financial statements taken as a whole. We understand the Town will prepare schedules for inclusion in the Comprehensive Annual Financial Report. Such information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The Town's management is responsible for such information. We will not subject such information to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we will not express an opinion or provide any assurance on it.

MANAGEMENT'S RESPONSIBILITY FOR NONATTEST SERVICES

You agree to assume all management responsibilities and to oversee the nonattest services we will provide by designating an individual possessing suitable skill, knowledge and/or experience. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services. You are responsible for designing, implementing, and maintaining internal controls.

We will provide the following nonattest services:

- We will assist with preparation of your financial statements, Schedule of Expenditures of Federal and State Awards, and related notes.
- We will advise management about appropriate accounting principles and their application and will assist in preparation of the Town's basic financial statements. The responsibility for the basic financial statements and all representations contained therein remains with management, which includes members of the governing board.
- At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide to management the required electronic copy of the financial reporting package (including the basic financial statements, Schedule of Expenditures of Federal and State Awards, auditors' reports on internal controls and compliance, Schedule of Findings and Questioned Costs, Corrective Action Plan (if required) and a Summary Schedule of Prior Audit Findings (if required) along with the Data Collection Form) to be uploaded on the federal clearinghouse's website.
- At the conclusion of the engagement, we will upload the audited financial statements and compliance reports on the North Carolina State Treasurer's website.

You are responsible for evaluating the adequacy and results of the above nonattest services performed and accepting responsibility for the results of such services. This includes your review and approval of all adjustments we may propose to the accounting records of the Town or its financial statements as a result of these services.

USE OF FINANCIAL STATEMENTS

If the Town's financial statements are to be included in a client prepared document, other than the Town's *Comprehensive Annual Financial Report*, which includes other information, the Town should notify us of the nature of the document and allow us to read such document prior to submitting the document to others. An example of another document would be an official statement in connection with a public debt offering.

AUDIT ADMINISTRATION, FEES AND OTHER

In connection with providing our professional services, we may engage the assistance of outside service providers. 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 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 are responsible for the adequate oversight of all services provided by the third-party service provider and for ensuring that all services are performed with competence and due professional care.

The audit documentation for this engagement is the property of Dixon Hughes Goodman LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office or North Carolina Office of the State Auditor pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of Dixon Hughes Goodman LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

This engagement is limited to the services outlined above. We will perform all services in accordance with applicable professional standards.

Jennifer Lambeth is the engagement director and is responsible for supervising the engagement and signing the report of authorizing another individual to sign.

Our fee for these services and any additional services is detailed in the "Contract to Audit Accounts" (LGC-205) dated February 5, 2014 between the Town of Southern Pines and Dixon Hughes Goodman, LLP. Our fee is based on the assumption there will be no significant bookkeeping assistance required or significant changes in the Town's operations including (but not limited to): issuance of new debt; new construction projects; creation of new funds; new or "State Mandated" major programs required to be tested for Single Audit; or additional procedures required in response to the discovery of fraud. We will issue contract addendums for additional fees related to any bookkeeping or changes mentioned above. The additional fees will be billed at our standard hourly rates depending on the experience level of the individuals performing the work.

Many of our clients choose to communicate with us by email, and we may use email in connection with this engagement unless you direct us otherwise. We will use reasonable precautions to protect your confidential information, but we have no obligation to employ any measures that you do not regularly employ in protecting your confidential information. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot guarantee or warrant that e-mail from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim any liability or responsibility whatsoever for interception or unintentional disclosure or communication of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement or the disclosure or communication of confidential or proprietary information arising therefrom (hereinafter collectively referred to as "Email Interruption"). You agree that we shall have no liability for any loss or damage to any person or entity resulting from related to any Email Interruption,

Town of Southern Pines
February 5, 2014
Page 8

including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues of anticipated profits, and you hereby forever release us from any such liability and shall indemnify us from any claim related thereto.

This agreement and any claim arising out of the services provided shall be governed by the laws of the state of North Carolina, exclusive of its conflict of laws rules. The parties agree that any action between them related to or arising out of this engagement shall be brought only in the state or federal courts of North Carolina.

Whenever possible, each provision of this agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be ineffective, or invalid, such ineffectiveness or invalidity shall be only to the extent of such prohibition or invalidity, without invalidating the remainder of the provision or the remaining provisions of this agreement, which shall otherwise remain in full force and effect. The agreements of the Town of Southern Pines and Dixon Hughes Goodman LLP contained in the Contract to Audit Accounts and this attachment shall survive the completion or termination of this engagement.

Progress billings will be submitted to the North Carolina Office of the State Treasurer for approval and then mailed to you. All invoices are payable upon presentation.

~~Government Auditing Standards~~ require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2011 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the Town of Southern Pines 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 the enclosed copy and the Contract to Audit Accounts and return it to us.

Very truly yours,

Dixon Hughes Goodman LLP

ACKNOWLEDGED:

This letter correctly sets forth the understanding of the Town of Southern Pines

By: _____ Date: _____
Chairman

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

Finance Officer



A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

System Review Report

To the Partners of Dixon Hughes Goodman LLP
And the National Peer Review Committee

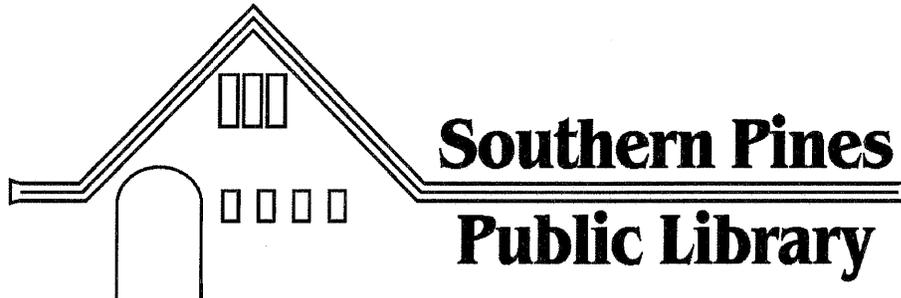
We have reviewed the system of quality control for the accounting and auditing practice of Dixon Hughes Goodman LLP (the firm) applicable to non-SEC issuers in effect for the year ended February 28, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Dixon Hughes Goodman LLP in effect for the year ended February 28, 2011, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Dixon Hughes Goodman LLP has received a rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
October 6, 2011



M E M O R A N D U M

DATE: February 24, 2014
TO: Reagan Parsons, Town Manager
FROM: Lynn Thompson, Director of Library and Information
Technology Services
RE: Budget Amendment
CC: Crystal Gabric, Director of Finance
Bruce Rosenberg, Director of Administrative Services

I have received notification from the State Library that the State Aid total for Southern Pines this fiscal year will be \$6,896. This is an increase of \$896 over the amount we budgeted to receive. I would like to request a budget amendment to line 10-630-3401, to reflect this change.

**AN ORDINANCE
AMENDING THE 2013/2014 FISCAL YEAR BUDGET**

BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Southern Pines in regular session assembled this 11th day of March, 2014 that the Operating Budget for the Fiscal Year 2013/2014 be and hereby is amended as follows:

<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>CODE</u>	<u>INCREASE</u>	<u>DECREASE</u>
General Fund	State Aid Library	10-365-0100	\$ 896.00	
Library	State Aid Library	10-630-3400	\$ 896.00	

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of March 11, 2014 as shown in the minutes of the Town Council for that date.

Phillip Britt, Town Clerk

MEMORANDUM

To: Town Council
Via: Reagan Parsons, Town Manager
Cc: Crystal Gabric, Finance Director
Date: February 27, 2014
Re: Request for Budget Amendment

I am requesting a budget amendment in the amount of \$ 25,000 for the Weymouth Pass-through grant. The grant award would be for \$15,000 with a matching amount from Weymouth of \$10,000.

Please amend the revenue line item 10-355-0300 and the Planning line item 10-540-4600 professional services in the amount of \$ 25,000.

**AN ORDINANCE
AMENDING THE 2013/2014 FISCAL YEAR BUDGET**

BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Southern Pines in regular session assembled this 11th day of March, 2014 that the Operating Budget for the Fiscal Year 2013/2014 be and hereby is amended as follows:

<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>CODE</u>	<u>INCREASE</u>	<u>DECREASE</u>
General Fund	Planning Grant	10-355-0300	\$ 25,000.00	
Library	Professional Services	10-540-4600	\$ 25,000.00	

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of March 11, 2014 as shown in the minutes of the Town Council for that date.

Phillip Britt, Town Clerk

MEMORANDUM

To: Town Council
Cc: Reagan Parsons, Town Manager
Crystal Gabric, Finance Director

From: Robert Reeve, Director, Recreation & Parks

Date: February 26, 2014

Subject: Budget Amendment for Picnic Shelter at Downtown Park

During the approval process of the Downtown Park Public Restrooms, the decision was made to design and bid out a picnic shelter with sidewalk connection to the new public restrooms. As this project was added to the public restrooms project, the expense to design and build the picnic shelter with sidewalk could be higher than what is budgeted in Phase 1.

Bids for the two projects are due Monday, March 3 (date was moved back when bad weather pushed back the Pre-Bid Meeting). If the price for the picnic shelter and sidewalk is higher, I would like to request for the March 11 Town Council meeting a budget amendment (for the Downtown Park Fund 54-662-7000) for the additional cost so that we can move forward with these projects.

Thank you.

**RESOLUTION APPROVING ADMINISTRATIVE GUIDELINES AND POLICIES FOR
THE COMMUNITY DEVELOPMENT BLOCK GRANT ECONOMIC DEVELOPMENT
PROGRAM TO SERVE “TYR TACTICAL”**

WHEREAS, the Town of Southern Pines wishes to carry out its CDBG Economic Development program in accordance with established state and federal administrative guidelines.

NOW, THEREFORE, the Town of Southern Pines Town Council hereby collectively adopts the following and resolves that they be utilized during the administration of the CDBG Economic Development program:

1. Resolution for the Town of Southern Pines Grant Application for Community Development Block Grant Economic Development Funding
2. Residential Anti-Displacement and Relocation Assistance Plan
3. Procurement Policy for the CDBG Grant Project
4. Citizen Participation Plan
5. Community Development Code of Conduct
6. Section 3 Plan for Employment Opportunities for Businesses and Lower Income Persons
7. Equal Employment and Procurement Plan
8. Fair Housing Plan
9. Resolution to Commitment to Further Fair Housing
10. Language Access Plan
11. Section 504 Compliance Officer/Grievance Procedure FY14 Community Development Program

This Resolution shall be and remain in full force and effect from and after the date of its adoption.

Adopted this 11th day of March, 2014.

ATTEST:

TOWN OF SOUTHERN PINES

Phillip Britt, Town Clerk

W. David McNeill, Mayor

APPROVED AS TO FORM:

Doug Gill, Town Attorney

I certify that this resolution was adopted by the Town Council of the Town of Southern Pines at its meeting on March 11, 2014 as shown in the minutes of the Town Council for that date.

Phillip Britt, Town Clerk

**RESOLUTION FOR THE TOWN OF SOUTHERN PINES GRANT APPLICATION FOR
COMMUNITY DEVELOPMENT BLOCK GRANT ECONOMIC
DEVELOPMENT FUNDING**

TYR TACTICAL ROADWAY IMPROVEMENTS

WHEREAS, the Town of Southern Pines Town Council has previously indicated its desire to assist in economic development efforts within the Town of Southern Pines; and,

WHEREAS, the Town Council has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit the Tyr Tactical Roadway Improvements project; and,

WHEREAS, the Town Council wishes the Town of Southern Pines to pursue a formal application for Community Development Block Grant funding in the amount of \$270,000 for a total estimated project cost of \$360,000. The Town of Southern Pines will provide local funds in the amount of \$90,000 and for all remaining costs to complete the proposed project.

WHEREAS, the Town Council certifies it will meet all federal regulatory and statutory requirements of the Small Cities Community Development Block Grant Program,

WHEREAS, the Mayor and/or the Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Southern Pines with the North Carolina Department of Commerce for a Community Development Block Grant for Economic Development to assist in the construction of the project described above.

WHEREAS, the Mayor and/or the Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as the North Carolina Department of Commerce may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

NOW, THEREFORE BE IT RESOLVED, by the Town of Southern Pines Town Council that the Town of Southern Pines is authorized to submit a formal application to the North Carolina Department of Commerce for approval of a Community Development Block Grant for Economic Development to benefit Tyr Tactical.

This Resolution shall be and remain in full force and effect from and after the date of its adoption.

Adopted this 11th day of March, 2014.

ATTEST:

TOWN OF SOUTHERN PINES

Phillip Britt, Town Clerk

W. David McNeill, Mayor

APPROVED AS TO FORM:

Doug Gill, Town Attorney

I certify that this resolution was adopted by the Town Council of the Town of Southern Pines at its meeting on March 11, 2014 as shown in the minutes of the Town Council for that date.

Phillip Britt, Town Clerk

TOWN OF SOUTHERN PINES
RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION
ASSISTANCE PLAN

The Town of Southern Pines will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.606(b)(1).

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the Town of Southern Pines will make public and submit to the North Carolina Department of Commerce, Commerce Finance Center, the following information in writing:

1. A description of the proposed assisted activity;
2. A general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate-income dwelling unit for at least 10 years from the date of initial occupancy.

The Town will provide relocation assistance, as described in 24 CFR 570.606(b)(2), to each low/moderate-income household displaced by the demolition of housing or by the conversion of a low/moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the Town of Southern Pines will take the following steps to minimize the displacement of persons from their home:

1. No housing units will be demolished that, after inspection, has been found to be in such structural condition that it can be repaired for \$38.00 per square foot up to a maximum of \$40,000 per structure.
2. No housing will be converted to a use other than as low/moderate-income housing using Community Development Block Grant (CDBG) funds.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

TOWN OF SOUTHERN PINES
PROCUREMENT POLICY FOR THE
CDBG GRANT PROJECT

In the procurement of supplies, equipment, or services in the Town of Southern Pines CDBG program the following policies shall apply:

1. Small Purchase Procedures. These are relatively simple and informal procurement methods that are sound and appropriate for a procurement of services, supplies, equipment, or other property, costing in the aggregate not more than \$25,000.00 (24 CFR 85). Under this procurement method price or rate quotations shall be obtained from an adequate number of qualified sources. Office supplies and equipment may be secured by this method and documentation maintained in the file.
2. Procurement by Sealed Bids. In competitive sealed bids (formal advertising), sealed bids shall be publicly solicited and a firm fixed price contract (lump sum or unit price) shall be awarded to the responsible bidder whose bid, conforming with all of the material terms and conditions of the invitation of bids is the lowest price.

In order for sealed bidding to be feasible, the following conditions should be present:

- a. A complete, adequate, and realistic specification or purchase description is available;
- b. Two or more responsible bidders are willing and able to compete effectively for the business; and
- c. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

The housing rehabilitation program, the water and/or sewer installations, and the home demolitions shall be awarded by utilizing this procedure.

3. Procurement by Competitive Proposals. In competitive negotiations, proposals shall be requested from a number of sources and the Request for Proposals shall be publicized. All aspects of the competitive negotiations shall be carried out in conformance with Federal Circular 24 CFR 85.

In order for competitive bidding to be feasible, the following conditions apply:

- a. Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
- b. Proposals will be solicited from an adequate number of qualified sources;
- c. Grantees and subgrantees will have a method of conducting technical evaluations of the proposals received and for selecting awardees;
- d. Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- e. Unsuccessful offerors shall be notified promptly.

The general administration contract, engineering contract, legal, and appraisal services related to the program implementation shall be awarded utilizing this method.

4. Noncompliance Negotiation. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined

inadequate. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

- a. After solicitation from a number of sources, competition is determined inadequate;
- b. The items or services required are available only from one source;
- c. Public exigency or emergency is such that the urgency will not permit a delay beyond the time needed to employ one of the other methods noted; and
- d. If the Federal grant agency (the state agency in the State-administered CDBG program) authorizes the noncompetitive method.

On all procurements, efforts shall be made to solicit bids from qualified small business and minority business firms. The grantee will take all necessary affirmative steps to assure that minority firms, women's businesses, and labor surplus area firms are used when possible.

In all cases, procurement under this Policy must conform to the requirements for procurements set forth in Federal Circular 24 CFR 85.

An adequate record of procurements must be maintained to insure that these policies and the requirements of Federal Circular 24 CFR 85 have been followed in their entirety.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

TOWN OF SOUTHERN PINES
CITIZEN PARTICIPATION PLAN

This plan describes how the Town of Southern Pines will involve citizens in the planning, implementation, and assessment of the Community Development Block Grant (CDBG) program. The CDBG program provides funds to local units of government on a competitive basis. The funds must be used for projects which benefit low and moderate income persons and aids in the elimination and prevention of slums and blight. The program is intended to assist governments in understanding neighborhood improvement programs. The regulations give ultimate responsibility for the design and implementation of the program to local elected officials and also requires that citizens be given an opportunity to serve in a key advisory role to these elected officials.

SCOPE OF CITIZEN PARTICIPATION

Citizens will be involved in all stages of the CDBG program, including program implementation, assessment of performance, and design of changes in the Citizen Participation Plan. There will be three (3) general mechanisms for their involvement:

1. To serve as an advisory committee to the project;
2. To attend or hold public hearings or community meetings; and
3. To provide individual citizen efforts in the form of comments, complaints, or inquiries submitted directly to the Program Administrators or designated Town official.

PROGRAM IMPLEMENTATION

Program assessment activities by citizens will occur in a variety of ways. A performance hearing will be held thirty (30) to sixty (60) days prior to the start of planning for the next program year. The Program Amendment will be asked to provide citizen commentary for the Grantee Performance Report.

As a part of the orientation to the program offered at the public hearing, citizens will be invited to submit comments on all aspects of program performance through the program year. Comments should be submitted in writing to the Southern Pines Town Manager. He/she will respond in writing within ten (10) days. If the response is unsatisfactory, the complainant should write directly to the Mayor of the Town of Southern Pines. He/she shall respond within ten (10) days.

If the citizen is still dissatisfied, he/she should write to North Carolina Department of Commerce, Commerce Finance Center, 4318 Mail Service Center, Raleigh, North Carolina 27699-4318, Attention: Program Representative, requesting an investigation of the problem. Program staff will also be available during normal business hours to respond to any citizen inquiries or complaints.

The Citizen Participation Plan will be subject to annual review and proposed revision, to occur in the period between the performance hearing and the public hearing on the subsequent year's application.

TECHNICAL ASSISTANCE

Technical Assistance will be provided to citizen organizations and groups of low/moderate income persons or target area residents upon request to the Town of Southern Pines. Such assistance will support citizen efforts to develop proposals, define policy, and organize for the implementation of the program. It is expected that such assistance will be provided directly to the Town in response to their request. Assistance could be provided in the form of local presentations, informational handouts, research of a specific issue, or other short-term efforts.

PUBLIC INFORMATION

The Town of Southern Pines will also undertake public information efforts to promote citizen participation. These efforts will include the following:

1. Public Notice of all Public Hearings will be published in the non-legal section of the local newspaper at least ten (10) days before the scheduled hearing. These notices will indicate the date, time, location, and topics to be considered. The notices will also be made available in the form of press releases, as a public service announcement to local radio stations, and will be provided to churches within the target area for distribution.
2. Orientation Information will be provided at the first public hearing. The Program Administrator(s) will make a presentation which covers: (a) the total amount of CDBG funds available and the competitive basis for award; (b) the range of eligible activities; (c) the planning process and the schedule of meetings and hearings; (d) the role of citizens in the program; and (e) a summary of other program requirements, such as the environmental policies, fair housing provisions, and contracting procedures.
3. A Public File containing program documentation will be available for review at the Town Manager's Office during normal business hours. Included will be copies of the Application, Environmental Review Record, the Citizen Participation Plan, and the Annual Performance Report. Other program documents are also available for citizen review on request at the Town Manager's Office consistent with applicable State and local laws regarding personal privacy and obligations of confidentiality.
4. Public Hearings: An interpreter will be provided for all non-English speaking individuals and/or deaf individuals.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

TOWN OF SOUTHERN PINES
COMMUNITY DEVELOPMENT CODE OF CONDUCT

HATCH ACT

No employee or agent of Town of Southern Pines may perform any function during work hours that is considered a political activity. This includes: soliciting votes, transporting voters, distributing campaign materials, working on or developing campaign materials, etc.

DISCRIMINATION

No person shall, on the grounds of race, creed, color, national origin, religion, sex, handicap, or age be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity funded in whole or in part with Community Development Block Grant funds. Amendments to Title VIII of the Civil Rights Act of 1968 now include non-discrimination against families with children.

ENGAGEMENT IN PROCUREMENT

No employee, officer, or agent of Town of Southern Pines shall participate in the selection of or award of administration of a contract supported by Federal funds if a conflict of interest, real or apparent would be involved. Such a conflict would arise when:

- a. The employee, officer, or agent;
- b. Any member of his immediate family;
- c. His or her partner; or
- d. An organization which employs or is about to employ, any of the above has a financial or other interest in the firm selected for award.

The grantee's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

CONFLICT OF INTEREST

No employee, officer, or agent shall influence or attempt to influence the outcome of any case or matter in which he has a direct interest either personally or in the person of any relative by blood or marriage. Employees or agents so involved shall abstain from dealing with such matters they may provide information at the request of the Town of Southern Pines but shall not attempt to influence the decisions of the Town of Southern Pines.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

TOWN OF SOUTHERN PINES

SECTION 3 PLAN FOR EMPLOYMENT OPPORTUNITIES
FOR BUSINESSES AND LOWER INCOME PERSONS

To insure that to the greatest extent possible contracts for work are awarded to business concerns located in or owned in substantial part by persons residing in the Section 3 covered area, as required by Section 3 of the Housing and Urban Development Act of 1968, the Town of Southern Pines (Town) has developed and hereby adopts the following Plan:

1. This Section 3 Plan shall apply to services needed in connection with the grant including, but not limited to, businesses in the fields of planning, consulting, design, building construction/renovation, maintenance and repair, etc..

2. This Section 3 covered project area for the purpose of this grant program shall include the Town of Southern Pines.

3. When in need of a service, the Town will identify suppliers, contractors or subcontractors located in the Section 3 area. Resources for this identification shall include the Minority Business Directory published through the State Department of Commerce, local directories and the Small Business Administration local offices. Word of mouth recommendations shall also be used as a source.

4. The Town will include this Section 3 clause in all contracts executed under this CDBG Program. Where deemed necessary, listings from any agency noted in No. 3 above shall be included as well as sources of subcontracts and suppliers.

5. The prime contractor selected for major public facility or building construction work will be required to submit a Section 3 Plan which will outline his/her work needs in connection with the project. Should a need exist to hire any additional personnel, the Moore County Employment Security Commission shall be notified and referred to the contractor.

6. Each contractor for housing rehabilitation under the program, as applicable, for jobs having contracts in excess of \$10,000 shall be required to submit a Section 3 Plan. This Plan will be maintained on file in the grant office and shall be updated from time to time or as the grant staff may deem necessary.

7. All jobs will be listed through and hiring will be done through the local office of the North Carolina Employment Security Commission; all contracts will be listed with the North Carolina Division of Purchases and Contracts; potential employees and businesses may seek development and training assistance through various state and local agencies, and the Town will maintain a list for individuals and business concerns inquiring.

8. Early in the Town project, prior to any contracting, major purchases or hiring, the Town will develop a listing of jobs, supplies and contracts likely to be utilized during the project. The Town will then advertise in our local newspaper an ad prominently located as a display ad the pertinent information regarding the project including all Section 3 required information.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

TOWN OF SOUTHERN PINES

EQUAL EMPLOYMENT AND PROCUREMENT PLAN

The Town of Southern Pines maintains the policy of providing equal employment opportunities for all persons regardless of race, color, religion, sex, national origin, handicap, age, political affiliation, or any other non-merit factor, except where religion, sex, national origin, or age are bona fide occupation qualifications for employment.

In furtherance of this policy the Town prohibits any retaliatory action of any kind taken by any employee of the Town against any other employee or applicant for employment because that person made a charge, testified, assisted or participated in any manner in a hearing, proceeding or investigation of employment discrimination.

The Town shall strive for greater utilization of all persons by identifying previously under-utilized groups in the work force, such as minorities, women, and the handicapped, and making special efforts toward their recruitment, selection, development, and upward mobility and any other term, condition, or privilege of employment.

Responsibility for implementing equal opportunities and affirmative action measures is hereby assigned to the Mayor and/or other persons designated by the Town Council to assist in the implementation of this policy statement.

The Town shall develop a self-evaluation mechanism to provide for periodic examination. Periodic reports as requested on the progress of Equal Opportunity and Affirmative Action will be presented to the Town Council by the Mayor.

The Town is committed to this policy and is aware that with its implementation, the Town will receive positive benefits through the greater utilization and development of all its human resources.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

FAIR HOUSING PLAN

Grantee:	Town of Southern Pines	Contact Phone #: (910) 692-7021
Recipient's Address:	125 SE Broad Street, Southern Pines, NC 28387	TDD #: (800) 735-2962
Contact Person:	Reagan Parsons, Town Manager	
Contact Email:	townmanager@southernpines.net	

I. Indicate if the Recipient will be affirmatively furthering fair housing for the first time or has implemented specific activities in the past.

First Time Past Activities

II. Identify and analyze obstacles to affirmatively furthering fair housing in recipient's community.
(Use additional pages as necessary)

There are believed to be few violations of fair housing requirements under Title VIII of the Civil Rights Act of 1968. Most entities required to abide by these regulations are well aware of them and profess to adhere to them in their professional activities. The biggest obstacle to affirmatively furthering fair housing in the Town of Southern Pines is believed to be the lack of knowledge about fair housing requirements by town residents, especially those of low-income and minorities.

III. Will the above activities apply to the total municipality or Town?

Yes No **If no, provide an explanation.**
(Use additional pages as necessary)

This plan is relevant only to the Town of Southern Pines.

IV. Briefly describe the quarterly activities that the recipient will undertake over the active period of the grant to affirmatively further fair housing in their community. A time schedule and estimated cost for implementation of these activities must be included. Activities must be scheduled for implementation at least on a quarterly basis. (Use attached table)

Grantee: TOWN OF SOUTHERN PINES

Quarterly Fair Housing Activity	Months	Year	Estimated Cost	Actual Cost
<i>Establish FH policy, Complaint Procedure</i>	<i>Jan – Mar</i>	<i>2014</i>	<i>\$0</i>	
<i>Advertise the FH notice in the local newspaper naming the fair housing office, address and telephone number</i>	<i>Apr - Jun</i>	<i>2014</i>	<i>\$150.00</i>	
<i>Prepare a public notice for display at Town Offices summarizing Title VIII requirements and describing the Town's assistance activities, naming the fair housing officer, address and telephone number</i>	<i>Jul – Sep</i>	<i>2014</i>	<i>\$0</i>	
<i>Contact local lending institutions, realtors, and real estate developers within the community acquiring their addresses and mailing out informational pamphlets to be available to the public in their place of business</i>	<i>Oct – Dec</i>	<i>2014</i>	<i>\$0</i>	
<i>Promote fair housing through an Informational Distribution (include a fair housing statement on the monthly utility bill).</i>	<i>Jan – Mar</i>	<i>2015</i>	<i>\$0</i>	
<i>Prepare informational brochures to be made available to the public at Town Offices naming the fair housing officer, address, and telephone number</i>	<i>Apr – Jun</i>	<i>2015</i>	<i>\$0</i>	
<i>Advertise the Complaint Procedure on the local radio station naming the fair housing officer,</i>	<i>Jul – Sep</i>	<i>2015</i>	<i>\$100.00 10 daily</i>	

<i>address and telephone number</i>			<i>announcements</i>	
<i>Prepare a public notice for display at local lending institutions, realtors, and real estate developers within the community summarizing Title VIII requirements and describing the Town's assistance activities, naming the fair housing officer, address and telephone number</i>	<i>Oct – Dec</i>	<i>2015</i>	<i>\$0</i>	
<i>Advertise the FH notice in the local newspaper naming the fair housing office, address and telephone number</i>	<i>Jan – Mar</i>	<i>2016</i>	<i>\$160.00/ea</i>	
<i>Prepare a public notice for display at Town Offices summarizing Title VIII requirements and describing the Town's assistance activities, naming the fair housing officer, address and telephone number</i>	<i>Apr – Jun</i>	<i>2016</i>	<i>\$0</i>	
<i>Contact local lending institutions, realtors, and real estate developers within the community acquiring their addresses and mailing out informational pamphlets to be available to the public in their place of business</i>	<i>Jul – Sep</i>	<i>2016</i>	<i>\$0</i>	
<i>Promote fair housing through an Informational Distribution to employees of proposed business.</i>	<i>Oct - Dec</i>	<i>2016</i>	<i>\$0</i>	
<i>Prepare informational brochures to be made available to the public at Town Offices naming the fair housing officer, address, and telephone number</i>	<i>Jan – Mar</i>	<i>2017</i>	<i>\$0</i>	
<i>Advertise the Complaint Procedure in the local newspaper naming the fair housing officer, address and telephone number</i>	<i>Apr – Jun</i>	<i>2017</i>	<i>\$150.00</i>	
<i>Prepare a public notice for display at local lending institutions, realtors, and real estate developers within the community summarizing Title VIII requirements and describing the Town's assistance activities, naming the fair housing officer, address and telephone number</i>	<i>Jul – Sep</i>	<i>2017</i>	<i>\$0</i>	
<i>Promote fair housing through an Informational mailing to senior citizen/civic groups.</i>	<i>Oct - Dec</i>	<i>2017</i>	<i>\$0</i>	
<i>Advertise the FH notice in the local newspaper naming the fair housing office, address and telephone number</i>	<i>Jan – Mar</i>	<i>2018</i>	<i>\$160.00</i>	
<i>Prepare a public notice for display at Town Offices summarizing Title VIII requirements and describing the Town's assistance activities, naming the fair housing officer, address and telephone number</i>	<i>Apr – Jun</i>	<i>2018</i>	<i>\$0</i>	
<i>Evaluate local lending institutions, realtors, and real estate developers within the community acquiring their addresses and mailing out board approved informational pamphlets to be available to the public in their place of business</i>	<i>Jul – Sep</i>	<i>2018</i>	<i>\$0</i>	
<i>Promote fair housing through an Informational Distribution (include a fair Housing statement on the monthly utility bill).</i>	<i>Oct – Dec</i>	<i>2018</i>	<i>\$0</i>	

V. Describe recipient's method of receiving and resolving housing discrimination complaints. This may be either a procedure currently being implemented or one to be implemented under this CDBG grant. Include a description of how the recipient informs the public about the complaint procedures. (Use additional pages as necessary)

The Town of Southern Pines has adopted a Fair Housing Resolution which established a complaint procedure. This resolution establishes Reagan Parsons, Town Manager of Southern Pines, as the authorized official to receive complaints regarding housing discrimination.

The Town of Southern Pines has developed the following procedures for receiving and resolving housing discrimination complaints:

- 1. Any person or persons wishing to file a complaint of housing discrimination in Southern Pines may do so by informing the Fair Housing Officer of the facts and circumstances of the alleged discriminatory acts or practice.*
- 2. Upon receiving a housing discrimination complaint, the Fair Housing Officer shall acknowledge the complaint within 10 days in writing and inform the North Carolina Human Relations Commission (217 W. Jones St., Raleigh, NC 27603-1334, 919-733-7996) about the complaint.*
- 3. When a housing complaint cannot be resolved at the local level, the Fair Housing Officer shall offer assistance to the Human Relations Commission in the investigation and reconciliation of all housing discrimination complaints which are based on events occurring in Southern Pines.*
- 4. The Town shall publicize in the local paper that the Fair Housing Officer is the local official to contact with housing discrimination complaints.*

The Town of Southern Pines has developed informational pamphlets that summarize the Title VIII requirements with regards to race, creed, color, national origin or ancestry, religion, sex, and/or sexual discrimination, handicap and/or disability, age, and families with children. The pamphlet includes the name of the contact person, the address, and the telephone number and a brief description of equal housing opportunities which are provided through Title VIII. The Town of Southern Pines intends to distribute these pamphlets to various agencies by mail in the community who are involved in housing services. This would include Realtors, financial institutions, real estate developers, senior citizen groups, and other firms and agencies which deal with housing. The Town of Southern Pines also will publish a "NOTICE" in the local newspaper to inform citizens of both Title VIII requirements and complaint procedures, naming the fair housing officer, address and contact number.

ADOPTED, this the 11th day of March, 2014.

ATTEST:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)

RESOLUTION TO COMMITMENT TO FURTHER FAIR HOUSING

WHEREAS, the Southern Pines Town Council is familiar with Title VIII, Civil Rights Act of 1968, amended by the Housing and Community Development Act of 1974; and

WHEREAS, the Southern Pines Town Council is aware that they are obligated to be in compliance with the "State Fair Housing Act", (under Chapter 41A of the General Statutes of North Carolina); and

WHEREAS, the Southern Pines Town Council will administer programs and activities relating to housing and urban development in a manner to affirmatively further fair housing.

NOW, THEREFORE, LET IT BE RESOLVED that the Southern Pines Town Council agrees to commit to fair housing within Southern Pines' jurisdiction and will substantially comply with all Federal, State and local laws, rules, regulations, and ordinances applicable in their efforts to further fair housing within the Town.

BE IT FURTHER RESOLVED, that Reagan Parsons, Town Manager, is hereby named Fair Housing Officer in order to provide counseling and referral services to persons having complaints about housing discrimination and housing conditions within Southern Pines.

WHEREAS, the Southern Pines Town Council has established the following complaint procedures:

1. Any person or persons wishing to file a complaint of housing discrimination in Southern Pines may do so by informing the Fair Housing Officer of the facts and circumstances of the alleged discriminatory acts or practice.
2. Upon receiving a housing discrimination complaint, the Fair Housing Officer shall acknowledge the complaint within 10 days in writing and inform the North Carolina Human Relations Commission (217 W. Jones St., Raleigh, NC 27603-1334, 919-733-7996) about the complaint.
3. When a housing complaint cannot be resolved at the local level, the Fair Housing Officer shall offer assistance to the Human Relations Commission in the investigation and reconciliation of all housing discrimination complaints which are based on events occurring in Southern Pines.
4. The Town shall publicize in the local paper that the Fair Housing Officer is the local official to contact with housing discrimination complaints.

This Resolution shall be and remain in full force and effect from and after the date of its adoption.

Adopted this 11th day of March, 2014.

ATTEST:

TOWN OF SOUTHERN PINES

Phillip Britt, Town Clerk

W. David McNeill, Mayor

APPROVED AS TO FORM:

Doug Gill, Town Attorney

I certify that this resolution was adopted by the Town Council of the Town of Southern Pines at its meeting on March 11, 2014 as shown in the minutes of the Town Council for that date.

Phillip Britt, Town Clerk

Providing Meaningful Communication with Persons with Limited English Proficiency

LANGUAGE ACCESS PLAN FOR THE TOWN OF SOUTHERN PINES

The purpose of this Policy and Plan is to ensure compliance with Title VI of the Civil Rights Act of 1964, and other applicable federal and state laws and their implementing regulations with respect to persons with limited English proficiency (LEP). Title VI of the Civil Rights Act of 1964 prohibits discrimination based on the ground of race, color or national origin by any entity receiving federal financial assistance. Administrative methods or procedures, which have the effect of subjecting individuals to discrimination or defeating the objectives of these regulations, are prohibited.

In order to avoid discrimination on the grounds of national origin, all programs or activities administered by the **Town of Southern Pines** will take reasonable steps to ensure that persons with Limited English Proficiency (LEP) have meaningful access and an equal opportunity to participate in benefits and services for which such persons qualify. This Policy defines the responsibilities the agency has to ensure LEP individuals can communicate effectively.

This policy and plan is effective March 11, 2014.

I. Scope of Policy

These requirements will apply to the **Town of Southern Pines (herein referred to as “the agency”)** including subcontractors, vendors and sub recipients.

The agency will ensure that LEP individuals are provided meaningful access to benefits and services provided through contractors or service providers receiving subgrants from the agency.

II. Definitions

Limited English Proficient (LEP) individual – Any prospective, potential, or actual recipient of benefits or services from the agency who cannot speak, read, write or understand the English language at a level that permits them to interact effectively with health care providers and social service agencies.

Vital Documents – These forms include, but are not limited to, applications, consent forms, all compliance plans, bid documents, fair housing information, citizen participation plans, letters containing important information regarding participation in a program; notices pertaining to the reduction, denial, or termination of services or benefits, the right to appeal such actions, or that require a response from beneficiary notices advising LEP persons of the availability of free language assistance, and other outreach materials.

Title VI Compliance Officer: The person or persons responsible for administering compliance with the Title VI LEP policies.

Substantial number of LEP: 5% or 1,000 people, whichever is smaller, are potential applicants or recipients of the agency and speak a primary language other than English and have limited English proficiency.

III. Providing Notice to LEP Individuals

- A. The agency will take appropriate steps to inform all applicants, recipients, community organizations, and other interested persons, including those whose primary language is other than English, of the provision of this policy. Such notification will also identify the name, office telephone number and office address of the Title VI Compliance Officer(s).

List the current name, office telephone number and office address of the Title VI compliance officers:

Bruce Rosenberger, Director of Administrative Services
Town of Southern Pines
125 SE Broad Street, Southern Pines, NC 28387
PH: 910/692-7021

(Note: The agency must notify the DCA compliance officer immediately of changes in name or contact information of the Title VI compliance officer.)

- B. The agency will post and maintain signs in regularly encountered languages other than English in waiting rooms, reception areas and other initial points of contact. These signs will inform applicants and beneficiaries of their right to free language assistance services and invite them to identify themselves as persons needing such services.

Identify areas within the agency where these signs will be posted:

Town of Southern Pines – Administrative Offices, Finance Office, Planning Department, Public Works Department, Parks & Recreation and Police Department

- C. The agency will include statements of the right to free language assistance in Spanish and other significant languages in all outreach materials that is routinely disseminated to the public (including electronic text).
- D. The agency will also disseminate information in the following manner: Information will be disseminated to the media for publication and citizens through our Public Information Office.

IV. Provision of Services to LEP Applicants/Recipients

A. Assessing Linguistic Needs of Potential Applicants and Recipients

1. The agency will assess the language needs of the population to be served, by identifying:
 - a. the language needs of each LEP applicant/recipient;
 - b. the points of contact where language assistance is needed; and
 - c. the resources needed to provide effective language assistance, including location, availability and arrangements necessary for timely use.
 - d. Other (describe):
2. Determining the Language Needs of the Population to be Served

The agency is responsible for assessing the needs of the population to be served. Such assessment will include, but not be limited to the following:

- a. The non-English languages that are likely to be encountered in its program will be identified.
 - b. An estimate of the number of people in the community for whom English is not the primary language used for communication will be completed and updated annually. To identify the languages and number of LEP individuals local entities should review:
 - i. Census data
 - ii. School system data
 - iii. Reports from federal, state and local governments
 - iv. Community agencies' information, and
 - v. Data from client files
 - vi. Other (describe):
 - c. The points of contact in the program or activity where language assistance is likely to be needed will be identified.
3. Determining the Language Needs of Each Applicant/Recipient

The agency will determine the language needs of each applicant/recipient. Such assessment will include, but not be limited to the following:

- a. At the first point of contact, each applicant/recipient will be assessed to determine the individual's primary language.

The following methods will be used:

- Multi-language identification cards, a poster-size language list, or the use of "I speak" peel-off language identification cards for indicating preferred languages.
 - English proficiency assessment tools, provided they can be administered in a manner that is sensitive to and respectful of individual dignity and privacy.
 - Other (describe):
- b. If the LEP person does not speak or read any of these languages, the agency will use a telephone interpreting service to identify the client's primary language.
 - c. Staff will not solely rely on their own assessment of the applicant or recipient's English proficiency in determining the need for an interpreter. If an individual requests an interpreter, an interpreter will be provided free of charge. A declaration of the client will be used to establish the client's primary language.
 - d. When staff place or receive a telephone call and cannot determine what language the other person on the line is speaking a telephone interpreting service will not be utilized in making the determination.

- e. If any applicant/recipient is assessed as LEP, they will be informed of interpreter availability and their right to have a language interpreter at no cost to them with a notice in writing in the languages identified in Section C. Provision of Written Translations.

B. Provision of Bilingual/Interpretive Services

1. The agency will ensure that effective bilingual/interpretive services are provided to serve the needs of the non-English speaking population. The provision of bilingual/interpretive services will be prompt without undue delays. In most circumstances, this requires language services to be available during all operating hours.
2. The agency will provide language assistance at all levels of interaction with LEP individuals, including telephone interactions.

Describe how this requirement will be met: The Town of Southern Pines may use paid interpreters and/or qualified employees of other agencies or community resources as needed. Telephone interpreter services will only be utilized as a back-up system or where other language assistance options are unavailable.

3. Interpreter Standards

- a. Those providing bilingual/interpretive services will meet the linguistic and cultural competency standards set forth below. The agency will ensure that interpreters and self-identified bilingual staff, have first been screened to ensure that the following standards are met before used for interpreter services:
 - i. Can fluently and effectively communicate in both English and the primary language of the LEP individual.
 - ii. Can accurately and impartially interpret to and from such languages and English
 - iii. Has a basic knowledge of specialized terms and concepts used frequently in the provision of the agency's services
 - iv. Demonstrates cultural competency
 - v. Understands the obligation to maintain confidently
 - vi. Understands the roles of interpreters and the ethics associated with being an interpreter

Describe how the agency ensures the competency of bilingual staff and interpreters:

The Town of Southern Pines will ensure that any bilingual staff and/or interpreters are able to effectively perform items i through vi as detailed above.

- b. When staff members have reason to believe than an interpreter is not qualified or properly trained to serve as an interpreter, the staff member will request another interpreter.
- ### 4. Using Family Members or Friends as Interpreters
- a. Applicants/ recipients may provide their own interpreter; however, the agency will not require them to do so.
 - b. The agency will firm inform an LEP person, in the primary language of the LEP person, of the right to a free interpreter service and the potential problems for ineffective

communication. If the LEP person declines such services and requests the use of a family member or friend, the agency may utilize the family member or friend to interpret only if the use of such person would not compromise the effectiveness of services or violate the LEP person's confidentiality. The agency will monitor these interactions and again offer interpreter services, if it appears there are problems with this arrangement.

- c. The agency will indicate in the LEP individual's file that an offer of interpreter services was made and rejected; that the individual was informed of potential problems associated with using friends or family members and the name of the person serving as an interpreter at the LEP individual's request.
 - d. Only under extenuating circumstances shall the agency allow a minor (under the age of 18 years) to temporarily act as an interpreter. The agency will keep a written record of when it has used a minor as an interpreter, and this information will be shared with the DCA upon request.
5. The agency will **not** require the applicant/recipient to pay for bilingual/interpretive services.

C. Provision of Written Translations

1. The agency must provide written materials in languages other than English where a substantial number or percentage of the population eligible to be served or likely to be directly affected by the program needs services or information in a language other than English to communicate effectively.
2. Translation of Vital Documents
 - a. The agency will ensure that vital documents for locally designed programs are translated into Spanish.
 - b. When DCA forms and other written material contain spaces in which the local entity is to insert information, this inserted information will also be in the individual's primary language. When such forms are completed by applicants/recipients in their primary language, the information must be accepted.
 - c. If, as a result of the local language assessment, it appears there are a substantial number of potential applicants or recipients of the agency (defined as 5% or 1,000 people whichever is less) who are LEP and speak a language other than Spanish, the agency will translate and provide vital documents in the appropriate language.
 - d. The agency will keep a record of all vital documents translated, and will submit this information to DCA at their request.
3. If the primary language of an LEP applicant or recipient is a language other than Spanish AND the language does not meet the threshold for translation as defined in the preceding paragraph, the LEP individual will be informed in their own language of the right to oral translation of written notices. The notification will include, in the primary language of the applicant/recipient, the following language: **IMPORTANT: IF YOU NEED HELP IN READY THIS, ASK THE AGENCY FOR AN INTERPRETER TO HELP. AN INTERPRETER IS AVAILABLE FREE OF CHARGE.**

D. Documentation of Applicant/Recipient Case Records

1. The agency will maintain case record documentation in sufficient detail to permit a reviewer to determine the agency's compliance with this policy.
2. The agency will ensure that case record documentation, including computerized records if appropriate, identifies the applicants/recipient's ethnic origin and primary language. In those cases where the applicant/recipient is non-English speaking, the agency will:
 - a. Document the individual's acceptance or refusal of forms or other written materials offered in the individual's primary language.
 - b. Document the method used to provide bilingual services, e.g., assisted worker is bilingual, other bilingual employee acted as interpreter, volunteer interpreter was used, or client provided interpreter. When a minor is used as interpreter, the agency will document the circumstances requiring temporary use of a minor and will provide this information to DCA upon request.
3. Consent for the release of information will be obtained from applicants/recipient when individuals other than agency employees are used as interpreters and the case record will be so documented.

E. Staff Development and Training

1. The agency will provide staff training at new employee orientation and continuing training programs. The training will include, but not be limited to:
 - a. Language assistance policies and procedures, resources available to support such procedures, methods of effective use of interpreters, and familiarization with the discrimination complaint process.
 - b. Cultural awareness information, including specific cultural characteristics of the groups served by the agency to provide a better understanding of, and sensitivity to, the various cultural groups to ensure equal delivery of services.
2. The agency will provide or ensure training is provided for bilingual staff and interpreters employed or utilized by the agency. This includes the ethics of interpreting, including confidentiality; methods of interpreting; orientation to the organization; specialized terminology used by the agency; and cultural competency.
3. The agency will ensure that applicable grantees, contractors, cooperative agreement recipients and other entities receiving state or federal dollars are trained in the requirements of this policy.

Describe how this provision will be met: Once adopted, the policy will be distributed to applicable Town staff and other entities with individual training on an as needed basis.

4. The agency will collect and maintain the following information about training provided to staff: the date(s) of such training, the content of such training, the number and types of credit hours awarded; and the names and identifying information of each attendee at the training. The agency will ensure that grantees, contractors, cooperative agreement recipients and other applicable funded entities collect and maintain such information as well.

V. Compliance Procedures, Reporting and Monitoring

A. Reporting

1. The agency will complete an annual compliance report and send this report to DCA. (Format will be supplied by DCA)

B. Monitoring

1. The agency will complete a self-monitoring report on a quarterly basis, using a standardized reporting system provided by the DCA. These reports will be maintained and stored by the Title VI compliance officer and will be provided to the DCA upon request.
2. The agency will cooperate, when requested, with special review by the DCA.

VI. Applicant/Recipient Complaints of Discriminatory Treatment

A. Complaints

1. The agency will provide assistance to LEP individuals who do not speak or write in English if they indicate that they would like to file a complaint. A complaint will be filed in writing, contain the name and address of the person filing it or his/her designee and briefly describe the alleged violation of this policy.
2. The agency will maintain records of any complaints filed, the date of filing, actions taken and resolution.
3. The agency will notify the appropriate agency or Division within DCA of complaints filed the date of filing, actions taken and resolution. This information will be provided within 30 days of resolution.

B. Investigation

1. The DCA Compliance Office will conduct an investigation of the allegations of the complaint. The investigation will afford all interested persons and their representatives, if any, an opportunity to submit evidence relevant to the complaint.
2. The investigation will not exceed 30 days, absent a 15-day extension for extenuating circumstances.

C. Resolution of Matters

1. If the investigation indicates a failure to comply with the Act, the local unit of government, agency Director or his/her designee will so inform the recipient and the matter will be resolved by informal means whenever possible within 60 days.
2. If the matter cannot be resolved by informal means, then the individual will be informed of his or her right to appeal further to the Department of Justice. This notice will be provided in the primary language of the individual with Limited English Proficiency.
3. If not resolved by DCA, then complaint will be forwarded to DOJ, HUD Field Office.

Submitted and Approved by:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

Date

Attachment 2

Town of Southern Pines
125 SE Broad Street
Southern Pines, North Carolina 28387

SECTION 504 COMPLIANCE OFFICER/GRIEVANCE PROCEDURE FY14 COMMUNITY DEVELOPMENT PROGRAM

The Governing Body of the Town of Southern Pines, North Carolina, hereby designates Bruce Rosenberger, Director of Administrative Services to serve as Section 504 Compliance Officer throughout the implementation of the Town of Southern Pines CDBG Economic Development Program.

Citizens with Section 504 grievances may do so at any point in the program. The Town will respond in writing to written citizen grievances. Citizen grievances should be mailed to: Bruce Rosenberger, Director of Administrative Services, Town of Southern Pines, 125 SE Broad Street, Southern Pines, NC 28387; 910/692-7021. The Town will respond to all written citizen grievances within ten (10) calendar days of receipt of the comments.

Should any individual, family, or entity have a grievance concerning any action prohibited under Section 504, a meeting with the compliance officer to discuss the grievance will be scheduled. The meeting date and time will be established within five (5) calendar days of receipt of the request. Upon meeting and discussing the grievance, a reply will be made, in writing, within five (5) calendar days.

If the citizen is dissatisfied with the local response, they may write to the North Carolina Department of Commerce, Commerce Finance Center, 4318 Mail Service Center, Raleigh, North Carolina 27699-4318, Phone: (919) 715-7559, TDD: (800) 735-2962. DOC will respond only to written comments within ten (10) calendar days of the receipt of the comments.

Adopted this the 11th day of March, 2014.

By:

W. David McNeill, Mayor

Phillip Britt, Town Clerk

(Seal)