



Town of Mars Hill

MAYOR AND BOARD OF ALDERMEN

John L. Chandler
Mayor
Nicholas A. Honeycutt
Vice-Mayor
Robert W. Zink
Treasurer
Stuart L. Jolley
Clerk
Larry H. Davis
Secretary

MINUTES REGULAR MEETING Mars Hill Town Hall – Conference Room June 15, 2020 at 6:00 p.m.

The Town of Mars Hill Mayor and Board of Aldermen met in regular session on Monday, June 15, 2020 at 6:00 p.m. in the Mars Hill Town Hall.

MEMBERS PRESENT: Mayor John Chandler; Aldermen Larry Davis, Nicholas Honeycutt, Stuart Jolley, and Robert W. (Bob) Zink

STAFF PRESENT: Nathan R. Bennett, Town Manager

OTHERS PRESENT: Barbara Shepard, Connie Molland, Patricia Gregory with Rotary of Madison County, and Shannon McBride with MHU

Call to Order

The meeting was called to order by Mayor John Chandler. Mayor Chandler welcomed those in attendance.

Approval of the Agenda

Mayor Chandler asked the Board to review the proposed agenda for approval. Upon review of the agenda, Mayor Chandler called for a motion. Alderman Nicholas Honeycutt made a motion the agenda be approved as presented. Alderman Larry Davis seconded the motion. Upon a call for a vote on the motion by the Mayor, the agenda was approved unanimously. (Attachment A)

Approval of Minutes

Mayor Chandler then asked the Board to review the minutes of the regular meeting held on May 4, 2020. There being no modifications to the minutes, Alderman Stuart Jolley made a motion that the minutes for May 4, 2020 be approved as presented by management. Alderman Honeycutt seconded the motion. Upon a call for a vote on the motion by the Mayor, the minutes were approved unanimously.

FY 2020-2021 Budget – Nathan Bennett, Town Manager

Mayor Chandler then recognized Town Manager Nathan Bennett to provide information and make a presentation of the proposed Fiscal Year 2020-2021 Budget for the Town of Mars Hill.

BUDGET MESSAGE – Mr. Bennett gave a summary of the budget preparation process and delivered the Budget Message giving an overview of the proposed budget (Attachment B). Mr. Bennett advised the Board that the Fiscal Year 2020-2021 Fiscal Year Budget for the Town of Mars Hill is balanced with General Fund revenues and expenditures totaling \$2,028,959. Mr. Bennett advised the Board that no change to the ad valorem tax rate is proposed, recommending the tax rate remain the same at \$0.47 (forty-seven cents) per \$100 (one-hundred dollars) assessed property valuation. Mr. Bennett advised the Board that the Madison County Tax Department has yet to finalize tax values due to the county-wide real property appraisal that is effective this fiscal year. In addition, the County tax office has not finalized or provided the town with business personal property tax values for the upcoming fiscal year. Due to this information being unavailable from the county, Mr. Bennett reported that a revenue neutral tax rate could not be calculated. The recommended tax rate may need to be revised once the county provides these values to the Town. Mr. Bennett advised that the budget estimate is based on an analysis of the current tax values and collections, together with the preliminary values provided by the County. Furthermore, Mr. Bennett advised that due to the worldwide coronavirus COVID-19 pandemic and resulting economic recession revenue will be negatively impacted in regard to sales tax and other consumer-driven taxes and fee revenue available to Town as well as interest income earned on reserve accounts. These revenue sources will be closely monitored throughout the fiscal year and recommended adjustments brought to the Board.

Regarding the water and sewer fund, Mr. Bennett advised the Board that the Fiscal Year 2020-2021 Fiscal Year Budget for the Water and Sewer Fund is balanced with revenues and expenditure totaling \$1,069,600. Mr. Bennett advised there is a proposed increase to the water and sewer rates of 2.5% in keeping with previously established Board policy to maintain solvency of the water and sewer enterprise fund. In the current year, water and sewer fund revenues have also been negatively impacted by the closure of Mars Hill University, Mars Hill Elementary and other businesses due to the coronavirus COVID-19 pandemic. As these and other large users reopen and return to normal operations, management will monitor revenue sources throughout the fiscal years and recommended adjustments brought to the Board.

PUBLIC HEARING – Mayor Chandler then opened the public hearing to receive comments or questions concerning the proposed budget from the general public in attendance. There being no comments or questions, Mayor Chandler closed the public hearing.

CONSIDERATION AND ADOPTION OF FY 2020-2021 BUDGET ORDINANCE – Mayor Chandler then asked the Board to review the proposed FY 2020-2021 Budget Ordinance. Upon review and discussion of the Budget Ordinance, Mayor Chandler called for a motion. Alderman Jolley made a motion to approve the Fiscal Year 2020-2021 Budget Ordinance, together with the recommendations included in the Budget Message, as presented by management. Alderman Davis seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was approved unanimously. (Attachment C)

FY 2019-2020 Budget Amendments

Mayor Chandler then moved to the FY 2019-2020 Budget Amendments and recognized Mr. Bennett to provide information on this item. Mr. Bennett explained that he had reviewed all departmental budgets with finance staff as the current fiscal year nears completion. This review indicates most departments have sufficient funding remaining for the remainder of the year. The one area that may need additional support is the Governing Body-Professional Services as funding is nearly depleted as a result of unexpected expenses from the audit firm and there may be additional unknown expenses arise prior to June 30. Mr. Bennett presented the budget amendment to transfer \$5,000 from the Streets Department (non-Powell Bill) to the Governing Body Department. Upon review of the amendment and completion of discussion by the Board, Mayor Chandler called for a motion. Alderman Honeycutt made a motion to approve Budget Amendment 2020-02 as presented by management. Alderman Bob Zink seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was approved unanimously. (Attachment D)

Town Manager Report – Nathan Bennett, Town Manager

Mayor Chandler then recognized Mr. Bennett to provide the Town Manager Report.

COVID-19 Response

Mr. Bennett provided the Board an update on the continuing Town response to the coronavirus/COVID-19 situation. The Town continues to be under the state and local designated state of emergency in response to COVID-19. He advised that Town Hall was reopened to the public last week with face coverings required for those entering the facility. In addition, the Recreation Park has reopened, but the playground remains closed due to the Governor's Executive Order. The pool has opened and is operating pursuant to CDC and NCDHHS guidelines with a reduced capacity. Mr. Bennett further advised that Congress and the N.C. General Assembly have provided funds to counties assist with the coronavirus response, through the CARES Act. No funds were directly provided to municipalities, however, Madison County has indicated they plan to share a portion of these funds with the counties municipalities on a per capita basis. That plan is still being drafted and is pending approval by county commissioners. Mr. Bennett will keep the Board advised of any developments. Mr. Bennett advised the Board he is continuously monitoring this situation with public safety staff, the county and Mars Hill University leadership and will keep the Board informed of any new developments.

Audit Contract for FY 2020

Mr. Bennett presented the proposal and contract for services from Johnson Price Sprinkle, PA to complete the comprehensive audit for FY 2019-2020 as required by the State. Upon completing discussion of the matter, Mayor Chandler called for a motion. Alderman Jolley made a motion to approve the Audit Contract with Johnson Price Sprinkle, PA as presented by management. Alderman Zink seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment E)

Water System Study Grant – Engineer Contract

Mr. Bennett then addressed the \$50,000 grant from the N.C. Department of Environmental Quality (DEQ) to complete the water system study from the application submitted in September 2019. Mr. Bennett advised that the State has given the Town notice to proceed with the next step in the process – contract with a consulting firm to complete the study. Mr. Bennett presented the proposal and contract for services from the engineering firm WithersRavenel. Upon completing discussion of the matter, Mayor Chandler called for a motion. Alderman Zink made a motion to approve the Agreement for Professional Services as submitted by WithersRavenel as presented by management. Alderman Honeycutt seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment F)

N. Main Street Waterline Improvements – Contract Award

Mr. Bennett then addressed the N. Main Street Waterline Improvements project. Mr. Bennett advised that McGill Associates, the Town’s project engineer, has completed the bidding process. McGill recommends the Town award the contract to TP Howards’ Plumbing Company Inc., for the bid amount of \$98,554.00 and further recommends the Town issue the notice to proceed. Mr. Bennett presented the bid proposal from the contractor. Upon completing discussion of the matter, Mayor Chandler called for a motion. Alderman Jolley made a motion to accept the bid from TP Howards’ Plumbing Company Inc., and approve the notice to proceed as presented by management. Alderman Davis seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment G)

Bailey Mountain Preserve

Mr. Bennett advised the Board that the Town Parks and Recreation Committee discussed the formal naming of the Smith Farm park property at their meeting earlier this month. In keeping with the community effort to preserve and protect this property and the iconic Bailey Mountain for recreation use, the Parks and Recreation Committee voted unanimously to recommend the Board of Aldermen officially name this park property the “Bailey Mountain Preserve.” Upon completing discussion of the matter, Mayor Chandler called for a motion. Alderman Jolley made a motion to adopt the recommendation of the Parks and Recreation Committee to officially name the park “Bailey Mountain Preserve.” Alderman Honeycutt seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously.

July Regular Meeting

Mr. Bennett advised the Board that the July meeting is scheduled for Monday, July 6, 2020, which is a Town holiday. Mr. Bennett advised the Board that all pending business matters have been addressed and it is customary to cancel or postpone the July meeting. If a meeting becomes necessary, the Mayor can call a special meeting. Upon completion of discussion by the Board, Mayor Chandler called for a motion. Alderman Zink made a motion to cancel the July 2020 regular meeting and return to the regular schedule with the August 3rd meeting. Alderman Davis seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was approved unanimously.

Old Business

Mayor Chandler then moved to address old business.

Request for Voluntary Annexation – Reed Property – 142 Pine Ridge Road

Mr. Bennett provided a report on the investigation into the petition for voluntary annexation of real property located at 142 Pine Ridge Road as requested by the property owners, Maverick and Alexandria Reed. Staff has completed the investigation and determined this property meets the criteria for contiguous annexation. The next step is to hold the public hearing on the request for annexation.

PUBLIC HEARING – Mayor Chandler then convened the public hearing to hear comments from the public concerning the request for voluntary annexation of 142 Pine Ridge Road pursuant to notice duly published to the public. There being no comments from the public, Mayor Chandler closed the public hearing.

ORDINANCE – Upon completing discussion of the matter, Mayor Chandler called for a motion. Alderman Davis made a motion to approve “**An Ordinance to Extend the Corporate Limits of the Town of Mars Hill**” pursuant to the petition for voluntary annexation of 142 Pine Ridge Road by the property owners of record, Maverick and Alexandria Reed, more fully set forth in the petition application. Alderman Jolly seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment H)

There was no other old business.

New Business

Mayor Chandler then moved to address items of new business.

PROCLAMATION – HONORING HARLEY E. JOLLEY, PH.D. ON HIS 100th BIRTHDAY

Mr. Bennett advised the Board that long-time Town resident Dr. Harley E. Jolley will celebrate his 100th birthday on July 5, 2020. In recognition of this occasion, Mr. Bennett advised that a proclamation has been drafted for the Board’s consideration. Dr. Jolley was a member of the Civilian Conservation Corps and served his country with valor in the United States Army Air Corps during World War II. Most notably he was a survivor of the attack on Pearl Harbor, Hawaii on December 7, 1941. Dr. Jolley was a respected and renowned history professor at Mars Hill College where he retired in 1991 and is considered an authority on a number of subjects including the history of the Blue Parkway and the Civilian Conservation Corps in North Carolina. Dr. Jolley has lived during the most eventful century of this nation’s history and has been a model and inspiration to his family, colleagues, and all of those who have had the privilege to know him. The proclamation congratulates and offers best wishes to Dr. Jolley on the occasion of his 100th birthday. Further, the proclamation proclaims July 5, 2020 as “Dr. Harley E. Jolley Day” in the Town of Mars Hill. Upon completing discussion of the proposed Proclamation, Mayor Chandler called for a motion. Alderman Honeycutt made a motion to approve the Proclamation titled “**PROCLAMATION – HONORING HARLEY E. JOLLEY,**

PH.D. ON HIS 100th BIRTHDAY.” Alderman Davis seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment I)

Public Comment

The Mayor then opened the floor for public comments. Connie Molland addressed the Board representing the Rotary Club of Madison County. Ms. Molland recognized fellow Rotary members in attendance, Barbara Shepard and Patricia Gregory, to provide a status update on the Madison Heritage Arts Festival they plan to present on October 3. At this point, the group plans to conduct the festival as scheduled, however, they will continue to monitor the ongoing situation with COVID-19 and will consult with public health and town officials in the coming months and make changes or cancel if necessary.

The Board then heard comments from Ms. Shannon McBride who provided an update on plans for the fall semester at Mars Hill University.

There were no additional public comments.

Closed Session (Pursuant to N.C.G.S. 143-318.11)

There was no closed session.

Adjourn

There being no further business before the Board, Mayor Chandler called for a motion to adjourn. Alderman Zink made a motion to adjourn, Alderman Jolley seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion to adjourn was unanimously approved.

Approved and authenticated this the 3rd day of August, 2020.


John L. Chandler, Mayor

ATTEST:



Nathan R. Bennett,
Town Manager





Town of Mars Hill

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AGENDA

REGULAR MEETING

Mars Hill Town Hall Conference Room

June 15, 2020 at 6:00 p.m.

1. Call to Order – *Mayor John L. Chandler*
2. Approval of Agenda
3. Approval of Minutes: May 4, 2020 meeting
4. FY 2020-2021 Budget, *Nathan Bennett, Town Manager*
 - a. Budget Message
 - b. Public Hearing
 - c. Consideration and Adoption of FY 2020-2021 Budget Ordinance
5. FY 2019-2020 Budget Amendments
6. Town Manager Report – *Nathan Bennett, Town Manager*
 - a. COVID-19 Response
 - b. Audit Contract for FY 2020
 - c. Water System Grant – Merger/Regionalization Feasibility Study – Engineer Contract
 - d. N. Main Waterline Improvements Contract
 - e. Bailey Mountain Preserve
 - f. July Meeting
 - g. General Update
7. Old Business
 - a. Request for Voluntary Annexation – Reed Property – 142 Pine Ridge Road
 - i. **PUBLIC HEARING**
 - ii. **ORDINANCE** – An Ordinance to Extend the Corporate Limits of the Town of Mars Hill, North Carolina
8. New Business
9. Public Comment
10. Closed Session (*Pursuant to N.C.G.S. 143-318.11 – if needed*)
11. Adjourn

Mars Hill Town Hall

280 North Main Street • P.O. Box 368

Mars Hill, North Carolina 28754

Phone: (828) 689-2301 • Fax: (828) 689-3333



Notice of Special Meeting of the
Town of Mars Hill
Mayor and Board of Aldermen
Scheduled for 15 June 2020

PLEASE TAKE NOTICE that the Mars Hill Mayor and Board of Aldermen shall, pursuant to NC Gen. Stat. 160A-71 and NC Gen. Stat. 143-318.12(b)(2), hold a special meeting at the following designated place and time:

Date of Meeting: Monday, 15 June 2020

Time of Meeting: 6:00 p.m.

Place of Meeting: Mars Hill Town Hall
Large Conference Room
280 North Main Street
Mars Hill, North Carolina

Purpose of Meeting: Conduct the regular business for the month of June 2020 and take action on any related matters. Conduct a public hearing regarding the proposed FY 2020-21 Budget and consider and take action on the FY 2020-21 Budget. Consider and take action on FY 2019-20 budget amendments.

This the 11th day of June 2020.

15/
John L. Chandler, Mayor

Posted as required by NC Gen. Stat. 153A-40(b) and NC Gen. Stat. 143-318.12(b)(2) on this 11th day of June, 2020 at 2:00 o'clock p.m.

Nathan R. Bennett
Nathan R. Bennett, Town Manager

TOWN OF MARS HILL

FY 2020 – 2021

BUDGET MESSAGE



June 15, 2020

**Nathan R. Bennett
Town Manager**

TOWN OF MARS HILL BUDGET MESSAGE

FISCAL YEAR 2020-2021

*To the Town of Mars Hill Mayor and Board of Aldermen
and Citizens of the Town of Mars Hill:*

In accordance with North Carolina General Statute 159-11, the Town of Mars Hill Fiscal Year 2020-2021 proposed budget is respectfully submitted for your review and consideration. The proposed budget sets forth a plan of operations for all Town departments, programs, and initiatives for the coming year. This proposed budget is balanced in accordance with the Local Government Budget and Fiscal Control Act with General Fund revenues and expenditures each totaling \$2,028,959. The Water and Sewer Fund is balanced with revenues and expenditures each totaling \$1,069,600.

INTRODUCTION

This budget message will introduce the Town of Mars Hill Fiscal Year 2020-2021 proposed budget. The budgeting process begins in early spring with management requesting proposed appropriation use plans from departments, agencies and other Town-supported entities. Management takes those requests and develops a balanced budget in line with expected revenue from numerous sources. This document will provide a summary of how the Town plans to utilize its fiscal resources and will highlight significant impacts to the Town's budget. I am pleased to present this budget that provides the tools and resources necessary for an effective and efficient government for the Citizens of the Town of Mars Hill.

REVENUES

It is the priority of elected officials and management to operate Town government in a professional, efficient, business-like manner. This budget provides a priority spending plan that attempts to minimize the tax burden on the Town taxpayer. The Town's primary general fund sources of revenue are property, sales and utility franchise taxes. Due to the worldwide coronavirus COVID-19 pandemic, great uncertainty has been injected into the national and local economies. With stay-at-home public health orders and general concern with the spread of this deadly virus, the nation prepares to enter a recession. This economic downturn will affect spending for goods and services which in turn will negatively impact the amount of sales tax and other consumer-driven taxes and fee revenue available to the Town. In addition, interest income earned on Town reserve accounts has also taken a drastic downturn in the existing economic conditions and it is unknown when this may improve. While this is a small contribution to the overall budget, interest performance is a significant indicator of the durability of overall economic conditions.

Regarding property taxes for Fiscal Year 2020-2021, management recommends no change to the current property tax rate at this time. The property tax rate is recommended to be maintained at the current rate of \$0.47 (forty-seven) cents per \$100 (one-hundred dollars) of valuation. It is expected this rate will provide the general fund an estimated total property tax revenue of \$593,659. This budget has been developed with property valuations as presented by Madison County Tax Department that continue to be subject to modification due to ongoing reappraisal activities by the county. Due to the continued fluidity of final valuations of both real and personal property, together with the unknown effects of the COVID-19 pandemic on the collection of property tax throughout the new fiscal year, an accurate revenue neutral calculation rate is not possible at this time. Management recommends the Board

and management review the prevailing tax base valuation situation again prior to issuing tax statements later this fall to ensure an appropriate rate is applied to final property value determined by the county tax department that will sufficiently address operational needs. Ultimately, property tax combined with other general fund sources, including specific function revenue sources such as the Madison County fire tax levy for the Mars Hill Fire District and state Powell Bill funds for street maintenance, are anticipated to total \$2,028,959.

The water and sewer fund is an enterprise function which is required by the State of North Carolina to be supported only by the revenue generated from the service provided. In keeping with established Town policy, management recommends a 2.5% increase to water and sewer usage fees. This increase is necessary to keep the water and sewer fund solvent while providing safe drinking water, processing wastewater, and making necessary capital improvements to the water and sewer system. Water user fees have been drastically impacted in the current fiscal year due to COVID-19 effects that caused the premature closure in March of Mars Hill University and Mars Hill Elementary School, both significant water users. The Town lost thousands of dollars in revenue that was anticipated for the months of March, April, and May due to the closure of these facilities to comply with COVID-19 public health directives. The ongoing operation plans for these two schools in the upcoming fiscal year could again have a serious impact on the revenue necessary to efficiently operate the water system. At this time, those entities intend to resume “normal” operation with the new academic year beginning in August, but those plans could change should there be a resurgence of the virus. Town staff will monitor this volatile situation and make corrective recommendations as appropriate.

EXPENDITURES AND INITIATIVES

The Town of Mars Hill is dedicated to sound fiscal management, capital planning and responsible day-to-day operations. Accurate budget projections and a disciplined approach to budget administration have allowed the Town to successfully maintain essential public services, enhance public safety, make strategic investments to support community and economic development while maintaining financial stability. This budget is a comprehensive document that addresses the fiscal needs of some 12 departments and affiliated agencies. Normally, the intention of this section is to highlight some of the larger appropriations for departments and key initiatives included budget. In this era of economic uncertainty due to the continued effects of the COVID-19 pandemic, management recommends limited new capital investments but concentrating financial resources on necessary public safety enhancements and completion of in-progress initiatives.

1. ***Fire Department:*** The Mars Hill Fire Department is a Town department that also serves county residents in the surrounding Mars Hill Fire District. The Department has a small full and part-time paid staff with nearly 30 volunteers. It is vital that the Department has the equipment and resources needed to respond to any emergency whether it be a manmade or natural disaster. Continuing an initiative from the current fiscal year to improve pay for public safety employees, funding is included in this budget to improve the pay rate for full-time firefighters to a minimum pay rate of \$15.00 per hour. There is also an additional amount recommended for capital equipment as need may warrant. The complete fire department budget is recommended for an appropriation of \$532,131.
2. ***Police Department:*** The Town is committed to providing our citizens and visitors with a professional police force to ensure the safety and security of our community. Mars Hill is fortunate to have a very low crime rate, but this positive statistic is due in large part to the great community policing activities provided by our police officers. In 1995, Mars Hill had five (5) full-time officers and now 25 years later there are still only five full-time officers. Overall, the department does a good job of criminal enforcement and keeping the Town safe with existing staffing levels even though there is significantly more vehicular traffic passing through Town and coming off I-26 together with the significant residential growth we are seeing.

The productivity of the Department can be seen with a breakdown of increased calls for service over the last five years. There has been a 207% increase in the number of calls the Department responded to from 2015 through 2018 and a 189% increase from 2015 through 2019.

Year	Individual Call Report
2015	843
2016	1520
2017	2419
2018	2595
2019	2439

In addition to this call volume activity, the Police Chief spends a significant amount of time engaged in patrol responsibilities and coverage of shifts while officers are on vacation/training/sick, while certain administrative responsibilities must be delayed. When these situations occur, it often means there is no shift overlap coverage during critical high calls volume times. The Mars Hill Police Department officer to population ratio is 2.74 officers per 1,000 in population, where the average is 4.73 officers per 1000 population. This officer ratio is exasperated by the fact the Department polices a community including a university with no sworn campus police. In discussion with the Police Chief, this situation can be improved with the addition of a detective officer position. To that end, this budget provides for the addition of one (1) additional full-time police officer/detective position and the associated personnel and equipment costs for the position of approximately \$64,000. The complete police department budget is recommended for an appropriation of \$476,569.

3. **Water and Sewer System:** The Town received nearly \$1 million in federal and state grant funds to install a sewer pump station at I-26 Exit 11 and to make other repairs to the wastewater treatment plant in January 2019. In March 2020, this project was enhanced to include renovation and other improvements to the wastewater pump station at Carl Eller Road north of I-26. This work will occur in the coming months with amended grant funds from the US Economic Development Administration, Golden LEAF Foundation and local capital improvement funding. These improvements will improve the capacity and reliability of this critical utility service to the area in the vicinity of Exit 9, NC 213 and Crossroads Parkway. This budget also includes funds to complete construction of the North Main Street waterline improvement project and make other improvements and replacement of certain water lines and meters to improve efficiencies system-wide as appropriate.

4. **Employee Compensation:** Town employees work hard to provide a safe, secure, healthy and prosperous community. Never has their work been so vital as during the COVID-29 State of Emergency. Every department has stepped up to serve our community in the most effective ways during this very uncertain time. Although protocols were changed and public access to facilities was limited, never did a task go undone. To keep good employees in all sectors of Town employment, they must receive compensation commensurate with their knowledge and skills in consideration of the current labor market and economic circumstances. This budget recommends an across-the-board pay increase of \$1,500 for all permanent full-time employees (pro-rated for part-time employees). In addition to compensation, the N.C. Local Government Retirement System has increased the employer (Town) contribution rate an additional 1.13% for all general employees and 1.2% for law enforcement officers who are members of the system requiring a significant additional contribution from the Town. The N.C. State Health Plan has not released rates for the next enrollment period effective January 1, 2021, however, any substantive increase may require an additional appropriation which will be considered through the budget amendment process.

BUDGET SUMMARY

The leadership of the Mayor and Board of Aldermen together with the diligent work of Town employees, has resulted in a financially stable, effective and efficient Town government. This has allowed the Town of Mars Hill to undertake a number of capital projects for the long-term improvement of our community while at the same time providing excellent day-to-day services our citizens deserve. The goal of this proposed budget is to provide the financial resources to continue the good work that all departments, agencies and community partners do to move the Town of Mars Hill forward.

Respectfully submitted this 15th day of June 2020.

A handwritten signature in black ink, appearing to read "Nathan R. Bennett". The signature is fluid and cursive, with a large, stylized initial "N" and "B".

NATHAN R. BENNETT,
Town Manager

ORDINANCE # 253**TOWN OF MARS HILL****BUDGET ORDINANCE
FISCAL YEAR 2020-2021**

WHEREAS this Budget Ordinance for Fiscal Year 2020-2021 for the Town of Mars Hill, North Carolina, has been prepared pursuant to the provisions of Chapter 159 of the North Carolina General Statutes.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina, meeting in open session on June 15, 2020, that this Budget Ordinance for Fiscal Year 2020-2021 be adopted as follows:

SECTION 1. GENERAL FUND AND POWELL BILL FUND

A. REVENUE – Revenue totaling **\$2,028,959.00** is hereby anticipated from the following sources:

Description	Amount
Property Tax (Current Year \$0.47 per \$100)	\$ 593,659.00
Property Tax (1 st Prior Year & All Other Prior Years)	\$ 5,500.00
Payment in Lieu of Taxes	\$ 8,000.00
Tax Penalties & Interest	\$ 2,000.00
Ad Valorem Vehicle Tax	\$ 40,000.00
Municipal Parking Fees	\$ 5,000.00
Interest Earned, Investments	\$ 10,000.00
Rents & Concessions	\$ 3,000.00
Utilities Revenue	\$ 2,500.00
Miscellaneous Revenue	\$ 5,000.00
Utility Franchise Tax	\$ 125,000.00
Excise Tax – Beer & Wine	\$ 8,000.00
Powell Bill Street Allocation	\$ 56,000.00
Local Option Sales Tax	\$ 425,000.00
Court Costs, Fees, Etc.	\$ 100.00
Parking Violation Penalties	\$ 3,000.00
Zoning Permits	\$ 100.00
Police Department Donations	\$ 100.00
Recreation Department Revenue	\$ 20,000.00
Fire Department Revenue	\$ 3,000.00
Fire Department Relief Fund	\$ 4,000.00
Tax Refunds	\$ 10,000.00
Special Fire District Tax	\$ 575,000.00
Appropriated Fund Balance – General Fund	\$ 35,000.00
Appropriated Fund Balance – Powell Bill	\$ 90,000.00
TOTAL REVENUES ANTICIPATED	\$ 2,028,959.00

B. EXPENDITURES – A total of **\$2,028,959.00** is hereby authorized to be expended from the departmental accounts of the General Fund and Powell Bill Fund as follows:

Description	Amount
Governing Body	\$ 84,300.00
Administration	\$ 254,300.00
Elections	\$ 0.00
Tax Collections	\$ 2,500.00
Public Buildings	\$ 30,000.00
Police Department	\$ 476,569.00
Fire Department	\$ 532,131.00
Street Department	\$ 229,859.00
Powell Bill Expenditures	\$ 146,000.00
Sanitation Department	\$ 134,300.00
Recreation Department	\$ 69,000.00
Library	\$ 20,000.00
Debt Service	\$ 50,000.00
TOTAL EXPENDITURES AUTHORIZED	\$ 2,028,959.00

SECTION 2. WATER AND SEWER FUND

A. REVENUE – Revenue totaling **1,069,600.00** is hereby anticipated from the following sources:

Description	Amount
Interest Earned – Investments	\$ 6,000.00
Enterprise Fund	\$ 6,000.00
Miscellaneous	\$ 4,000.00
Water & Sewer Charges	\$ 1,008,600.00
Sewer Taps	\$ 10,000.00
Water Taps	\$ 10,000.00
Appropriated Fund Balance/Water & Sewer	\$ 25,000.00
TOTAL REVENUES	\$ 1,069,600.00

B. EXPENDITURES – A total of **\$1,069,600.00** is hereby authorized to be expended from the departmental accounts of the Water and Sewer Fund as follows:

Description	Amount
Debt Service	\$ 113,100.00
Administration, Engineering and Billing	\$ 228,500.00
Operations	\$ 728,000.00
TOTAL EXPENDITURES AUTHORIZED	\$ 1,069,600.00

SECTION 3. PURPOSE

The appropriations made herein are for the maximum amounts necessary to provide the services and accomplish the purpose described. Each department head shall affect savings to the extent possible.

SECTION 3. FISCAL YEAR EFFECTIVE DATE

Appropriations made herein are effective for the Fiscal Year beginning July 1, 2020 and ending on June 30, 2021.

SECTION 4. AD VALOREM TAXES

An *ad valorem* tax rate of forty-seven cents (\$0.47) per one hundred dollars (\$100.00) of assessed valuation of taxable property is hereby levied as the official tax rate for the Town of Mars Hill for the fiscal year beginning July 1, 2020 and ending June 30, 2021. This rate is based upon a total property valuation of \$132,958,267.00 and an estimated collection rate of 95.0%.

SECTION 5. BUDGET OFFICER

Pursuant to N.C. General Statute 159-8, the Town is required to appoint a Budget Officer and the Town of Mars Hill Board of Aldermen has and hereby appoints the Town Manager to serve as Budget Officer.

SECTION 6. UTILIZATION OF BUDGET ORDINANCE

The Budget Ordinance shall be the basis for the financial plan for the Town of Mars Hill during the fiscal year. The Budget Officer shall administer the budget and maintain such records consistent with this ordinance and the appropriate statutes of the State of North Carolina. The Budget Officer is further authorized to execute contracts or other documents for which this ordinance makes an appropriation.

SECTION 7. DISTRIBUTION AND DOCUMENTATION

Copies of this Budget Ordinance shall be provided to the Budget Officer, Town Manager, Town Clerk, and the Finance Officer to be kept on file by them for direction in the collection of revenues and disbursement of Town funds.

ADOPTED this 15th Day of June 2020.

A motion was made by Alderman Jolley that the Budget Ordinance for Fiscal Year 2020-2021 be ADOPTED as presented. A second was made by Alderman Davis, and approved by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina.



John L. Chandler
John L. Chandler, Mayor

Nicholas Honeycutt
Nicholas Honeycutt, Vice-Mayor

Robert W. Zink
Robert W. Zink, Treasurer

Stuart L. Jolley
Stuart L. Jolley, Clerk

Larry Davis
Larry Davis, Secretary

TOWN OF MARS HILL

2019 – 2020 Fiscal Year BUDGET AMENDMENT FY 2020-02

GENERAL FUND:

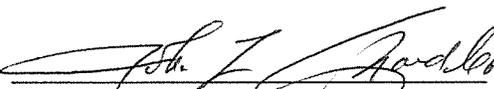
EXPENDITURES:

Budget Code	Description	FY 21
10-5600-4500	Contracted Services (Streets)	\$ (5,000)
104100-0400	Professional Services	\$ 5,000

Street Department – Contracted Services funds transferred to Governing Body-Professional Services that were under-budgeted.

This budget amendment approved by the Mars Hill Mayor and Board of Aldermen meeting in regular session on this the 15th day of June 2020.

APPROVED:


John L. Chandler, Mayor



CONTRACT TO AUDIT ACCOUNTS

The	Governing Board The Board of Aldermen
of	Primary Government Unit (or charter holder) The Town of Mars Hill, North Carolina
and	Discretely Presented Component Unit (DPCU) (if applicable) NA

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

and	Auditor Name Johnson Price Sprinkle PA
	Auditor Address 79 Woodfin Place, Suite 300, Asheville, NC 28801

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/20	Audit Report Due Date 10/31/20
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Must be within four months of FYE

hereby agree as follows:

- The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
- At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

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

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 28 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

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

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

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

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

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

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

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

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

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

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

29. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

30. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

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

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

FEEES FOR AUDIT SERVICES

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

Financial statements were prepared by: Auditor Governmental Unit Third Party

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

Name:	Title and Unit / Company:	Email Address:
Joanne Rice	Town Clerk/Tax Collector/Bookkee	jrice@townofmarshill.org

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

3. Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees below. 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 billings. Should the 75% cap provided below conflict with the cap calculated by LGC staff based on the prior year billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC 3 .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

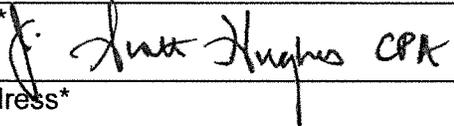
Primary Government Unit	The Town of Mars Hill, North Carolina
Audit Fee	\$ 80% of standard hourly rates
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ NA
Writing Financial Statements	\$ NA
All Other Non-Attest Services	\$ NA
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 23,838.00

DPCU FEES (if applicable)

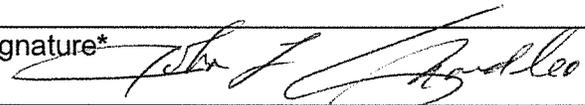
Discretely Presented Component Unit	NA
Audit Fee	\$ NA
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ NA
Writing Financial Statements	\$ NA
All Other Non-Attest Services	\$ NA
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Johnson Price Sprinkle PA	
Authorized Firm Representative (typed or printed)* Scott Hughes, CPA	Signature* 
Date* 05/11/20	Email Address* scotth@jpspa.com

GOVERNMENTAL UNIT

Governmental Unit* The Town of Mars Hill, North Carolina	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* John L. Chandler, Mayor	Signature* 
Date 6-15-2020	Email Address jlc mayor@yahoo.com

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

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

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

Primary Governmental Unit Finance Officer* (typed or printed) Robert W Zink	Signature* 
Date of Pre-Audit Certificate* 6-15-2020	Email Address* Bobzink@griffinagency.net

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

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

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

DPCU – PRE-AUDIT CERTIFICATE

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

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

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

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

PRINT



Mars Hill Merger Regionalization Feasibility Study Agreement for Professional Services

A. PROJECT DESCRIPTION

The CONSULTANT will aid the CLIENT with evaluating the current financial condition of the water system, evaluating alternatives for regionalization and/or merger with partner utilities, and evaluating potential financial impacts of alternatives on the long-term operation of the system (PROJECT). The primary objective of this PROJECT is to help the CLIENT evaluate regionalization and merger management options to enhance long-term utility viability.

B. SCOPE OF SERVICES

Task 1: Data Gathering and Preliminary Evaluation

The CONSULTANT will review the CLIENT's current financial data and budget, operation and maintenance procedures, system and capacity issues, and required capital improvement projects to determine potential alternatives for merging/regionalizing/interconnecting with Marshall and Weaverville.

The CONSULTANT will prepare a list of information needed for the study prior to the kick-off meeting necessary for the study.

As part of the kick-off meeting, the CONSULTANT will coordinate and host three (3) separate meetings:

- ▶ Meeting 1 will be a kickoff meeting with the CLIENT and all proposed partners to discuss the project plan, obtain information related to current agreements and operations, financial resources, and identify system issues to be addressed in the study.
- ▶ Meeting 2 will be with representatives from the Town of Marshall and the CLIENT and will serve as a common forum to discuss the project, identify any known issues or constraints, provide an opportunity to share information and discuss any desired preferences.
- ▶ Meeting 3 will be with representatives from the Town of Weaverville and the CLIENT and will serve as a common forum to discuss the project, identify any known issues or constraints, provide an opportunity to share information and discuss any desired preferences.

The CONSULTANT will analyze the data and information from these meetings to develop a list of feasible alternatives for further evaluation. This list of alternatives will be provided to the CLIENT in a Memorandum of Understanding for approval prior to the CONSULTANT engaging in additional detailed evaluation of the project alternatives. Meetings may be conducted in person or via video conference software accessible by all parties.



Task 2: Evaluation of Water System Merger/Regionalization Alternatives

The CONSULTANT will evaluate the proposed project alternatives for the Mars Hill water system as it relates to the addition of proposed residential and commercial/industrial base and determine the financial impact to the M water system.

The CONSULTANT will then evaluate the proposed project alternatives in terms of proposed flow and required infrastructure for merging with Marshall and Weaverville.

The CONSULTANT will evaluate financial and organizational impacts for each alternative including estimated average user rates based on existing and proposed interlocal agreements, projected annual operation and maintenance costs and capital improvement projects.

The CONSULTANT will provide maps and other exhibits, in hard-copy and PDF format, to illustrate the Town of Mars Hill water system and any expected system changes.

Task 3: Preparation and Presentation of Final Deliverables

The CONSULTANT will prepare and submit a draft report to the CLIENT that contains an Executive Summary, the Merger/Regionalization Study summarizing the benefits and challenges of each evaluated alternative, Appendices, Summary Tables, and maps of the proposed alternatives. The CONSULTANT will respond to one set of comments from the CLIENT. The CONSULTANT will prepare a final report and present the findings to the Town Council. Hard copies of the final report and maps will be provided for the CLIENT by the CONSULTANT. The CONSULTANT will also provide a digital copy of the report to the CLIENT.

C. ADDITIONAL SERVICES

Services that are not included in Section B or are specifically excluded from this AGREEMENT shall be considered Additional Services and will be charged separately according to the CONSULTANT's current rate/fee schedule.

The CONSULTANT will furnish or obtain from others Additional Services if requested in writing by the CLIENT and accepted by the CONSULTANT.

Scope of work specifically does not include:

- ▶ Surveying services
- ▶ Environmental services
- ▶ Legal services (including drafting of Interlocal Agreements)
- ▶ Final design services
- ▶ Permitting service



D. ASSUMPTIONS AND CLIENT RESPONSIBILITIES

During the performance of the CONSULTANT's services under this AGREEMENT, it is assumed that the CLIENT will:

- ▶ Provide all needed data, reports, information and supporting capital cost estimates in a timely fashion, which may be needed to complete the PROJECT.
- ▶ Provide full and timely feedback and response to inquiries, reviews and communications.
- ▶ Examine all information and other documents presented by the CONSULTANT and render in writing decisions pertaining thereto within a reasonable period so as not to delay the services of the CONSULTANT.
- ▶ Give prompt written notice to the CONSULTANT whenever the CLIENT observes or otherwise becomes aware of any defect in the PROJECT.
- ▶ Handle all matters requiring an attorney at law.

E. COMPENSATION FOR SERVICES

CONSULTANT proposes to provide the following Scope of Services to the CLIENT as outlined in this document on a lump sum fee basis of \$49,500 plus reimbursable expenses. The project cost would be assessed monthly based on progress. Our estimate does not include any provision for architectural or engineering services, cost estimates, legal services, or other services that are not specifically addressed in the above described sections.

Any changes to the PROJECT requirements after CONSULTANT has begun work may require additional fees.

F. TIMELINE

CONSULTANT will begin services immediately upon receipt of the CLIENT's written notification to proceed, with an estimated completion date of 180 to 270 days. Delays in coordinating meetings or receiving information from identified partners may extend this timeline.

EXHIBIT I

Standard Terms and Conditions

WithersRavenel, Inc.

The proposal submitted by WithersRavenel, INC. ("CONSULTANT") is subject to the following terms and conditions (collectively referred to as the "Agreement") and, by accepting the proposal, the services, or any part thereof, the CLIENT agrees and accepts the terms and conditions outlined below:

1. Payment:

- a) The CLIENT will pay CONSULTANT for services and expenses in accordance with periodic invoices to CLIENT and a final invoice upon completion of the services. Each invoice is due and payable in full upon presentation to CLIENT. Invoices are past due after 30 days. Past due amounts are subject to interest at a rate of one and one-half percent per month (18% per annum) on the outstanding balance from the date of the invoice.
- b) If the CLIENT fails to make payment to the CONSULTANT within 45 days after the transmittal of an invoice, the CONSULTANT may, after giving 7 days written notice to the CLIENT, suspend services under this Agreement until all amounts due hereunder are paid in full. If an invoice remains unpaid after 90 days from invoice date, the CONSULTANT may terminate the Agreement and/or initiate legal proceedings to collect the fees owed, plus other reasonable expenses of collection including attorney's fees.

2. **Notification of Breach or Default:** The CLIENT shall provide prompt written notice to the CONSULTANT if CLIENT becomes aware of any breach, error, omission or inconsistency arising out of CONSULTANT's work or any other alleged breach of contract by the CONSULTANT. The failure of CLIENT to provide such written notice within ten (10) days from the time CLIENT became aware of the fault, defect, error, omission, inconsistency or breach, shall constitute a waiver by CLIENT of any and all claims against the CONSULTANT arising out of such fault, defect, error, omission, inconsistency or breach. Emails shall be considered adequate written notice for purposes of this Agreement.

3. **Standard of Care:** CONSULTANT shall perform Agreement for CLIENT in a professional manner, using that degree of care and skill ordinarily exercised by and consistent with the standards of professionals providing the same services in the same or a similar locality as the project. THERE ARE NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE THAT WILL OR CAN ARISE OUT OF THE SERVICES PROVIDED BY CONSULTANT OR THIS AGREEMENT.

4. **Waiver of Consequential Damages/Limitation of Liability:** CLIENT agrees that CONSULTANT's aggregate liability for any and all claims that may be asserted by CLIENT is limited to \$50,000 or to the fee paid to CONSULTANT under this Agreement, whichever is greater. Both CLIENT and CONSULTANT hereby waive any right to pursue claims for consequential damages against one another, including any claims for lost profits.

5. **Representations of CLIENT:** CLIENT warrants and covenants that sufficient funds are available or will be available upon receipt of CONSULTANT's invoice to make payment in full for the services rendered by CONSULTANT, and that such payments shall be made in a timely fashion.

6. **Ownership of Instruments of Service:** All reports, plans, specifications, field data and notes and other documents, including all documents on electronic media, prepared by the CONSULTANT as instrument of service, shall remain the property of the CONSULTANT. The CONSULTANT shall retain all common law, statutory and other rights, including the copyright thereto. In the event of termination of this Agreement and upon full payment of fees owed to CONSULTANT,

CONSULTANT shall make available to CLIENT copies of all plans and specifications.

7. **Change Orders:** CONSULTANT will treat as a change order any written or oral order (including directions, instructions, interpretations or determinations) from CLIENT which request changes in the Agreement or CONSULTANT's scope of work. CONSULTANT will give CLIENT written notice within ten (10) days of a Change Order of any resulting increase in CONSULTANT's fees.

8. **Opinion of Cost/Cost Estimates:** Since the CONSULTANT has no control over the cost of labor, materials, equipment of services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, any and all opinions as to costs rendered hereunder, including but not limited to opinions as to the costs of construction and materials, shall be made on the basis of its experience and qualifications and represent its best judgment as an experienced and qualified professional familiar with the construction industry; but the CONSULTANT cannot and does not guarantee the proposals, bids or actual costs and will not vary significantly from opinions of probable costs prepared by it. If at any time the CLIENT wishes greater assurances as to the amount of any costs, he shall employ an independent cost estimator to make such determination.

9. **Assignment and Third Parties:** Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than the CLIENT and CONSULTANT, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of the CLIENT and the CONSULTANT and not for the benefit of any other party. Neither the CLIENT nor the CONSULTANT shall assign, sublet, or transfer any rights under or interests in this Agreement without the written consent of the other which shall not be unreasonably withheld. However, nothing contained herein shall prevent or restrict the CONSULTANT from employing independent subconsultants as the CONSULTANT may deem appropriate to assist in the performance of services hereunder.

10. **Project Site:** Should CLIENT not be owner of the project site, then CLIENT agrees to notify the site owner of the possibility of unavoidable alteration and damage to the site. CLIENT further agrees to indemnify, defend and hold CONSULTANT harmless against any claims by the CLIENT or persons having possession of the site through the Owner which are related to such alteration or damage.

11. **Access to Site:** CLIENT is responsible for providing legal and unencumbered access to site, including securing all necessary site access agreements or easements, to the extent necessary for the CONSULTANT to carry out his services.

12. **Survival:** All of CLIENT's obligations and liabilities, including but not limited to, its indemnification obligations and limitations, and CONSULTANT's rights and remedies with respect thereto, shall survive completion of the expiration or termination of this Agreement.

13. **Termination:** Either party may terminate the Agreement with or without cause upon ten (10) days advance written notice, if the other party has not cured or taken reasonable steps to cure the breach giving rise to termination within the ten (10) day notice period. If CLIENT terminates without cause or if CONSULTANT terminates for cause, CLIENT will pay CONSULTANT for all costs incurred, non-cancelable commitments, and fees earned to the date of termination and through demobilization, including any cancellation charges of vendors and subcontractors, as well as demobilization costs.

14. **Severability:** If any provision of this Agreement, or application thereof to any person or circumstance, is found to be invalid then such provision shall be modified if possible, to fulfill the intent of the parties as reflected in the original provision, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by the law.

15. **No Waiver:** No waiver by either party of any default by the other party in the performance of any provision of this Agreement shall operate as or be construed as a waiver of any future default, whether like or difference in character.

16. **Merger, Amendment:** This Agreement constitutes the entire Agreement between the CONSULTANT and the CLIENT and all integrated negotiations, written and oral understandings between the parties are merged herein. This Agreement can be supplemented and/or amended only by a written document executed by both the CONSULTANT and the CLIENT

17. **Unforeseen Occurrences:** If, during the performance of services hereunder, any unforeseen hazardous substance, material, element of constituent or other unforeseen conditions or occurrences are encountered which, affects or may affect the services, the risk involved in providing the service, or the recommended scope of services, CONSULTANT will promptly notify CLIENT thereof. Subsequent to that notification, CONSULTANT may: (a) if practicable, in CONSULTANT's sole judgment and with approval of CLIENT, complete the original scope of services in accordance with the procedures originally intended in the Proposal; (b) Agree with CLIENT to modify the scope of services and the estimate of charges to include study of the previously unforeseen conditions or occurrences, such revision to be in writing and signed by the parties and incorporated herein; or (c) Terminate the services effective on the date of notification pursuant to the terms of the Agreement.

18. **Force Majeure:** Should completion of any portion of the Agreement be delayed for causes beyond the control of or without the fault or negligence of CONSULTANT, including force majeure, the reasonable time for performance shall be extended for a period at least equal to the delay and the parties shall mutually agree on the terms and conditions upon which Agreement may be continued. Force majeure includes but is not restricted to acts of God, acts or failures of governmental authorities, acts of CLIENT's contractors or agents, fire, floods, epidemics, riots, quarantine restrictions, strikes, civil insurrections, freight embargoes, and unusually severe weather.

19. **Safety:** CONSULTANT is not responsible for site safety or compliance with the Occupational Safety and Health Act of 1970 ("OSHA"). Job site safety remains the sole exclusive responsibility of CLIENT or CLIENT's contractors, except with respect to CONSULTANT'S own employees. Likewise, CONSULTANT shall have no right to direct or stop the work of CLIENT's contractors, agents or employees.

20. **Dispute Resolution/Arbitration:** Any claim or other dispute arising out of or related to this Agreement shall be subject to Arbitration under the Federal Arbitration Act. Such claims and disputes shall first be subject to non-binding mediation, and if mediation is unsuccessful, shall be subject to Arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. Any demand for Arbitration shall be filed in writing with the other party and with the American Arbitration Association.

21. **Independent Contractor:** In carrying out its obligations, CONSULTANT shall be acting at all times as an independent contractor and not an employee, agent, partner or joint venturer of CLIENT. CONSULTANT's work does not include any supervision or direction of the work of other contractors, their employees or agents, and CONSULTANT's presence shall in no way create any liability on behalf of CONSULTANT for failure of other contractors, their employees or agents to properly or correctly perform their work

22. **Hazardous Substances:** CLIENT agrees to advise CONSULTANT upon execution of this Agreement of any hazardous substances or any condition existing in, on or near the Project Site presenting a potential danger to human health, the environment or equipment. By virtue of entering into the Agreement or of providing services, CONSULTANT does not assume control of, or responsibility for, the Project Site or the person in charge of the Project Site or undertake responsibility for reporting to any federal, state or local public agencies, any conditions at the project site that may present a potential danger to the public, health, safety or environment except where required of CONSULTANT by law. In the event CONSULTANT encounters hazardous or toxic substances or contamination significantly beyond that originally represented by CLIENT, CONSULTANT may suspend or terminate the Agreement. CLIENT acknowledges that CONSULTANT has no responsibility as a generator, treater, storer, or disposer of hazardous or toxic substances found or identified at a site and CLIENT agrees to defend, indemnify, and hold harmless CONSULTANT, from any claim or liability, arising out of CONSULTANT's performance of work under the Agreement and made or brought against CONSULTANT for any actual or threatened environmental pollution or contamination except to the extent that CONSULTANT has negligently caused such pollution or contamination.

23. **Choice of Law:** The validity, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the law of the State of North Carolina, excluding only its conflicts of laws principles.

24. **Construction Services:** If construction administration and review services are requested by the CLIENT, CLIENT agrees that such administration, review, or interpretation of construction work or documents by CONSULTANT shall not relieve any contractor from liability in regard to its duty to comply with the engineering standards for the Project, and shall not give rise to a claim against a contractor's failure to hold in accordance with the applicable plans, specifications or standards.

25. **Field Representative:** If CONSULTANT provides field services or construction observation services, the presence of the CONSULTANT's field personnel will only be for the purpose of providing observation and field testing of specific aspects of the Project. Should a contractor be involved in the Project, the CONSULTANT's responsibility does not include the supervision or direction of the actual work of any contractor, its employees or agents. All contractors should be so advised. Contractors should also be informed that neither the presence of the CONSULTANT's field representative nor the observation and testing by the CONSULTANT shall excuse contractor in any way for defects in contractor's work. It is agreed that the CONSULTANT will not be responsible for job or site safety on the Project and that the CONSULTANT does not have the right to stop the work of any contractor.

26. **Submittals:** CONSULTANT's review of shop drawings and other submittals is to determine conformity with the design concept only. Review of shop drawings and submittals does not include means, methods, techniques or procedures of construction, including but not limited to, safety requirements.



G. ACCEPTANCE

Receipt of an executed copy of this agreement will serve as the written agreement between the CONSULTANT and CLIENT for the services outlined.

Submitted by CONSULTANT:

WithersRavenel, Inc.
115 MacKenan Drive
Cary, NC 27511

Accepted by CLIENT:

Town of Mars Hill
280 North Main Street
Mars Hill, NC 28754

Authorized Signature

Authorized Signature

Seth Robertson
Printed Name

Nathan Bennett
Printed Name

Vice President
Title

Town Manager
Title

srobertson@withersravenel.com
Email Address

nbennett@townofmarshall.org
Email Address

252.239.3623
Phone

828.689.2301
Phone

PREAUDIT STATEMENT: This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act (NC G.S. 159-28(a)).

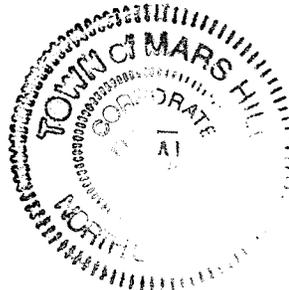
Signature of Finance Officer:

Printed Name:

Robert W. Zink

Date:

June 15, 2020



BID FORM

Downtown Main Street Water System Improvements

Engineer's Project # 19.00348

TABLE OF CONTENTS

<u>Article No.</u>	<u>Page No.</u>
Article 1 - Bid Recipient	2
Article 2 - Bidder's Acknowledgements	2
Article 3 - Bidder's Representations	2
Article 4 - Further Representations	3
Article 5 - Basis of Bid	4
Article 6 - Time of Completion	4
Article 7 - Attachments to this Bid	5
Article 8 - Bid Submittal	6

ARTICLE 1 – BID RECIPIENT

This Bid is submitted to:

**Town of Mars Hill
280 North Main Street
Mars Hill, NC 28754**

The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER’S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the date of the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, the other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged.

<u>Addendum No.</u>	<u>Addendum Date</u>
NONE	
_____	_____
_____	_____
_____	_____

B. Bidder has visited the Project Site and has become familiar with and is satisfied as to the general, local and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and is satisfied as to all federal, state and local Laws and Regulations that may affect cost, progress and performance of the Work.

D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures, including Underground Facilities, at or contiguous to the Site which have been included as a part of the Contract Documents.

E. Bidder has obtained and carefully studied (or accepts the consequences for not doing so) all additional or supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any

aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents to be employed by Bidder, and safety precautions and programs incident thereto.

- F. Bidder does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price(s) bid and within the times and in accordance with the other terms and conditions of the Bidding Documents.
- G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
- H. Bidder has correlated the information known to Bidder, information and observations obtained from visits to the Site, reports and drawings identified in the Bidding Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Bidding Documents.
- I. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder or, if no written response was made by Engineer, that Bidder has resolved the issue to its satisfaction prior to the submittal of its Bid.
- J. The Bidding Documents are sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.
- K. Bidder will submit written evidence of its authority to do business in the state where the Project is located not later than the date of its execution of the Agreement.
- L. Bidder has not relied upon any information provided by the Engineer except information which is part of the Bidding Documents and is in writing and in the form of a formal addendum.
- M. The submission of a Bid constitutes an incontrovertible representation by Bidder that Bidder has complied with every requirement of the Bid Documents and the Instructions to Bidders, and that without exception the Bid is premised upon performing and furnishing the Work required by the Bidding Documents and applying any specific means, methods, techniques, sequences, and procedures of construction that may be shown or indicated or expressly required by the Bidding Documents.

ARTICLE 4 – FURTHER REPRESENTATIONS

4.01 Bidder further represents that:

- A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation;
- B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;
- C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and
- D. Bidder has not sought by collusion to obtain for itself any advantage over any other Bidder or over Owner.

ARTICLE 5 – BASIS OF BID

Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

UNIT PRICE BID

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITY	BID UNIT PRICE	BID PRICE
1	Mobilization (3.0%)	LS	1	\$ 3,000.00	\$ 3,000.00
2	6" DIP Water Main	LF	273	\$ 98.00	\$ 26,754.00
3	6" Gate Valve	EA	2	\$ 1,300.00	\$ 2,600.00
4	Connect to Existing 6" Asbestos Cement Water Main	EA	1	\$ 6,900.00	\$ 6,900.00
5	1" HDPE Service Line	LF	155	\$ 60.00	\$ 9,300.00
6	Water Meter Box	EA	14	\$ 800.00	\$ 11,200.00
7	Asphalt Overlay	SY	780		N/A
8	Town Street Repair	LF	200	\$ 115.00	\$ 23,000.00
9	Fire Hydrant Assembly	EA	1	\$ 5,800.00	\$ 5,800.00
10	Transfer of Water Service to New Meters	LS	1	\$ 10,000.00	\$ 10,000.00
TOTAL OF ALL BID PRICES:					\$ 98,554.00

Unit Prices have been computed in accordance with Paragraph 11.03.B of the Modified General Conditions.

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

ARTICLE 6 – TIME OF COMPLETION

- 6.01 Bidder agrees that the Work will be substantially complete within **30** calendar days after the date when the Contract Times commence to run as provided in the Modified General Conditions, and will be completed and ready for final payment in accordance with the Modified General Conditions within **45** calendar days after the date when the Contract Times commence to run.
- 6.02 Bidder accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the Work within the Contract Times.

ARTICLE 7 – ATTACHMENTS TO THIS BID

7.01 The following documents are attached to and made a condition of this Bid:

- A. Required Bid security in the form of Bid Bond
- B. List of Proposed Subcontractors
- C. List of Proposed Suppliers
- D. List of Project References
- E. Required Bidder Qualification Statement with Supporting Data
- F. Affidavit of Non-Collusion
- G. (List other documents as pertinent)

Subcontractor: French Broad Paving
1089 S. Ammons Bridge Road
Marshall, NC +28753

Supplier: Fortiline Waterworks

ARTICLE 8 – BID SUBMITTAL

This Bid Submitted By:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____ (SEAL)
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____ (SEAL)

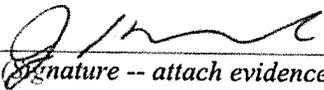
By: _____
(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: TP Howard's Plumbing^{Co.} Inc (SEAL)

State of Incorporation: NC
Type (General Business, Professional, Service, Limited Liability): _____

By:  VP
(Signature -- attach evidence of authority to sign)

Name (typed or printed): Josh Howard

Title: VP (CORPORATE SEAL)

Attest 

Date of Authorization to do business in North Carolina is 1984

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____
(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____ (SEAL)

By: _____
(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 90 Number Nine Rd
Fairview, NC 28730

Phone No. 828-628-1369 Fax No. 828-628-0130

SUBMITTED on May 1, 2020.

State Contractor License No. 83225.

BID BOND

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER (Name and Address):

T.P. Howard's Plumbing Co., Inc.
90 Number Nine Rd
Fairview, NC 28730

SURETY (Name, and Address of Principal Place of Business):

Berkley Insurance Company
475 Steamboat Road
Greenwich, CT 06830

OWNER (Name and Address):

Town of Mars Hill
280 North Main Street
Mars Hill, NC 28754

BID

Bid Due Date: May 1, 2020 by 2:00 pm

Description (Downtown Main Street Water System Improvements):

Installation of approximately 273 LF of 6-inch DIP water line, 155 LF of 1-inch HDPE water service line, 1 hydrant, 14 water meter boxes, 2-6" gate valves, and associated appurtenances and site work behind the block of buildings at the northeast corner of the intersection of Main Street and Mountain View Drive.

BOND

Bond Number: n/a BID

Date: May 1, 2020

Penal sum Five Percent of Amount Bid

(Words)

\$ 5% amt bid

(Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER

T.P. Howard's Plumbing Co., Inc. (Seal)

Bidder's Name and Corporate Seal

By:


Signature

Thomas P. Howard
Print Name

President
Title

SURETY

Berkley Insurance Company (Seal)

Surety's Name and Corporate Seal

By:


Signature (Attach Power of Attorney)

Kevin Wojtowicz
Print Name

Attorney-in-fact and NC Licensed Nonresident Agent
Title

Attest:

Bubba C. Hall
Signature

Corporate Sec. Tina
Title

Attest:

Margaret Schulz
Signature

Margaret Schulz, Witness
Title

Note: Addresses are to be used for giving any required notice.

Provide execution by any additional parties, such as joint venturers, if necessary.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.
3. This obligation shall be null and void if:
 - 3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
 - 3.2 All Bids are rejected by Owner, or
 - 3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from the Bid due date without Surety's written consent.
6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after the Bid due date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

ORDINANCE # 254

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF
THE TOWN OF MARS HILL, NORTH CAROLINA**

WHEREAS, the Board of Aldermen has been petitioned under G.S. 160A-31, as amended, to annex the area described herein; and

WHEREAS, the Board of Aldermen has by resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at the Mars Hill Town Hall at 6:00 o'clock, p. m. on the 15th day of June, 2020 after due notice by publication on the 3rd day of June, 2020; and

NOW, THEREFORE, BE IT ORDAINED by the Board of Aldermen of the Town of Mars Hill, North Carolina:

Section 1. By virtue of the authority granted by G.S. 160A-31, as amended, the following described territory, is hereby annexed and made part of the Town of Mars Hill as of the 15th day of June, 2020.

(Insert Metes and Bounds Description)

That real property as set forth and more fully described in Deed Book 686 at Page 159, and the same being that boundary survey found in Plat Book 9 at Page 144, in the Madison County Registry, Office of the Register of Deeds of Madison County, North Carolina.

Section 2. Upon and after the 15th day of June, 2020, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Mars Hill and shall be entitled to the same privileges and benefits as other parts of the Town of Mars Hill. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the Town of Mars Hill shall cause to be recorded in the Office of the Register of Deeds, Madison County, and in the Office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this Ordinance.

ADOPTED this the 15th day of June, 2020.

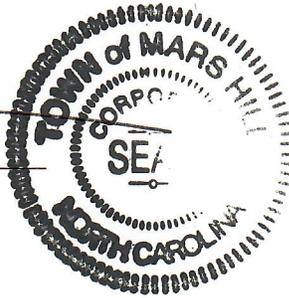


Mayor

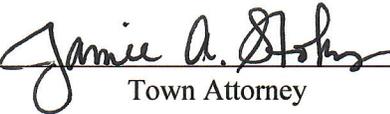
ATTEST:



Clerk



APPROVED AS TO FORM:



Town Attorney

**STATE OF NORTH CAROLINA
COUNTY OF MADISON
TOWN OF MARS HILL**

I, Stuart L. Jolley, Town Clerk of the Town of Mars Hill in the State of North Carolina, **DO HEREBY CERTIFY**, that:

1. The attached is a copy of an Ordinance to extend the Corporate Limits of the Town of Mars Hill, North Carolina.
2. The Ordinance was adopted on the 15th day of June, 2020, at a regularly scheduled meeting of the Mayor and Board of Aldermen of the Town of Mars Hill, North Carolina.

IN WITNESS WHEREOF, I have hereunto set my hand and have hereunto affixed the Corporate Seal of the Town of Mars Hill, North Carolina, this 15th day of June, 2020.


TOWN CLERK

.....
**STATE OF NORTH CAROLINA
COUNTY OF MADISON**

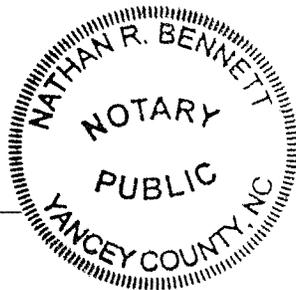
I, Nathan R. Bennett, a Notary Public of the aforesaid State and County, do hereby certify that Stuart L. Jolley, personally appeared before me this day and acknowledged the due execution of the foregoing certificate.

WITNESS my hand and Notarial Seal this 15th day of June, 2020.


NOTARY PUBLIC

My Commission Expires:

November 19, 2022





Town of Mars Hill

PETITION REQUESTING A CONTIGUOUS ANNEXATION

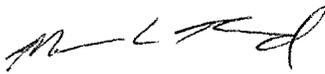
DATE: 3/19/20

TO: Board of Aldermen, Town of Mars Hill

1. We, the undersigned owners of real property, respectfully request that the area described in Paragraph 2 below be annexed to the Town of Mars Hill.
2. The area to be annexed is contiguous to the Town of Mars Hill and the boundaries of such territory are as follows:

(Insert Legal Metes and Bounds Description of Boundaries or attach Deed)

3. A map, and/or survey plat is attached showing the area proposed for annexation in relation to the primary corporate limits of the Town.

<u>PRINTED NAME</u>	<u>SIGNATURE</u>	<u>ADDRESS</u>
1. Maverick Reed		142 Pine Ridge Rd. Mars Hill, NC 28754
2. Alexandria Reed	Alexandria Reed	142 Pine Ridge Rd. Mars Hill, NC 28754
3.		
4.		
5.		

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: \$ 36.00

Parcel Identifier No. 9757-16-3663-00000

Verified by _____ County on the ____ day of _____, 20_____

By: _____

Mail/Box to: Worley & Peltz, PLLC, 7 Orchard St. Ste. 100, Asheville, NC 28801

This instrument was prepared by: Susan S. Barbour, a licensed NC attorney. Delinquent taxes, if any, to be paid by the closing attorney to the county tax collector upon disbursement of closing proceeds. No title examination performed by deed preparer. MWB File: 103358.01

Brief description for the Index: 142 Pine Ridge Road

THIS DEED made **March 13, 2020**, by and between

GRANTOR

GRANTEE

**Barbara D. Bennett a/k/a
Barbara Ann Davis Bennett, an unmarried
widow, by and through Linda Briggs, her
Attorney in Fact and Agent**

**P.O. Box 66
Mars Hill, NC 28754**

**Maverick Dalton Reed and wife,
Alexandria Dykes Reed**

**79 Duck Drive
Mars Hill, NC 28754**

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the town of **Mars Hill, Madison** County, North Carolina and more particularly described as follows:

See Exhibit "A" attached hereto and incorporated herein by reference

BR 000 PG 100 DOCT 000007

The property hereinabove described was acquired by Grantor by instrument recorded in Book 551, Page 237, Buncombe County Registry

All or a portion of the property herein conveyed does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

SUBJECT to easements, restrictions, rights of way(s) of record, and ad valorem taxes not yet due and payable.

Acknowledgement and Signature Page Follows

ACKNOWLEDGMENT AND SIGNATURE PAGE FOR GENERAL WARRANTY DEED

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

Barbara D. Bennett a/k/a Barbara Ann Davis Bennett by Linda Briggs her attorney-in fact and agent
Barbara D. Bennett a/k/a Barbara Ann Davis Bennett
by and through Linda Briggs her attorney-in fact and agent

State of North Carolina - County of Buncombe

I, a Notary Public of the County and State aforesaid, do hereby certify that Linda Briggs personally came before me this day and acknowledged the voluntary and due execution of the foregoing instrument in her capacity as attorney-in-fact and agent for Barbara D. Bennett a/k/a Barbara Ann Davis Bennett, and being by me duly sworn, says that she executed the foregoing instrument on behalf of Barbara D. Bennett a/k/a Barbara Ann Davis Bennett, and that her authority to execute and acknowledge said instrument for Barbara D. Bennett a/k/a Barbara Ann Davis Bennett is contained in an instrument duly executed, acknowledged, and recorded in the office of the Madison County, NC Register of Deeds in Deed Book 608 Page 711 and that this instrument was executed under and by virtue of the authority given by said instrument granting her power of attorney; that the said Linda Briggs, as attorney-in-fact and agent, acknowledged the voluntary and due execution of the foregoing instrument for the purposes therein expressed on behalf of the said Barbara D. Bennett a/k/a Barbara Ann Davis Bennett.

Witness my hand and Notarial stamp or seal this 12th day of March, 2020.

My Commission Expires:

12-10-2021

(Affix Seal)

Susan Strayhorn Barbour Notary Public

SUSAN STRAYHORN BARBOUR
Notary's Printed or Typed Name

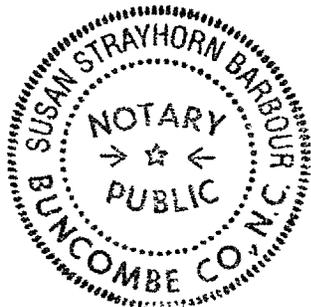


Exhibit A

BEING all of that property as described in a deed to William C. Bennett and wife, Barbara D. Bennett, dated April 12, 2013 and recorded in **Deed Book 551, at Page 237**, of the Madison County Register of Deeds Office, reference to said deed is hereby made for a more complete description of said property and said description is incorporated herein as if fully re-stated.

AND FURTHER BEING described as all that same property described as **Parcel 1** in a deed to Grantor, dated July 3, 2012 and recorded in **Deed Book 536, at Page 477**, of the Madison County Register of Deeds Office, reference to said deed made for a more complete description of said property and said description is incorporated herein as if fully re-stated.

TOGETHER WITH AND SUBJECT TO all recorded easements and rights of way of record and further subject to those specific property restrictions as fully stated in Deed Book 117, at Page 634 of said Registry.

The above described property is also conveyed **WITHOUT WARRANTIES OF TITLE** pursuant to the following description:

BEING all of that "0.919 Acres," as shown on that plat recorded in **Plat Book 9, at Page 144**, in the Office of the Register of Deeds for Madison County, North Carolina, reference to which Plat is hereby made for a more particular description of said Lot.

AND BEING all of that property described in that deed recorded in Book 551, at Page 237, in the Register of Deeds for Madison County, North Carolina.

TOGETHER WITH AND SUBJECT TO all easements, rights of way, conditions, covenants and restrictions appurtenant to the property described above, including but not limited to those restrictions recorded in Deed Book 117, at Page 634, in the Register of Deeds for Madison County.

BOOK 9 PAGE 144 (1)
 15823

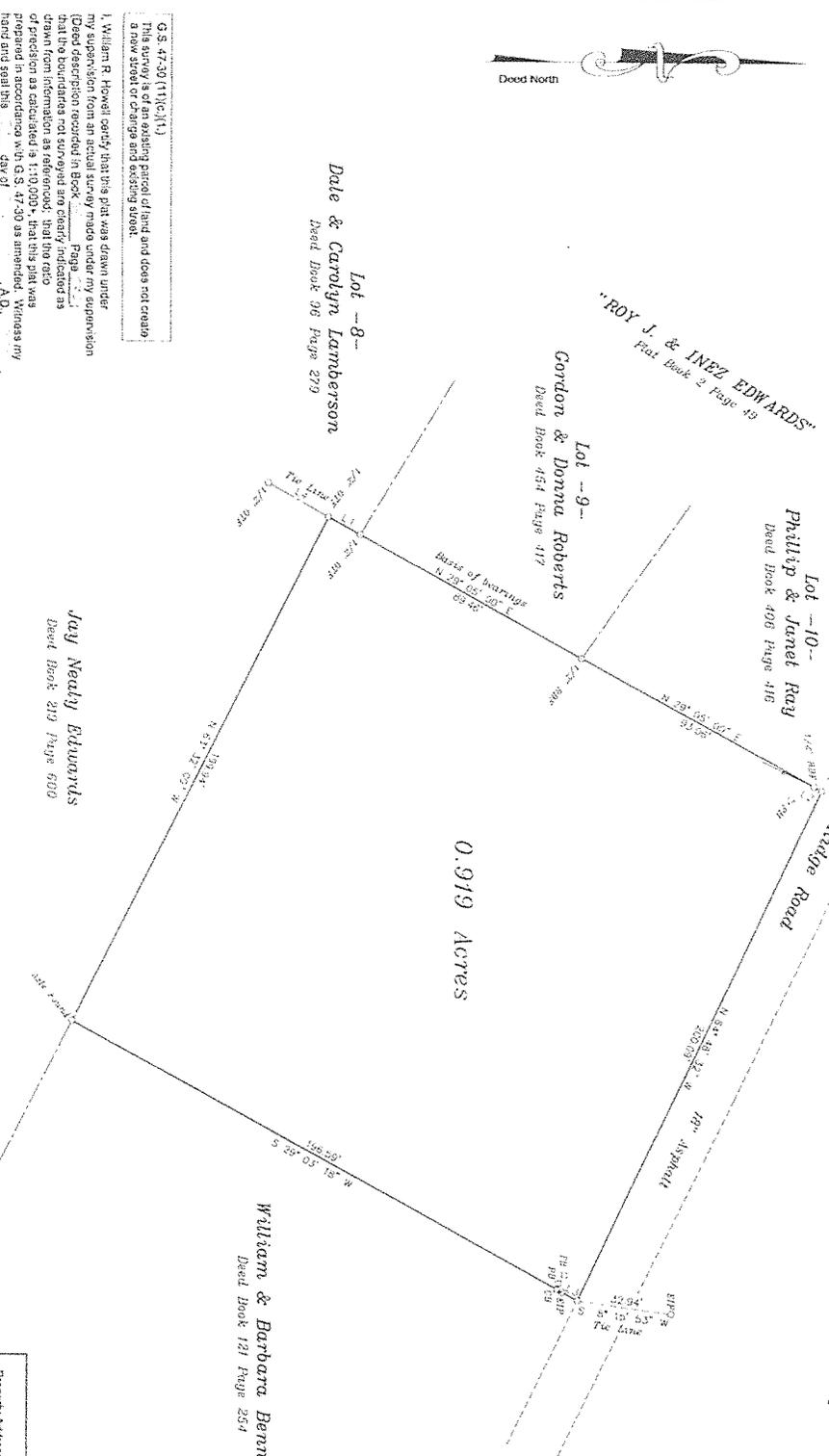


Line	Bearing	Distance
1	S 77° 05' 00" E	1.272
2	S 23° 05' 00" E	1.198
3	S 77° 12' 00" E	24.275

Filed: Madison County, NC
 01/29/2020 01:26:52 PM
 Susan Rector, Register of Deeds

State of North Carolina, County of Madison
 Madison County, certify that the map or plat
 certification is attested meets all statutory re
 quirements.
 Review Officer

State of North Carolina, County of Madison
 Filed for registration on the 27 day of
 2020 at 2:00 clock P.M. and recorded in I
 Book 9 Page 144
 Susan Rector
 Register of Deeds - Madison County



Lot -8-
 Dale & Carolyn Lamberson
 Deed Book 96 Page 279

Lot -9-
 Gordon & Donna Roberts
 Deed Book 451 Page 417

Lot -10-
 Philip & Janet Ray
 Deed Book 406 Page 416

Joy Neely Edwards
 Deed Book 219 Page 600

William & Barbara Bennett
 Deed Book 121 Page 254

0.919 Acres

G.S. 47-30 (1)(c)(1)
 This survey is of an existing parcel of land and does not create
 a new street or change an existing street.

I, William R. Howell, certify that this plat was drawn under
 my supervision from an actual survey made under my supervision
 (Deed description recorded in Book _____ Page _____)
 that a location not surveyed and clearly indicated as
 shown on the plat is not a part of the land here
 prepared in accordance with G.S. 47-30 as amended. Witness my
 hand and seal this _____ day of _____ A.D. _____

Professional Land Surveyor
 License Number L-3514



Boundary Survey and Plat Prepared for

MAVERICK & ALEXANDRIA REED

Mara Hill, Madison County, North Carolina
 Scale 1" = 30'
 Date - January 29, 2020

Drawn By: DGR
 Checked By: WRR

Owner of Record: William C. Bennett & Barbara Bennett
Parcel Number: 915716-3683
References: Deed Book 661 Page 227 Deed Book 536
Page 47 Deed Book 117 Page 834

Tuckaseegee Land Surveying
 234 Bryson Walk
 Bryson City, North Carolina 28713
 (828) 488 - 4848



Property Address: 142 Pine Ridge Road, Mara Hill

- General Notes
- 1) North is Deed Book 117 Page 834
 - 2) This plat represents a survey of Deed Book 661 Pa
 - 3) There is no recoverable horizontal control within 20
 - 4) Acreage calculated by coordinate compilation met
 - 5) Property is not located in a special flood hazard are
 - 6) Property is subject to all applicable easements and
 - 7) This property has not been inspected for workwa
 - 8) The location of underground utilities is approximate
 - 9) This survey was prepared without benefit of asbest
 - 10) This survey is not a warranty of title or certificate
 - 11) Property corners and lines are marked with pink di
 - 12) Points not described are computed points only.
 - 13) All distances shown are horizontal ground measure



Town of Mars Hill

PROCLAMATION

HONORING HARLEY E. JOLLEY, PH.D. ON HIS 100TH BIRTHDAY

WHEREAS, Dr. Harley E. Jolley, was born in Hudson, North Carolina on July 5, 1920; and

WHEREAS, Dr. Jolley came to Mars Hill in 1949 to teach history at Mars Hill College; and

WHEREAS, Dr. Jolley married Betty Cornett Jolley in 1949 and they remained happily married until Betty's death in 2007; and

WHEREAS, Dr. Jolley and Betty Jolley were blessed with two children, Ben and Stuart, and four grandchildren; and

WHEREAS, Dr. Jolley was a member of the Civilian Conservation Corps and served his country with valor in the United States Army Air Corps during World War II, most notably he was a survivor of the attack on Pearl Harbor, Hawaii on December 7, 1941; and

WHEREAS, Dr. Jolley was a respected and renowned history professor at Mars Hill College until his retirement in 1991, and is an author and considered an authority on a number of subjects including the Blue Ridge Parkway and the Civilian Conservation Corps in North Carolina; and

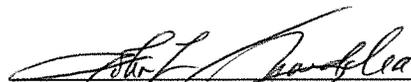
WHEREAS, Dr. Jolley has lived during the most eventful century of this nation's history and has been a model and inspiration to his family, colleagues, and all of those who have had the privilege to know him; and

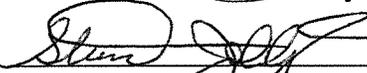
WHEREAS, Dr. Harley E. Jolley celebrates his 100th Birthday on July 5, 2020.

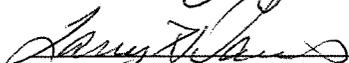
NOW, THEREFORE, by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina,
IT IS ORDERED:

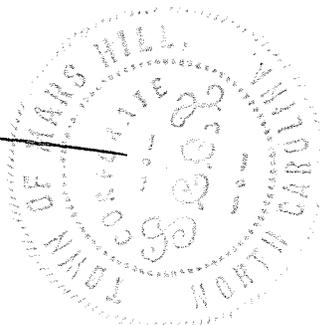
- Section 1. That July 5, 2020 is hereby proclaimed "DR. HARLEY E. JOLLEY DAY" in the Town of Mars Hill, North Carolina.
- Section 2. That on behalf of the citizens of the Town of Mars Hill, this Board offers a sincere congratulations and best wishes to Dr. Harley E. Jolley for a Happy 100th Birthday.
- Section 3. This Proclamation shall be effective immediately.

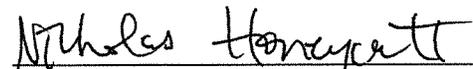
ADOPTED this 15th day of June 2020, by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina.

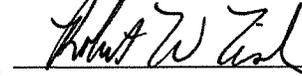

JOHN L. CHANDLER, Mayor


STUART L. JOLLEY, Clerk


LARRY H. DAVIS, Secretary




NICHOLAS A. HONEYCUTT, Vice-Mayor


ROBERT W. ZINK, Treasurer