



AGENDA
REIDSVILLE CITY COUNCIL
MEETING
6:00 PM
Tuesday, April 13, 2021

1. Call to Order.
2. Invocation by Reverend John Marks, Pastor of Grace Fellowship at South Park, 1836 South Park Drive, Reidsville.
3. Pledge of Allegiance.
4. Proclamations & Recognitions:
 - (A) Proclamation recognizing Colonel Glenn M. McNeill Jr., who retired April 1, 2021 as Commander of the NC State Highway Patrol.
5. Approval of Consent Agenda.
 - (A) Approval of March 5, 2021 Special Meeting (Open Session) Minutes, March 9, 2021 Regular Meeting Minutes, March 17, 2021 Special Meeting (Open Session) Minutes, March 20, 2021 Special Meeting (Open Session) Minutes and March 23, 2021 Special Meeting (Open Session) Minutes.
 - (B) Approval of the 2021 Audit with Cherry Bekaert.
 - (C) Approval of Preliminary Assessment Resolution for Triangle Road Water Line Project.
 - (D) Approval of Duplication of Benefits Policy for CDBG-CV Project.
6. Public Hearings:
 - (A) Consideration of a rezoning request for property on Broad Street, specifically Rockingham County Parcel No. 149281, from Light Industrial (I-1) to Residential-12 (R-12). Ashmead P. Pipkin owns the property and submitted the application. (Z2021-03) (Enclosure #1) - *Donna Setliff, Community Development Manager*
 - (B) Consideration of a rezoning request for property on Olive Street, specifically a portion of Rockingham County Parcel No. 175705 from Residential-12 (R-12) and Light Industrial (I-1) to Residential-12 (R-12). Ashmead P. Pipkin owns the property and submitted the application. (Z2021-04) (Enclosure #2) - *Donna Setliff, Community Development Manager*
7. Awarding of Bids:
 - (A) Consideration of accepting bid for construction of Water Treatment Plant Carbon Feed

System and accompanying Resolution. (Enclosure #3) - *Chris Phillips, Interim City Manager*

8. Personnel-Related Items:

(A) Consideration of Reidsville Police Department BLET Intern. (Enclosure #4) - *Robert Hassell, Chief of Police*

9. Reports:

(A) Presentation on American Rescue Plan (ARP). (Enclosure #5) - *Chris Phillips, Interim City Manager*

(B) Presentation of City of Reidsville Facilities Re-Opening Plan. (Enclosure #6) - *Chris Phillips, Interim City Manager*

10. Public Comments.

11. City Manager's Report.

(A) Month of April. (Enclosure #7)

12. Boards & Commissions Appointments & Announcement:

(A) April Appointments. (Enclosure #8)

13. Council Members' Reports.

14. Miscellaneous:

(A) For Information Only.

15. Move to a closed session to discuss legal, economic development and personnel matters pursuant to NCGS 143-318.11(a)(3)(4) & (6).

16. Adjourn.

**MINUTES OF THE CLOSED SESSION
OF THE REIDSVILLE CITY COUNCIL SPECIAL MEETING
HELD FRIDAY, MARCH 5, 2021 @ 2:30 P.M.
ELECTRONCIALLY VIA ZOOM**

CITY COUNCIL MEMBERS PRESENT: Mayor John M. “Jay” Donecker
Mayor Pro Tem Harry L. Brown
Councilman James K. Festerman
Councilman Donald L. Gorham
Councilman William Hairston
Councilmember Terresia Scoble
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: NONE

CITY STAFF PRESENT: Chris Phillips, Interim City Manager
Angela G. Stadler, CMC, City Clerk

VISITORS PRESENT: Dr. Steve Straus, Developmental Associates
Dr. Heather Lee, Developmental Associates

Mayor Donecker called the meeting to order.

MOTION TO GO INTO CLOSED SESSION.

Councilman Festerman made the motion, seconded by Councilmember Scoble and unanimously approved in a 7-0 vote, to go into closed session for a personnel matter under G.S. 143-318.11(a)(6).

MOTION TO ADJOURN.

Upon return to open session, Councilman Festerman made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to adjourn.

John M. “Jay” Donecker, Mayor

ATTEST:

Angela G. Stadler, CMC/NCCMC, City Clerk

**MINUTES OF THE REGULAR MEETING
OF THE REIDSVILLE CITY COUNCIL
HELD TUESDAY, MARCH 9, 2021 AT 6:00 P.M.
COUNCIL CHAMBERS, CITY HALL**

This meeting, which was livestreamed on the City of Reidsville's YouTube Channel, was held in Council Chambers at City Hall with Mayor Donecker attending in person and the rest of the Council & Staff via Zoom unless otherwise indicated. The public was allowed to attend per social distancing and room capacity guidelines.

CITY COUNCIL MEMBERS PRESENT: Mayor John M. "Jay" Donecker
Mayor Pro Tem Harry L. Brown
Councilmember Terresia Scoble
Councilman James K. Festerman
Councilman Donald L. Gorham
Councilman William Hairston
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: NONE

CITY STAFF PRESENT: Chris Phillips, Interim City Manager
Angela G. Stadler, City Clerk
William F. McLeod, City Attorney
Donna Setliff, Community Development
Manager (*in person*)

CALL TO ORDER.

Mayor Donecker called the meeting to order.

**INVOCATION BY THE REVEREND KENNY HOUSTON, PASTOR OF FIRST
BAPTIST CHURCH, 409 S. MAIN STREET, REIDSVILLE.**

Rev. Houston provided the invocation.

PLEDGE OF ALLEGIANCE.

Mayor Donecker and Council then led in the Pledge of Allegiance.

PROCLAMATIONS & RECOGNITIONS:

**RECOGNITION OF THE CITY'S WASTEWATER & WATER TREATMENT
PLANTS' STAFF FOR ACHIEVING 100% OPERATIONAL COMPLIANCE FOR
THE CALENDAR YEARS 2019 AND 2020.**

Mayor Donecker read the proclamation commending those individuals responsible for their diligence and efforts to maintain these high standards at the City's Wastewater Treatment Plant. (A COPY OF THE PROCLAMATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The Mayor asked Wastewater Plant Superintendent Scott Bryan if he would like to say a few words. Bryan expressed his appreciation to the Mayor and City Council for the recognition on behalf of the plant's operators and maintenance staff, saying he couldn't

take the credit since he had only been with the City a few months. Mayor Donecker asked Bryan where he had worked before coming to Reidsville? Bryan said he had been the Chief Operator in Newton, North Carolina. The Mayor noted the plant had set a very high bar.

Councilman Hairston said he would like to thank Mr. Bryan and his team for their outstanding job and for keeping the citizens of Reidsville safe. Councilmember Scoble said she appreciated the excellent job these individuals do each day and that it is something people tend to take for granted. Councilman Gorham thanked Superintendent Bryan for choosing Reidsville as his new home.

RECOGNITION OF REIDSVILLE'S WATER TREATMENT PLANT ACHIEVING 100% COMPLIANCE FOR 2019 AND 2020.

Mayor Donecker then read the proclamation for the Water Treatment Plant. (A COPY OF THE PROCLAMATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The Mayor informed Water Plant Superintendent Scott Jewell and Bryan that the proclamations and plaques were by the podium and asked if Jewell would like to say a few words. Jewell thanked the Mayor and City Council as well as the Chief Operators and other staff at the plant, calling each out by name. He stressed they take great pride in what they are doing and will hang the plaque on the wall at the plant.

Jewell said he had a recent conversation with Interim City Manager Phillips regarding the power outage during the recent ice storm and the need to send out the "boil water advisory" when the old generator failed. He said the staff conducts hundreds of thousands of tests on the drinking water each year and takes clean water very seriously. He noted how our area dialysis centers, the hospital and our industries all require clean water. He reiterated how proud he was with the speed at which the recent issue was handled by staff. The Mayor complimented Jewell and his staff on how quickly they resolved it as well. Jewell said while the boil water advisory was not required, staff felt ethically and morally obligated to put it out but was thankful it was not needed.

APPROVAL OF CONSENT AGENDA:
CONSIDERATION OF 2021 COUNCIL RETREAT MINUTES, FEBRUARY 9, 2021
REGULAR MEETING MINUTES AND THE OPEN SESSION MINUTES FROM THE
FEBRUARY 4, 2021, FEBRUARY 18, 2021 RECESSED AND FEBRUARY 20, 2021
RECONVENED SPECIAL MEETINGS.

Councilman Hairston made the motion, seconded by Councilman Festerman and unanimously approved by Council in a 7-0 vote, to approve the Consent Agenda.

PUBLIC HEARINGS:
CONSIDERATION OF A REZONING REQUEST FOR PROPERTY BORDERING
BARNES STREET AND HOLIDAY LOOP, SPECIFICALLY A PORTION OF
ROCKINGHAM COUNTY PARCEL NOS. 174023Z1 AND 174023Z2 FROM
RESIDENTIAL AGRICULTURAL-20 (RA-20) TO RESIDENTIAL-12 (R-12). JAMES
ROBERT STANFIELD AND WIFE, DEE ANN BROWN STANFIELD, AND THE
HOUSTON W. STANFIELD JR. IRREVOCABLE TRUST ARE OWNERS OF THE

**PROPERTY, AND TSH ACQUISITION, LLC SUBMITTED THE APPLICATION.
(Z2021-01)**

Community Development Manager Donna Setliff presented her report, as outlined in her February 24, 2021 memo, which follows:

M E M O R A N D U M

TO: The Honorable Mayor Donecker and Members of the
Reidsville City Council
FROM: Donna H. Setliff, Community Development Manager
DATE: February 24, 2021
RE: Docket No. Z 2021-01

The applicant is requesting approximately 17-acres be rezoned from Residential Agricultural-20 to Residential-12 located between Barnes Street and Holiday Loop Road. The site is mostly undeveloped with one single family dwelling facing Holiday Loop Road. The area to the northwest is Highway Business and has developed commercially. The area to the southwest is zoned Light and Heavy Industrial. The Reidsville Veterinary Office is located on the Light Industrial parcel and CleanEarth is located on the Heavy Industrial parcel. The area to the immediate northeast is mostly undeveloped with a few residential structures. Further northeast are industrial uses. The immediate southeast is within the Rockingham County zoning jurisdiction. The area is mostly undeveloped.

If rezoned to Residential-12, the property would remain residential in nature consistent with the current zoning. Residential Agricultural-20 is Reidsville's lowest residential density classification with Residential-12 being our medium residential density classification. The permitted uses are very similar except Residential Agricultural-20 does not permit multi-family. Of course, Residential Agricultural-20 requires larger parcels than Residential-12. In my Planner's opinion the property would not be developed as Residential Agricultural-20 as the residential uses are single family and duplexes. This is an area suitable for multi-family as allowed in Residential-12. Note this is a general use rezoning. Therefore, all uses of Residential-12 would be allowed. Residential-12 is a suitable transition zone between the commercial zoning to the northwest and the lower residential density area to the southeast.

Public water and sewer is available. However, part of the property is outside the City Limits, thus to connect to public water and sewer the property owners will need to voluntarily annex the property into the City. The property has road frontage on Barnes Street and Holiday Loop Road allowing good access to either streets. I will note that this property is within the Jordan Lake Watershed. Per the aerial view, there seems to be a creek on the property. If so, the Jordan Lake Rules require that a Riparian Buffer of 50' be on both sides of the creek.

It is consistent with the Comprehensive Plan as one of the strategies encourages the development of high and medium density residential through flexible planning.

The Planning Board favorably recommended the rezoning request to City Council.

SUGGESTED MOTION

Based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be approved. (END OF MEMO)

There were no questions of Setliff by Council after she completed her report.

Mayor Donecker opened the public hearing at 6:15 p.m. and asked if there was anyone who wished to speak in favor or disfavor of the request?

Ms. Jennifer Fountain, an attorney with offices at 804 Green Valley Road, Suite 200, Greensboro, NC, came forward. She noted she is representing TSH Acquisition, LLC, owned by Tom Holderby. She reminded Council members that a few years ago, Mr. Holderby built Woodland Heights at 810 Lawndale Drive, Reidsville, which has included three phases and 408 first quality units with amenities that have been in great demand since being completed. With continued demand for such quality apartments in Reidsville, she stated that Mr. Holderby has this 17.43-acre site under contract. The developer is asking that the RA-20 zoning be changed to R-12 to allow for multiple-family dwellings on this site and part of it will need to be annexed. The property, bordered by Holiday Loop Road and Barnes Street, is near the US 29 interchange, she noted. Noting that Ms. Setliff had already pointed out, Ms. Fountain stated that the property is surrounded by a mix of uses, including two hotels, a truck stop, a gas station, a kidney care center, vet hospital, and other industrial and retail uses. The current RA-20 zoning would only allow single-family homes or duplexes on this site; however, with the current commercial development, she noted that single-family homes on this property would be unlikely. The property with R-12 zoning, which fits with the City's Comprehensive Plan, would help stabilize the area and prohibit commercial activities while providing an ideal transition between the surrounding uses in the area and meeting the need for multi-family housing.

There were no questions from Council; however, Mayor Donecker asked Ms. Fountain to thank Mr. Holderby for his investment in Reidsville. Mr. Holderby has already made a great living space in Reidsville at the Woodland Heights apartments, the Mayor said. Ms. Fountain said Mr. Holderby is dedicated to Reidsville and doing what he can.

With no one else appearing to speak, the public hearing was closed at 6:18 p.m.

Mayor Donecker asked for a motion.

Councilman Festerman stated that, based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land

use plans. Therefore, I make a motion that the rezoning be approved with much pleasure. The motion was seconded by Councilwoman Walker and unanimously approved by Council in a 7-0 vote.

CONSIDERATION OF A REZONING REQUEST FOR PROPERTY LOCATED ON WARE STREET, SPECIFICALLY ROCKINGHAM COUNTY PARCEL NOS. 143774, 143773, 143769 AND 143775 FROM RESIDENTIAL-12 (R-12) AND HIGHWAY BUSINESS (HB) TO HEAVY INDUSTRIAL (I-2). THE CITY OF REIDSVILLE OWNS THE PROPERTIES AND SUBMITTED THE APPLICATION. (Z2021-02)

Community Development Manager Donna Setliff presented her report, as outlined in her February 25, 2021 memo, which follows:

MEMORANDUM

TO: The Honorable Mayor Donecker and Members of the
Reidsville City Council
FROM: Donna H. Setliff, Community Development Manager
DATE: February 25, 2021
RE: Docket No. Z 2021-02

The City of Reidsville owns five parcel on Ware Street (see attached Zoning Map). It is being requested that said parcels be rezoned from Highway Business and Residential-12 to Heavy Industrial. The rezoning will allow expansion of Public Works services. The surrounding area is commercial/industrial except to the east where there are several dwellings. These dwellings face Vance Street but have rear yard frontage on Ware Street.

Traffic will be minor and no water or sewer will be needed for the Public Works expansion. The Comprehensive Plan states to plan for new city facilities to serve existing demands as well as future needs.

This rezoning would be a continuation of the existing Heavy Industrial zoning to the west of said rezoning parcels.

The Planning Board favorably recommended to Council the rezoning of the five parcels on Ware Street.

SUGGESTED MOTION

Based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be approved. (END OF MEMO)

With no questions to the Community Development Manager, Mayor Donecker opened the public hearing at 6:22 p.m. and asked if there was anyone who wished to speak in favor or disfavor of the request?

Mr. Mike Stultz, owner of the Foster's Grill property near this location, came forward to speak. He noted that he also owned the two properties behind it and two beside it. He said they had some concerns and had spoken with Chuck (*Smith, former Public Works Director*), a couple of weeks ago about the property and what was going to happen there. He said their concerns were related to noise, appearance, any possible smell or odor, future uses by the City, heavy truck traffic and how this affects property valuations.

Interim City Manager Chris Phillips spoke to Mr. Stultz's questions. He said he had spoken with Public Works employees and Chuck Smith after they had met with Mr. Stultz on the property. Public Works is planning to use the property for a salt barn since the City does need a location to store salt, Phillips said. The only noise expected is probably deliveries 1-2 times a year and then before snow events, to get the salt to spread it on the roadways. He said there will actually be very little usage of the building except during such snow events. He said the structure will be three sided, and he showed a picture of it on screen, with a couple of bays. Public Works plans to put some shelters on the side to store equipment for that operation, such as a brine spreader, etc. There will not be traffic at the facility every day, just as needed, he stressed, and there is no smell associated with salt. Regarding aesthetics, he described the privacy fencing and shrubbery that would be planted around the outside so that it won't look too industrial. While he couldn't speak directly to property values, he said he can't really see how it would affect them.

Mr. Stultz said that Chuck Smith did share some of those same comments, but he wanted to hear it from the City Manager and City Council. He said his family has owned Foster's Grill since the early 1970s, and they want to keep it in the City as one of those businesses that our local citizens can frequent. Phillips said the City doesn't want our facility to take away from that at all. If this rezoning passes, he said during the process, Mr. Stultz should feel free to contact him directly, and they will address any concerns. It was noted that the fencing will encompass the entire property, not just the salt barn. Mayor Donecker said it is on the record that the City will include shrubbery on the property, privacy fencing, etc.

The Mayor then asked for a motion.

Councilwoman Scoble stated that based on the information provided in the staff report and verbal evidence presented during the public hearing, this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be approved. The motion was seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote.

(End of Public Hearings)

CDBG GRANTS:

CONSIDERATION OF AWARDING CDBG-CV GRANT ADMINISTRATION SERVICES.

In making the staff report, Interim City Manager Chris Phillips reviewed the City Clerk's memo on awarding the Grant Administration Services for the City's CDBG-CV Project as follows:

MEMORANDUM

TO: Chris Phillips, Interim City Manager
FROM: Angela G. Stadler, CMC/NCCMC, City Clerk

March 9, 2021

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SUBJ: Grant Administration Services for CDBG-CV Project
DATE: March 1, 2021

As you all know, the City of Reidsville was the recipient of a \$600,000 CDBG-Coronavirus grant. As part of that process, the City issued a Request for Proposals (RFPs) from qualified firms for grant administration services for the project. The RFP was advertised in the local newspaper, on the City's website and through the State IPS site. RFPs were to be back in on January 28, 2021, and a minimum of two were required.

WithersRavenel turned in a proposal. A second proposal was received from Opportunities Linked out of Wendell, NC, but USPS did not deliver the package until Monday, February 1. However, it appeared the company made a good faith effort to have the package here by the deadline. In talking with Valerie Moore with NC Commerce, she said this had happened fairly frequently in recent months and Commerce was accepting these efforts as long as the City felt a good faith effort was made and documented as such in our files.

A committee comprised of myself, Assistant City Manager of Community Services Haywood Cloud Jr. and Community Development Manager Donna Setliff evaluated the two proposals. WithersRavenel proposed a price of \$60,000 while Opportunities Linked quoted a price up to \$72,000. Both firms were scored based on the criteria in the RFP.

Therefore, we are recommending that the City Council award the contract to WithersRavenel for grant administration services for the City's CDBG-CV project based on knowledge of the firm and the project and cost. Please let us know if you have any questions. (END OF MEMO)

While both firms were very qualified, the deciding factor came down to price with WithersRavenel quoting a price of \$60,000 and Opportunities Linked quoting up to \$72,000, Interim City Manager Phillips stated, along with knowledge of the project and the City's experience with WithersRavenel. Therefore, staff is recommending WithersRavenel as grant administrator for this project, Phillip said.

Councilman Gorham made the motion, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 7-0 vote, to accept WithersRavenel's RFP.

CONSIDERATION OF RESOLUTION BY THE CITY OF REIDSVILLE TO ADOPT CDBG PLANS.

In making the staff report, Interim City Manager Phillips reviewed the City Clerk's memo on updating the City's CDBG Plans as follows:

MEMORANDUM

TO: Chris Phillips, Interim City Manager
FROM: Angela G. Stadler, CMC/NCCMC, City Clerk
SUBJ: Updating of CDBG Plans
DATE: March 1, 2021

WithersRavenel, the firm which does the grant administration for various City CDBG-related projects, has updated the Citizen Participation Plan that was recently revised by NCDEQ to elaborate more on virtual meetings and public hearings. WR also updated the Fair Housing Plan and Equal Opportunity Resolution. These updates will help us going forward with all of our CDBG grants.

The attached Resolution needs to be approved, which will allow Council to adopt these plans in one motion. Let me know if you have any questions. (END OF MEMO)

Interim City Manager Phillips noted that the City Council has updated these plans in the past.

Mayor Donecker asked for a motion to approve the Resolution updating the CDBG plans, which Councilman Hairston did by stating, “so moved,” seconded by Councilmember Scoble and unanimously approved by Council in a 7-0 vote.

The Resolution as approved follows (COPIES OF THE UPDATED CDBG PLANS ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.):

RESOLUTION BY THE CITY OF REIDSVILLE TO ADOPT CDBG PLANS

- WHEREAS, Title I of the Federal Housing and Community Development Act of 1974, as amended, has established the U.S. Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program, and has authorized the making of grants to aid eligible units of government in funding the cost of construction, replacement, or rehabilitation of water and wastewater infrastructure, and that the North Carolina Department of Environmental Quality (NCDEQ) Division of Water Infrastructure (DWI) was delegated the authority by the state legislature to administer the water and wastewater infrastructure portion of the state grant monies received from the U.S. HUD CDBG program by Session Law 2013-360, Section 15.15(a) as amended by Section 5.3 of Session Law 2013-363, and the North Carolina Department of Commerce (DOC), Rural Economic Development Division was delegated an authority by the state legislature to administer a portion of the state grant monies received from the U.S. HUD CDBG program, and
- WHEREAS, The City of Reidsville has requested and may intend to request in the future state grant assistance for a project,
- WHEREAS, HUD’s State CDBG program has many federal performance and procurement requirements,
- WHEREAS, The City will implement these plans broadly and not specific to any single CDBG grant,

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF THE CITY OF REIDSVILLE:

That the City of Reidsville adopts and places into effect the following compliance plans:

- Updated Citizen Participation Plan
- Fair Housing Plan and Equal Opportunity Resolution

Adopted this the 9th day of March, 2021 in Reidsville, North Carolina.

/s/ _____
John M. "Jay" Donecker

(Title)

Attest:

/s/ _____
Angela G. Stadler, CMC/NCCMC, City Clerk

GRANTS:

**CONSIDERATION OF RESOLUTION TO APPLY FOR INDUSTRIAL
DEVELOPMENT FUND UTILITY ACCOUNT FUNDS, BUDGET ORDINANCE
AMENDMENT NO. 7 AND CAPITAL PROJECT ORDINANCE AMENDMENT.**

In making the staff report, Interim City Manager Phillips reviewed his March 1, 2021 memo. Phillips noted that Council is familiar with this project, which will move utilities onto the former horse park property, thereby opening up approximately 55 acres of land for future development. He followed along with his memo below to explain the process and what was involved in this project:

INDUSTRIAL DEVELOPMENT FUND APPLICATION

To: Honorable Mayor Doctor Jay Donecker and the Reidsville City Council
From: Chris Phillips, Interim City Manager
Date: March 1, 2021

The City of Reidsville was fortunate to receive funding from the Governor's Rural Ready Site program a couple of years ago. This opportunity was presented with very little turn-around time and had some specific requirements. The project submitted by the City was to get utilities into the former horse park land behind Love's Travel. These utilities will open up 55 acres identified for potential economic development and another 50 acres that could be used for a number of differing projects in the future.

When the project was bid out, it became obvious that the budget was not sufficient to properly extend the utilities. Work was done with the low bidder to reduce the project so that the goals would be accomplished within the budget provided by the grant. The end result is a water line stub out and a sewer line and pump station that does cover the entire parcel. The only feasible way to affordably run the sewer line was to have the line go down the embankment of a large ravine, under the creek, and back up the other embankment. This is not the ideal way to cross the ravine.

The City's engineers on the project, WithersRavenel, kept the State informed on the status of the project and kept discussion open about additional funding. The State

agreed to accept a pre-application to fund a better crossing of the ravine. The new crossing will be suspended and will entail building a sub road type crossing that can be paved in the future to allow access to the parcel on Diesel Drive. City Council agreed at the 2021 Retreat to submit the pre-application. The Commission has met and they have accepted the project based on the pre-application.

The total additional cost to the project is \$719,935. The grant will be \$539,935, leaving a 25% match of \$180,000. There was a request to waive the match that was denied by the State. Included in the \$719,935 is a required Army Corps of Engineers payment to a mitigation fund. This payment is required due to the stream crossing and was unexpected; it is due to a rule change. This payment is not an eligible grant expense but is eligible as an expense of the match.

The City and Rockingham County have partnered on this land and on this project to date. The City is administering the project and the grant funding. The County will be reimbursing half of the original grant match. It is the expectation that the County will also reimburse half of the match for this additional funding. County Management has been made aware of this need and the application process. It has not been presented to the County Commissioners.

The additional work being completed with this grant funding will be secured with a change order to the lowest bidder that was awarded the original contract by the City Council. There will be no additional bidding of this newly funded portion of the project. Adopting the resolution to accept the funding and authorizing the Mayor to execute the related documents does include acceptance of the related change order once it is completed and presented to the City's project engineers.

Attached is a resolution to accept the additional grant funding and to authorize the Mayor to execute the related documents. In addition, there is a related budget amendment and capital project ordinance amendment attached for City Council consideration as well. The budget documents are prepared having the City authorizing the full amount of the match due to time constraints; this information can be amended once the County approves their portion of the match. (END OF MEMO)

As he reviewed the memo, discussing the Army Corps of Engineers and the Mitigation Fund, he noted we will be among the first to have to pay into this fund since a spring is involved. If we are able to get this money back, it will come back to us, he noted.

To be clear, the utilities will be done as a change order with the low bidder, Phillips explained. There will be no bidding out, he stressed. Therefore, staff was asking Council tonight to authorize the Mayor to sign the necessary documents to enter into an agreement with the low bidder as noted in the attached Resolution, including the attached Budget Ordinance Amendment and Capital Project Ordinance Amendment. The City will pay the full \$180,000 match and be going to the County to ask them to reimburse the City for half of the match (\$90,000), he said.

It was agreed a separate motion would be done for each document, starting with the Resolution.

The Mayor asked for a motion to approve the Resolution to accept the grant and the match, which was made by Councilman Gorham, seconded by Councilwoman Walker and unanimously approved by Council in a 7-0 vote.

The Resolution as approved follows:

**RESOLUTION BY REIDSVILLE CITY COUNCIL
FOR INDUSTRIAL DEVELOPMENT FUND UTILITY ACCOUNT FUNDS**

BE IT RESOLVED, that a grant from the NC Department of Commerce to the City of Reidsville will be made to assist the Former Horse Park Water and Sewer Extension Phase II project; and

BE IT FURTHER RESOLVED, that the City of Reidsville will administer this grant in accordance with the rules and regulations of the Department of Commerce; and

BE IT FURTHER RESOLVED, that the City will administer this grant through the City Finance Office; and

BE IT FURTHER RESOLVED, that the grant will be monitored quarterly to assure compliance with this proposal and the Department of Commerce regulations; and

BE IT FURTHER RESOLVED, that the amount of the grant application will be \$539,935, for a total project cost of \$719,935; and

BE IT FURTHER RESOLVED, that the Mayor, John M. "Jay" Donecker, and successors so titled, is hereby authorized and directed to execute such other documents as may be required in connection with the grant.

Adopted this the 9th day of March, 2021 at Reidsville, North Carolina.

(SEAL)

/s/ _____
John M. "Jay" Donecker, Mayor

ATTEST:

/s/ _____
Angela G. Stadler, City Clerk

Mayor Donecker then asked for a motion to approve Budget Ordinance Amendment No. 7, which was made by Councilmember Scoble, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote.

The BOA as approved follows:

BUDGET ORDINANCE AMENDMENT NO. 7

WHEREAS, the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 9, 2020 which established revenues and authorized expenditures for fiscal year 2020-2021; and

WHEREAS, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate matching funds for Industrial Development Fund grant;

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 9, 2020 is hereby amended as follows;

Section 1. That revenue account number 61-3991-0000, Water Fund Reserves, be increased by \$72,000.00; that revenue account number 62-3991-0000, Sewer Fund Reserves, be increased by \$108,000.00.

Section 2. That expense account number 61-4120-0051, Transfer to Capital Projects, be increased by \$72,000.00; that expense account number 62-4120-0052, Transfer to Capital Projects, be increased by \$108,000.00.

This the 9th day of March, 2021.

/s/ _____
John M. "Jay" Donecker
Mayor

ATTEST:

/s/ _____
Angela G. Stadler, CMC/NCCMC
City Clerk

Mayor Donecker then asked for a motion to approve the Capital Project Ordinance, which was made by Councilman Gorham, seconded by Councilman Hairston and unanimously approved by Council in a 7-0 vote.

The Capital Project Ordinance as approved follows:

RURAL READY SITE CAPITAL PROJECT ORDINANCE AMENDMENT

AUTHORIZING CAPITAL IMPROVEMENTS TO THE CITY'S UTILITY SYSTEM

WHEREAS, North Carolina General Statute 159-13.2 authorizes the establishment of a Capital Project Fund to account for expenses and revenues that are likely to extend beyond a single fiscal year; and

WHEREAS, it is the desire of the Mayor and the City Council of the City of Reidsville to appropriate funds and amend the capital project ordinance adopted on January 11, 2019 for improvements to the utility system for the former horse park land in relation to grant funds provided by the NC Governor's Office;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the City Council of the City of Reidsville that:

Section 1 That the following revenue account for this project is hereby amended:

51-3612-1000	Proceeds of Capital Grants	\$	539,935
51-3988-0061	Transfer from Water Fund	\$	72,000
51-3988-0062	Transfer from Sewer Fund	\$	108,000

Section 2. The following line items of expenditures are hereby amended:

51-7120-5800	Construction	\$	719,935
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Section 3. The Mayor, City Manager and Finance Director are hereby granted all necessary authority to carry out this project, including the approval of payment requests as earned under approved contracts. Because there is no contingency, any potential change orders for the project must be brought to the City Council for approval and funding. The Finance Director is authorized to make temporary loans to this capital project from the Combined Enterprise Fund in order to cover costs before receipt of revenues and to establish an acceptable cash flow.

Section 4. This capital project ordinance amendment is being completed to recognize additional grant funding and additional matching funds. A related change order will be presented by the awarded contractor for use of these additional funds. The Mayor, City Manager and Finance Director are hereby granted authority to approve that specific project change order, when presented, that has been funded with this amendment.

This the 9th day of March, 2021.

/s/ _____
John M. "Jay" Donecker
Mayor

ATTEST:

/s/ _____
Angela G. Stadler, CMC/NCCMC
City Clerk

CONSIDERATION OF UTILITY REIMBURSEMENT GRANT FOR RESIDENTIAL DEVELOPMENT AND BUDGET ORDINANCE AMENDMENT NO. 8.

Interim City Manager Phillips reviewed his memo dated March 1, 2021, which follows:

RESIDENTIAL DEVELOPMENT UTILITY REIMBURSEMENT

To: Honorable Mayor Doctor Jay Donecker and the Reidsville City Council

From: Chris Phillips, Interim City Manager

Date: March 1, 2021

The City of Reidsville has met with many developers over the past few years to discuss the growing housing needs for the City. As these talks developed, it has become clear that municipal participation is an expectation. As such, the City has been approached by Wright & Wray in relation to their planned Willow Brook subdivision off of Sherwood Drive.

Willow Brook will consist of approximately 50 housing units, including 12 patio-style homes on a knoll in the back of the development. The homes will be selling in the range of \$215,000 to \$250,000. Real estate professionals in the area report a shortage of homes of this size and price range. Anecdotal information about the quickness of homes selling in the area also supports the need for more homes in this market.

The real estate market in Rockingham County will only support houses up to a certain price level. Developers are consistently reporting the cost of building materials is increasing at record rates. The margins for profit have decreased, and the homes in the price range of the Reidsville market are particularly showing a strain from these decreases. Municipal participation is needed to improve the margins so that a multi-year project like Willow Brook will be feasible and the houses will remain affordable.

This project is considered infill development because the parcel is located within Reidsville's current city limits. A subdivision looped off of Sherwood Drive would not result in additional garbage trucks or police officers for patrol routes or a new fire station to cover the location. The fixed cost portion of the City utility bills is designed to cover the overhead at the utility plants. The addition of these new utility customers would not increase the overhead at the plants. The fixed portion of the new bills will be revenue that will be one source to repay the City's utility reimbursement for this project. The taxes generated from these properties will also be a new revenue source that will not come with any new direct expenses and, again, can go towards repayment of the investment.

The current estimate provided by Wright & Wray for the utilities in the Willow Brook subdivision is \$531,860. This estimate includes the related surveying, engineering, clearing and erosion control.

The current base bill for a residential customer is \$29.65 a month or \$355.80 a year. With 50 housing units, there will be 50 utility bills. Fifty customers at \$355.80 a year totals \$17,790 in annual revenue. The housing will have a tax value less than the selling price using the current valuation history for Rockingham County. If the houses average a value of \$190,000, the annual tax revenue per house at the current rate of \$.739 would be \$1,400 per house. With the full 50 house build-out, the annual tax

revenue would be \$70,000. The taxes, combined with the base utility charges, would generate \$87,790 a year. This revenue would offset the amount being reimbursed in 6 years and 1 month. Obviously, the houses will be built over time, so there will not be 50 units in the first few years as building progresses. If the houses were built at a rate of only 5 a year, it would take around 10 years to recover the investment.

The developer will be installing the street prior to any utility reimbursement. The estimate for the related street work totals \$527,440, almost an even amount to the cost of the utility work. The developer will have this investment to recoup through building and selling the houses. This is the developer's incentive to build the houses. If something unforeseen were to happen and the current developers could not complete the houses, there would be a subdivision established with a completed road and utilities that would be attractive for another developer to step in to complete.

There is a possibility of phasing the development into segments. While this approach will spread the utility reimbursement payments over a time period, it would be more expensive in the long run rather than doing all of the utilities at one time. City staff would assist the developer in identifying utility contractors, obtaining bids for the utility work and analyzing the bids to find the lowest reasonable responsible bidder.

Attached are a resolution and a budget amendment for this utility reimbursement that the City Council can consider. (END OF MEMO)

Phillips closely followed his memo as he discussed the project with Council, beginning with the project itself, the County real estate market and the need to improve profit margins for developers through municipal participation, how the project is infill development and the cost estimates, etc. involved. He also noted that as the build out occurs, it was not expected to put too much strain on City operations or infrastructure. He noted it would take about 10 years for the City to recoup its investment on the construction of the water and sewer lines through the base charges and property taxes collected once all 50 houses are built.

The Interim City Manager noted that the attached Resolution lays out what he just reviewed and gives authority to the Mayor, City Attorney and City Manager to create an agreement. There is also a budget ordinance amendment, which would need to be approved to pay for the \$531,860, he added.

Councilwoman Walker, noting that it says in the agenda packet that Wright & Wray turned in an evaluation of the utility costs, asked if the City has done an evaluation of the proposed utility costs? Phillips said that the engineer for Wright & Wray had turned in an estimate of utility costs, and the City will help the company in the process to bid out the utilities since we will be reimbursing them. She asked what happens if the amount goes over the \$531,000 estimated, questioning if this amount is "set in stone" or does it fluctuate? Phillips said this is an estimate, noting that the foundation for the first house in the development has been laid down with a second one laid out. These prices are probably a good estimate, he said, without any time delays. He said if Council agrees, we will not go over that amount unless staff comes back to City

Council. He added that these estimates are “firm,” having received them the day before he wrote the memo.

Mayor Donecker asked for a motion to approve the Resolution, which was made by Councilman Gorham, seconded by Councilman Hairston and unanimously approved by Council in a 7-0 vote.

The Resolution as approved follows:

**RESOLUTION FOR
UTILITY REIMBURSEMENT FOR
WILLOW BROOK RESIDENTIAL SUBDIVISION**

WHEREAS, the City of Reidsville recognizes there is a need for additional single-family housing and patio style homes within the City; and

WHEREAS, the City of Reidsville understands there is a substantial upfront investment required by developers to prepare a residential subdivision, which, in conjunction with rising construction costs, leads to lower profit margins for the developer; and

WHEREAS, the City of Reidsville will collect base utility charges and property taxes from new houses in the subdivision, but will not incur large additional infrastructure or operating cost increases because the subdivision is considered infill development in that it falls within the current City limits; and

WHEREAS, the developers, Wright and Wray, have approached the City and requested that the City reimburse them the cost for the Willow Brook subdivision utilities estimated at \$531,860; and

WHEREAS, the utility reimbursement will not occur until the related roads of the subdivision are completed, which will ensure that the developer has some direct investment to recoup by building the planned houses; and

WHEREAS, the revenues generated by the development through utility base charges and property taxes are expected to exceed the utility reimbursement cost within approximately 10 years, based on the expected build rate; and

NOW, THEREFORE, BE IT RESOLVED BY THE REIDSVILLE CITY COUNCIL:

The City of Reidsville will reimburse Wright and Wray for utility costs in the Willow Brook subdivision for an estimated \$531,860 once the utilities and roadways of the subdivision are complete. In addition, the Mayor, the City Attorney and City Manager are authorized to negotiate a contract with the specific requirements of the agreement related to the utility reimbursement.

Adopted this the 9th day of April, 2021 at Reidsville, North Carolina.

(SEAL)

/s/ _____
John M. "Jay" Donecker, Mayor

ATTEST:

/s/ _____
Angela G. Stadler, City Clerk

The Mayor then asked for a motion to approve Budget Ordinance Amendment No. 8, which was made by Mayor Pro Tem Brown, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote.

The Budget Ordinance Amendment No. 8 as approved follows:

BUDGET ORDINANCE AMENDMENT NO. 8

WHEREAS, the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 9, 2020 which established revenues and authorized expenditures for fiscal year 2020-2021; and

WHEREAS, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for a residential utility reimbursement agreement;

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 9, 2020 is hereby amended as follows;

Section 1. That revenue account number 61-3991-0000, Water Fund Reserves, be increased by \$265,930.00; that revenue account number 62-3991-0000, Sewer Fund Reserves, be increased by \$265,930.00.

Section 2. That expense account number 61-7121-5800, Water Distribution Capital Improvements, be increased by \$265,930.00; that expense account number 62-7131-5800, Sewer Collection Capital Improvements, be increased by \$265,930.00.

This the 9th day of March, 2021.

/s/ _____
John M. "Jay" Donecker
Mayor

ATTEST:

/s/ _____
Angela G. Stadler, CMC/NCCMC
City Clerk

Mayor Donecker concluded this discussion by saying he was looking forward to seeing these houses built.

REPORTS:

UPDATE ON WATER TREATMENT PLANT ISSUES DURING THE RECENT ICE STORM EVENT.

In making this staff report, Interim City Manager Phillips said he thought Water Plant Superintendent Scott Jewell had done a good job earlier in the meeting discussing this issue. He said there was a high chance there would be no problems with the water, but due to the lack of water pressure, the City chose to issue a water boil advisory. He added that there is a technical difference between the City issuing such an advisory and a notice being required by the State. Some parts of the City did lose water pressure, which can create back siphonage and could lead to bacteria entering the system. He said staff moved to testing immediately, all of which came back clean. He said the boil water advisory was removed about 24 hours later. If staff had been able to correct the problem about an hour earlier, we wouldn't have had to do the advisory at all, Phillips commented.

Phillips explained in more detail what happened during the ice storm as part of his memo, which follows:

WATER TREATMENT PLANT ICE STORM ISSUES

To: Honorable Mayor Doctor Jay Donecker and the Reidsville City Council

From: Chris Phillips, Interim City Manager

Date: March 1, 2021

The City of Reidsville experienced a winter storm with extensive ice buildup on Saturday, February 13, and Sunday, February 14. As a result, there were over 175 trees that came down in City streets, resulting in widespread power outages. The weather conditions also had a negative effect at the City's Water Plant. As discussed below, City employees acted timely and accordingly to limit the service interruption, but a water boil advisory was issued in an abundance of caution.

Water Plant Operations and Redundancy

The City of Reidsville has one Water Plant to treat finished water for use by residents, business customers and two outside customers (Greensboro and Rockingham County). The treatment of raw water drawn from Lake Reidsville is performed at the plant with finished water stored in a clear well. This water is pumped to Reidsville through water mains. Reidsville has three water tanks that store water within the distribution system. Water lines branch off of the main lines to distribute water to customers. The pumps, mains and tanks work together to keep water pressure constant for customer use.

There are two pumps available to send the water from the plant into the Reidsville distribution system. The Water Plant does have a generator for potential power outages. Generator power is used to maintain the ability to treat water. The pumps are not connected to the generator for a secondary power source. Pump #1 has a diesel engine connected to it to use when electricity is not available. Pump #2 does not have a redundant power source.

Water sent through distribution lines down the US 158 line for Rockingham County is generated from the same pumps as the Reidsville lines. Water sent to Greensboro is connected to an entirely different pump altogether. The pump to Greensboro does not have a backup power source.

Ice Storm

During the recent ice storm, the plant did have power issues, which eventually resulted in the loss of electric power to the plant. The diesel engine was engaged to run Pump #1 and to maintain water in the Reidsville distribution system. When the water tanks recorded acceptable levels, the engine, and therefore the pump, was turned off. The night operator went through the process to turn the diesel engine back on to engage the pump to push water into the system based on the water tank level. It was at this time that starting the engine proved troublesome. The operator could not get the engine to maintain operation and called the on-call plant maintenance employee. Upon arrival, the on-call employee could not start the engine either and called other maintenance and his supervisor for support. The Plant Superintendent and Lead Operator were also contacted in the process, along with the Public Works Director.

The issue was determined to be electrical. Attempts to bring in an electrician were unsuccessful at first. Other options were weighed to provide additional water to the system to maintain pressure as the tanks continued to drain. The Interim City Manager was made aware of the situation, and plans were made to prepare a CodeRED to alert customers. Large industrial users were contacted in an attempt to identify any large consumption that would expedite the draining of the tanks. Mayor Donecker was made aware that issues existed.

Employees on the ground were able to bypass the electrical starter and got the diesel engine running. The pump engaged and water began to flow to the Reidsville system. Unfortunately, water pressure had dropped in some areas of the City. A first CodeRED message was sent warning of pressure issues and the need to conserve water use if possible. The system and the tanks were trying to refill to restore water pressure. Calls began coming in from some customers of lost water service. While this issue was short-lived, the loss of pressure could have created water quality issues. Back siphonage can bring bacteria into users' homes once the water begins to flow again. The City was in touch with the NC Department of Environmental Quality about the issue. The State did not require a water boil notice; but, the Plant Superintendent and

the Public Works Director decided to issue a water boil advisory out of an abundance of caution.

Water samples were taken throughout the system and were concentrated in areas to have known pressure loss. The boil advisory was for the entire system, including Rockingham County customers on the US 158 line. The Rockingham County Health Department was notified and a second CodeRED message containing the boil advisory was sent. Only customers that experienced pressure drops and/or service interruptions should have been at risk.

The test results from the samples taken need 24 hours in order to produce cultures and test results. When the results were final, there was no contamination found. A third CodeRED message was sent lifting the boil advisory.

Post Storm

Since the ice storm issues at the plant, there has been time to make some repairs. An electrician was able to inspect Pump #1 and the diesel engine. He traced the problem to shorted wires and a terminal in a junction box on top of the engine where the temperature sensor hooks up. Electrical surges related to the storm could have affected the wire or previous lightning damage could have as well; years of vibration could have also led to the failure. The wires are housed within conduit in the junction box and could not be seen. Repairs have been made, and this specific issue should not present itself again in future use of the engine.

It appears that the Water Treatment Plant was not listed as a priority location by Duke Energy. There is no logical explanation for this oversight. Once Duke officials were made aware of the plant's situation, the on-ground supervisor had a team onsite and power was restored quickly. Duke Energy has assured us that the plant is now listed as a priority location.

Pump #1 and the diesel engine backup are both from the mid-1970s. They are examined and maintained regularly. They have been examined by an outside vendor for a needs assessment. Rebuilding the pump seems to be the most logical and affordable option. The City actually has a spare pump that has been rebuilt that can be installed for Pump #2 so that Pump #2 can be refurbished, and the plant can keep two active pumps.

One option that was explored in an effort to keep the system flowing without the pumps working was to transfer to water from Greensboro. Reidsville has supplied water from Greensboro one time since the connection has existed. While improvements were made at the Water Plant, Greensboro provided water for two weeks. If water could have been pulled through from Greensboro, there may have been enough pressure to avoid these issues. Unfortunately, it was discovered that the new valve that has been installed for Greensboro is completely electric and has no redundant power source. What was formally a manual process now requires electricity.

City staff members agree that having an electrician on staff would be a huge enhancement in situations such as these. Maintenance positions in the past have included a preference for electrical experience. There is currently an open position in the division and again electrical experience is a focus of the recruitment. An effort will be made to hire an electrician. In lieu of having an electrician on staff, the City should establish a relationship with an electrician so that there is priority service. An annual retainer could be a method to creating this kind of agreement.

A modest electrical system study for the plant would cost about \$10,000. This type of study should provide more insight and options to consider for improving redundancy. Staff intends to complete this study as part of the current budget process and to provide information for future improvement options. (END OF MEMO)

Councilman Festerman said all have agreed that our City did a phenomenal job during the ice storm. He noted that two young citizens, Drew Barefoot and Penn McMichael, used a chainsaw to help clear the streets. He gave accolades to all involved, especially those who minimized what could have been a disaster, the Councilman said.

Mayor Donecker said Public Works Director Chuck Smith, through Interim City Manager Phillips, kept him apprised of what was going on at the WTP, and he appreciated all of the effort involved. He said the decision to do the boil water advisory was not taken lightly. He said hopefully we can learn what we can do better going forward.

PUBLIC COMMENTS.

No one came forward for public comments.

CITY MANAGER'S REPORT.

Interim City Manager Chris Phillips reviewed his City Manager's Report, which follows:

MEMORANDUM

TO: The Honorable Mayor Donecker and Members of Reidsville City Council
FROM: Chris Phillips, Interim City Manager
SUBJ: City Manager's Monthly Report
DATE: March 9, 2021

1. Chamber Report
 - a. Behind the Miscellaneous tab is the Reidsville Chamber of Commerce's Annual Report for 2020. Diane Sawyer will be reviewing the report as part of the Council Members' Reports during Mayor Donecker's time.
2. Housekeeping Item

- a. Please see behind this report a memo from the City Clerk regarding a Resolution related to our CDBG-NR project that needs Council approval.

3. New Businesses Downtown

- a. I just wanted to point out that the downtown landscape has seen a lot of changes, even during the pandemic. Some of our newest additions include: Sacred Art Tattoos at 238 S. Scales, Coates Collectibles at 239 S. Scales, Thrift Shack at 111 S. Scales, Terowa Fashions, 137 S. Scales St., Finders Keepers Thrift Shop at 220 S. Scales, Blue Diamonds Dance & Cheer at 222 S. Scales, and the relocation of Blessings by the Bushel under new ownership at 136 S. Scales and Mish Mosh to 119-121 S. Scales St. A Chamber ribbon cutting is planned Friday, March 12, at 12 noon for The Reidsville Trading Post, which will be opening soon at 105 S. Scales St. Let's welcome all of these new businesses to our downtown area. (END OF MEMO)

In discussing Item #2, Phillips explained that the Resolution had not been included in the package when Council approved the other documents so he was asking that the Resolution for signatories be approved with a retroactive date back to April of 2020.

Councilman Gorham made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 7-0 vote, to approve the Resolution. (A COPY OF THE RESOLUTION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Phillips also discussed new businesses downtown, adding that there had been three grand openings on Saturday. He said he was able to bring his family downtown on a beautiful sunny afternoon, and there were a ton of people in Reidsville. He said he thought Saturday might have been as close as he's ever seen to the busy downtown of the 1950s, etc. He added an additional business that the list missed, a uniform business that opened up at the end of the year and is located on Market Street beside Crave Nutrition.

Councilman Gorham asked that he be allowed to take a picture of Item #3 and put on his social media about the new businesses in town.

ANNOUNCEMENT OF BOARDS & COMMISSIONS APPOINTMENTS.

City Clerk Angela Stadler announced the results of the boards and commission appointments, which were given to her by Council members prior to the meeting, which follow:

Reidsville ABC Board: Kelly Almond, 2111 Belmont Drive and Catherine Wilson, 615 Maple Avenue.

Reidsville Appearance Commission: Katie Smith, 1331 McGehee Street.

Reidsville Human Relations Commission: Katie Smith, 1331 McGehee Street, and Lori Thorn, 308 Marks Street (outside-City position)

Reidsville Parks & Recreation Advisory Commission: Dylan Moore, 306 Thompsonville Street.

Reidsville Planning Board/Board of Adjustment: Dylan Moore, 306 Thompsonville Street.

(A COPY OF THE BALLOTS ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

CITY COUNCIL MEMBERS REPORTS.

Mayor Pro Tem Brown – Mayor Pro Tem Brown said on March 8th he had participated in the teleconference call regarding the Lillian McLaurin Neighborhood Association meeting. He stressed members discussed emergency situations and that there is a lot of need in the community. He said he had also been encouraging participation in the COVID-19 vaccinations at Zion Baptist Church. He said they are giving out over 550 shots per week.

Councilman Gorham – Councilman Gorham said he had traveled the streets of Reidsville's A and B districts to evaluate damages on February 13 as a result of the ice storm; had participated in the teleconference for the Planning Board on February 17; had planned to be on the City Council Special Zoom meeting scheduled for February 18, but it had to be continued on February 20; and virtually attended the Special Meeting/Closed Session of City Council on March 5.

Councilman Hairston – Councilman William stated he had been a part of two engagements this month: the NAACP virtual meeting and the Human Relations Commission teleconference.

Councilman Festerman – Councilman Festerman said he only had a few things he would like to say. He expressed his respect for individuals like Tom Holderby, who grew up in Reidsville and then decided to continue to invest here. He continued by saying he is ready to start holding in-person meetings and that he missed the energy of those meetings. He asked Interim City Manager Phillips to consider it. Lastly, he said he has been pleasantly surprised, and that Phillips has exceeded his expectations as Interim City Manager. He stated he is grateful that Phillips accepted the offer.

Councilmember Scoble – Councilmember Scoble said she had participated in the Women in Municipal Government meeting via Zoom and commented that the COVID numbers are getting better in the County and how happy she is that vaccinations are being made available at locations like Zion Baptist and at RCC. She said these positive things are lifting the spirits of the residents in Reidsville.

Councilwoman Walker – Councilwoman Walker said she had attended the February 25th Appearance Commission meeting via teleconference. She mentioned that due to COVID-19, the Planned "Shred Event" had been postponed until May, depending on the numbers associated with the virus and until tax season is over. Councilwoman Walker thanked Councilman Festerman for his support of NC State during a recent NCAA Tournament basketball game.

Mayor Donecker – Mayor Donecker said he had three items he would like to mention and then would turn the time over to Chamber President Diane Sawyer for her report. The Mayor said he had attended the recent Reidsville Area Foundation-sponsored “Understanding Racial Equity: A Groundwater Approach Virtual Session/Seminar”. He said it is worth the time and effort to watch and suggested members of Council do so. Secondly, he referenced the vaccination rate for Rockingham County and said it is going in the right direction. Thirdly, he addressed the comment made by Councilman Festerman regarding members of Council all being present for the monthly Council meetings. He said once all members have had their second shot and have waited two weeks then it could be considered, adding that masks should still be worn.

Chamber President Diane Sawyer shared her concerns and expressed her gratitude to those in the community who have been on the front line during the pandemic and those medical professionals who are now administering the vaccines. She said she agreed with Councilman Festerman about how nice it will be to meet in person and resume events like ribbon cuttings. Sawyer gave the dates and times for the upcoming ribbon cuttings. She shared her excitement regarding the recent recording of the Chamber Annual Awards Event. She mentioned that Marco’s Pizza is the current Chamber Member of the Month.

Sawyer then reviewed statistics and information from the 2020 Annual Chamber Report.

MOTION TO ADJOURN.

With no other business, Councilman Gorham made the motion, seconded by Councilman Festerman and unanimously approved by Council in a 7-0 vote, to adjourn.

ATTEST:

John M. “Jay” Donecker, Mayor

Angela G. Stadler, CMC/NCCMC, City Clerk

**MINUTES OF THE OPEN SESSION
OF THE REIDSVILLE CITY COUNCIL SPECIAL MEETING
HELD WEDNESDAY, MARCH 17, 2021 @ 5:00 P.M.
FIRST-FLOOR CONFERENCE ROOM, CITY HALL**

CITY COUNCIL MEMBERS PRESENT: Mayor John M. “Jay” Donecker
Mayor Pro Tem Harry L. Brown
Councilman Donald L. Gorham
Councilman William Hairston
Councilmember Terresia Scoble
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: Councilman James K. Festerman

CITY STAFF PRESENT: Angela G. Stadler, CMC, City Clerk

Mayor Pro Tem Brown opened the meeting since the Mayor had indicated he would be late due to a previous work appointment.

MOTION TO GO INTO CLOSED SESSION.

Councilman Gorham made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 5-0 vote, to go into closed session pursuant to G.S. 143-318.11(a)(6) for a personnel matter. (At this point, the City Clerk left the room, and Mayor Donecker, who had entered during the closed session, provided the minutes for the rest of the meeting.)

RETURN TO OPEN SESSION.

Upon return to open session, Council members agreed to hold a special meeting on Tuesday, March 23, 2021 at 5 p.m., which would go immediately into closed session for personnel.

MOTION TO ADJOURN.

Councilmember Scoble then made the motion to adjourn, seconded by Councilwoman Walker and unanimously approved by Council in a 6-0 vote.

John M. “Jay” Donecker, Mayor

ATTEST:

Angela G. Stadler, CMC/NCCMC, City Clerk

**MINUTES OF THE OPEN SESSION
OF THE REIDSVILLE CITY COUNCIL SPECIAL MEETING
HELD SATURDAY, MARCH 20, 2021 @ 4:00 P.M.
FIRST-FLOOR CONFERENCE ROOM, CITY HALL**

CITY COUNCIL MEMBERS PRESENT: Mayor John M. “Jay” Donecker
Mayor Pro Tem Harry L. Brown
Councilman James K. Festerman
Councilman Donald L. Gorham
Councilman William Hairston
Councilmember Terresia Scoble
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: NONE

CITY STAFF PRESENT: NONE

Mayor Donecker called the meeting to order.

MOTION TO GO INTO CLOSED SESSION.

Mayor Pro Tem Brown made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to go into closed session pursuant to G.S. 143-318.11(a)(6) for a personnel matter.

MOTION TO ADJOURN.

Upon return to open session, Councilmember Scoble then made the motion to adjourn, seconded by Councilman Hairston and unanimously approved by Council in a 7-0 vote.

John M. “Jay” Donecker, Mayor

ATTEST:

Angela G. Stadler, CMC/NCCMC, City Clerk

**MINUTES OF THE OPEN SESSION
OF THE REIDSVILLE CITY COUNCIL SPECIAL MEETING
HELD TUESDAY, MARCH 23, 2021 @ 5:00 P.M.
FIRST-FLOOR CONFERENCE ROOM, CITY HALL**

CITY COUNCIL MEMBERS PRESENT: Mayor John M. “Jay” Donecker
Mayor Pro Tem Harry L. Brown
Councilman James K. Festerman
Councilman Donald L. Gorham
Councilman William Hairston
Councilmember Terresia Scoble (*attended via phone*)
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: NONE

CITY STAFF PRESENT: NONE

Mayor Donecker called the meeting to order. It was noted that Councilmember Scoble was attending via phone due to illness.

MOTION TO GO INTO CLOSED SESSION.

Councilman Festerman made the motion, seconded Councilman Gorham and unanimously approved by Council in a 7-0 vote, to go into closed session pursuant to G.S. 143-318.11(a)(6) for a personnel matter.

MOTION TO ADJOURN.

Upon return to open session, Mayor Pro Tem Brown made the motion to adjourn, seconded by Councilman Gorham and unanimously approved by Council in a 6-0 vote. (*Councilmember Scoble had dropped off the call at this point.*)

(*Mayor Donecker provided the minutes of this meeting.*)

John M. “Jay” Donecker, Mayor

ATTEST:

Angela G. Stadler, CMC/NCCMC, City Clerk



THE CITY OF Reidsville NORTH CAROLINA

MEMORANDUM – 2020-2021 AUDIT CONTRACT

To: Mayor Jay Donecker and the Reidsville City Council

From: Chris Phillips, Interim City Manager 

Date: April 6, 2021

Attached to this memo is the annual audit contract and engagement letter. This is the City's fifth year with Cherry Bekeart, LLP. There are no local firms qualified to complete the City's annual audit that has capacity to do such. Cherry Bekeart, LLP is a leading firm in NC governmental audits.

It will be included in the April Consent Agenda so that the Mayor can be authorized to execute the contract.

Thank you for your attention to this matter. Please let me know if you need any further information.

March 11, 2021

Mr. Chris Phillips
Asst. City Manager of Administration/Finance Director
City of Reidsville
230 West Morehead Street
Reidsville, North Carolina 27320

Dear Mr. Phillips:

This engagement letter between City of Reidsville, North Carolina (hereafter referred to as the "City" or "you" or "your" or "management") and Cherry Bekaert LLP (the "Firm" or "Cherry Bekaert" or "we" or "us" or "our") sets forth the nature and scope of the services we will provide, the City's required involvement and assistance in support of our services, the related fee arrangements, and other Terms and Conditions, which are attached hereto and incorporated by reference, designed to facilitate the performance of our professional services and to achieve the mutually agreed-upon objectives of the City.

Summary of services

We will provide the following services to the City as of and for the year ended June 30, 2021:

1. We will audit the basic financial statements of the City as of and for the year ended June 30, 2021 including the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. We will not audit the financial statements of City of Reidsville ABC Board.
2. We will audit the supplementary information such as the combining and individual fund statements and schedules and schedule of expenditures of federal and State awards. As part of our engagement, we will apply certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.
3. The supplementary information, such as the introductory and statistical sections accompanying the financial statements, will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that information.
4. We will apply limited procedures to the required supplementary information, such as management's discussion and analysis, the Law Enforcement Officers' Special Separation Allowance, and the Other Post-Employment Benefits, which will consist of inquiries of City's management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the financial statements.

Nonattest accounting and other services

We will provide the following additional services:

1. Complete the appropriate sections of and sign the Data Collection Form.
2. Complete the appropriate sections of the Data Input Form required by the Local Government Commission ("LGC").

Your expectations

As part of our planning process, we have discussed with you your expectations of Cherry Bekaert, changes that occurred during the year, your views on risks facing you, any relationship issues with Cherry Bekaert, and specific engagement arrangements and timing. Our services plan, which includes our audit plan, is designed to provide a foundation for an effective, efficient, and quality-focused approach to accomplish the engagement objectives and meet or exceed the City's expectations. Our services plan will be reviewed with you periodically and will serve as a benchmark against which you will be able to measure our performance. Any additional services that you may request, and that we agree to provide, will be the subject of separate written arrangements.

The City recognizes that our professional standards require that we be independent from the City in our audit of the City's financial statements and our accompanying report in order to ensure that our objectivity and professional skepticism have not been compromised. As a result, we cannot enter into a fiduciary relationship with the City and the City should not expect that we will act only with due regard to the City's interest in the performance of this audit, and the City should not impose on us special confidence that we will conduct this audit with only the City's interest in mind. Because of our obligation to be independent of the City, no fiduciary relationship will be created by this engagement or audit of the City's financial statements.

The engagement will be led by Daniel T. Gougherty, who will be responsible for assuring the overall quality, value, and timeliness of the services provided to you.

Audit and attestation services

The objective of our audit is the expression of opinions as to whether the City's basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the Summary of Services section when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and State Single Audit Implementation Act.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance and the State Single Audit Implementation Act report

on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the State Single Audit Implementation Act. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Uniform Guidance; the Single Audit Act Amendments of 1996; State Single Audit Implementation Act and OMB *Guidance for Grants and Agreements* (2 CFR 200) and State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance and the State Single Audit Implementation Act, and other procedures as deemed necessary to enable us to express such opinions. We will also issue written reports upon completion of our Single Audit. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Nonattest accounting and other services

In connection with any of the audit, accounting, or other services noted below, we will provide a copy of all schedules or other support for you to maintain as part of your books and records supporting your basic financial statements. You agree to take responsibility for all documents provided by Cherry Bekaert and will retain copies based on your needs and document retention policies. By providing these documents to you, you confirm that Cherry Bekaert is not responsible for hosting your records or maintaining custody of your records or data and that Cherry Bekaert is not providing business continuity or disaster recovery services. You confirm you are responsible for maintaining internal controls over your books and records including business continuity and disaster recovery alternatives. In addition, any documents provided to Cherry Bekaert by the City in connection with these services will be considered to be copies and will not be retained by Cherry Bekaert after completion of the accounting and other services. You are expected to retain anything you upload to a Cherry Bekaert portal and are responsible for downloading and retaining anything we upload in a timely manner. Portals are only meant as a method of transferring data, are not intended for the storage of client information, and may be deleted at any time. You are expected to maintain control over your accounting systems to include the licensing of applications and the hosting of said applications and data. We do not provide electronic security or back-up services for any of your data or records. Giving us access to your accounting system does not make us hosts of information contained within.

The accounting and other services described in this section are nonaudit services, which do not constitute audit services under *Government Auditing Standards*, and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming City's management responsibilities.

In conjunction with providing these accounting and other services, we may use third party software or templates created by Cherry Bekaert for use on third party software. Management expressly agrees that the City has obtained no rights to use such software or templates and that Cherry Bekaert's use of the City's data in those applications is not deemed to be hosting, maintaining custody, providing business continuity, or disaster recovery services.

Accounting services

We will advise City's management about the application of appropriate accounting principles, and may propose adjusting journal entries to the City's financial statements. The City's management is responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the City's financial statements. If, while reviewing the journal entries, the City's management determines that a journal entry is inappropriate, it will be the City's management's responsibility to contact us to correct it.

Data collection form

We will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the City; however, it is the City's management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the designated federal audit clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

Data Input Form

We will complete the appropriate sections of the Data Input Form that is required by the North Carolina LGC. We will provide copies of our report to the City for review prior to submission of the reporting package. Management is responsible for ensuring that the information in the Data Input Form is correct and contains the necessary information required by the LGC.

City's management responsibilities related to accounting and other services

For all nonattest services we perform in connection with the engagement, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, retain relevant copies supporting your books and records, and accept overall responsibility for the results of the services.

Prior to the release of the report, the City's management will need to sign a representation letter acknowledging its responsibility for the results of these services, and acknowledging receipt of all appropriate copies.

City's management responsibilities related to the audit

The City's management is responsible for (1) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that

government programs are administered in compliance with compliance requirements; and (4) ensuring that the City's management and financial information is reliable and properly reported. The City's management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationship in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

The City's management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and the State Single Audit Implementation Act, (3) additional information that we may request for the purpose of the audit and (4) unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the City involving (1) the City's management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, grantors, regulators, or other. In addition, you are responsible for identifying and ensuring that the City complies with applicable laws, regulations contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that we report. Additionally, as required by the Uniform Guidance and the State Single Audit Implementation Act, it is the City's management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

The City's management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and State awards (including notes and noncash assistance received) in conformity with the Uniform Guidance and the State Single Audit Implementation Act. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have reported

on the schedule of expenditures of federal and State awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and State awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal and State awards no later than the date the schedule of expenditures of federal and State awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance and the State Single Audit Implementation Act, (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance and the State Single Audit Implementation Act, (3) the methods of measurement or presentation have not changed from those used in the prior period or, if they have changed, the reasons for such changes, and (4) the City has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

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

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

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

Management representations

The Firm will rely on the City's management providing the above noted representations to us, both in the planning and performance of the audit, and in considering the fees that we will charge to perform the audit.

Fees

The estimated fees contemplate only the services described in the Summary of Services section of this letter. If the City's management requests additional services not listed above, we will provide an estimate of those fees prior to commencing additional work.

The following summarizes the estimated fees for the services described above:

Description of services	Estimated fee
Audit services	
Audit of the financial statements	\$ 34,150
Nonattest services	
Data Input Form preparation	600
Data Collection Form preparation	450
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Total	<u>\$ 35,200</u>

A single audit fee of \$3,000 per program will be assessed, if determined necessary. The City will only incur costs per program if determined to be major and compliance work is performed.

The fees will be billed periodically. Invoices are due on presentation. A service charge will be added to past due accounts equal to 1½% per month (18% annually) on the previous month's balance less payments received during the month, with a minimum charge of \$2.00 per month.

City of Reidsville

March 11, 2021

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If the foregoing is in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us. No change, modification, addition, or amendment to this letter shall be valid unless in writing and signed by all parties. The parties agree that this letter may be electronically signed and that the electronic signatures will be deemed to have the same force and effect as handwritten signatures.

If you have any questions, please call Daniel T. Gougherty at (704) 377-1678.

Sincerely,

CHERRY BEKAERT LLP

Cherry Bekaert LLP

ATTACHMENT – Engagement Letter Terms and Conditions

CITY OF REIDSVILLE, NORTH CAROLINA

ACCEPTED BY: _____

TITLE: _____ DATE: _____

Cherry Bekaert LLP

Engagement Letter Terms and Conditions

The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.

Limitations of the audit report

Should the City wish to include or incorporate by reference these financial statements and our report thereon into *any* other document at some future date, we will consider granting permission to include our report into another such document at the time of the request. However, we may be required by generally accepted auditing standards ("GAAS") to perform certain procedures before we can give our permission to include our report in another document such as an annual report, private placement, regulator filing, official statement, offering of debt securities, etc. You agree that the City will not include or incorporate by reference these financial statements and our report thereon, or our report into any other document without our prior written permission. In addition, to avoid unnecessary delay or misunderstandings, it is important to provide us with timely notice of your intention to issue any such document.

Any additional services that you may request, and that we agree to provide, will be the subject of separate written arrangements.

Limitations of the audit process

In conducting the audit, we will perform tests of the accounting records and such other procedures as we consider necessary in the circumstances to provide a reasonable basis for our opinion on the financial statements. We also will assess the accounting principles used and significant estimates made by the City's management, as well as evaluate the overall financial statement presentation.

Our audit will include procedures designed to obtain reasonable assurance of detecting misstatements due to errors or fraud that are material to the financial statements. Absolute assurance is not attainable because of the nature of audit evidence and the characteristics of fraud. For example, audits performed in accordance with GAAS are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that material misstatements due to errors or fraud, if they exist, may not be detected. Also, an audit is not designed to detect matters that are immaterial to the financial statements. In addition, an audit conducted in accordance with GAAS does not include procedures specifically designed to detect illegal acts having an indirect effect (e.g., violations of fraud and abuse statutes that result in fines or penalties being imposed on the City) on the financial statements.

Similarly, in performing our audit we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our audit provides no assurance that illegal acts generally will be detected, and only reasonable assurance that illegal acts having a direct and material effect on the determination of financial statement amounts will be detected. We will inform you with respect to errors and fraud, or illegal acts that come to our attention during the course of our audit unless clearly inconsequential. In the event that we have to consult with the City's counsel or counsel of our choosing regarding any illegal acts we identify, additional fees incurred may be billed to the City. You agree that the City will cooperate fully with any procedures we deem necessary to perform with respect to these matters.

We will issue a written report upon completion of our audit of the City's financial statements. If, for any reason, we are unable to complete the audit, or are unable to form, or have not formed an opinion on the financial statements, we may decline to express an opinion or decline to issue a report as a result of the engagement. We will notify the appropriate party within your organization of our decision and discuss the reasons supporting our position.

Audit procedures – general

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve professional judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the City's management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by the City's management or employees acting on behalf of the City. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits, nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

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

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

Audit procedures – internal controls

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

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

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to the City's management and those charged with governance internal control related matters that are required to be communicated under American Institute of Certified Public Accountants ("AICPA") professional standards, *Government Auditing Standards*, and the Uniform Guidance and the State Single Audit Implementation Act.

Audit procedures - compliance

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

The Uniform Guidance and the State Single Audit Implementation Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Single Audit Implementation Act.

Nonattest services (if applicable)

All nonattest services to be provided in the attached engagement letter (if applicable) shall be provided pursuant to the AICPA Code of Professional Conduct. The AICPA Code of Professional Conduct requires that we establish objectives of the engagement and the services to be performed, which are described under nonattest services in the attached letter.

You agree that the City's designated individual will assume all the City's management responsibilities for the nonattest services we provide; oversee the services by designating an individual, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. In order to ensure we provide such services in compliance with all professional standards, the designated individual is responsible for:

- Making all financial records and related information available to us
- Ensuring that all material information is disclosed to us
- Granting unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence
- Identifying and ensuring that such nonattest complies with the laws and regulations

The accuracy and appropriateness of such nonattest services shall be limited by the accuracy and sufficiency of the information provided by the City's designated individual. In the course of providing such nonattest services, we may provide professional advice and guidance based on knowledge of accounting, tax and other compliance, and of the facts and circumstances as provided by the City's designated individual. Such advice and guidance shall be limited as permitted under the AICPA Code of Professional Conduct.

Communications

At the conclusion of the audit engagement, we may provide the City's management and those charged with governance a letter stating any significant deficiencies or material weaknesses which may have been identified by us during the audit and our recommendations designed to help the City make improvements in its internal control structure and operations related to the identified matters discovered in the financial statement audit. As part of this engagement, we will ensure that certain additional matters are communicated to the appropriate members of the City. Such matters include (1) our responsibilities under GAAS, (2) the initial selection of and changes in significant accounting policies and their application, (3) our independence with respect to the City, (4) the process used by City's management in formulating particularly sensitive accounting estimates and the basis for our conclusion regarding the reasonableness of those estimates, (5) audit adjustments, if any, that could, in our judgment, either individually or in the aggregate be significant to the financial statements or our report, (6) any disagreements with the City's management concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements, (7) our views about matters that were the subject of the City's management's consultation with other accountants about auditing and accounting matters, (8) major issues that were discussed with the City's management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards, and (9) serious difficulties that we encountered in dealing with the City's management related to the performance of the audit.

We have attached a copy of the report on our most recent peer review.

Other matters

Access to working papers

The working papers and related documentation for the engagement are the property of the Firm and constitute confidential information. We have a responsibility to retain the documentation for a period of time to satisfy legal or regulatory requirements for records retention. It is our policy to retain all workpapers and client information for seven years from the date of issuance of the report. It is our policy to retain emails and attachments to emails for a period of 12 months, except as required by any governmental regulation. Except as discussed below, any requests for access to our working papers will be discussed with you prior to making them available to requesting parties. Any parties seeking voluntary access to our working papers must agree to sign our standard access letter.

We may be requested to make certain documentation available to regulators, governmental agencies (e.g., SEC, PCAOB, HUD, DOL, etc.), or their representatives ("Regulators") pursuant to law or regulations. If requested, access to the documentation will be provided to the Regulators. The Regulators may intend to distribute to others, including other governmental agencies, our working papers and related documentation without our knowledge or express permission. You hereby acknowledge and authorize us to allow Regulators access to and copies of documentation as requested. In addition, our Firm, as well as all other major accounting firms, participates in a "peer review" program covering our audit and accounting practices as required by the AICPA. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for the City may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If you object to having the work we do for you reviewed by our peer reviewer, please notify us in writing.

Electronic transmittals

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not always a secure means of communication and thus, confidentiality may be compromised. As an alternative, we recommend using our Client Portal ("Portal") to transmit documents. Portal allows the City, us, and other involved entities to upload and download documents in a secure location. You agree to the use of email, Portal, and other electronic methods to transmit and receive information, including confidential information, between the Firm, the City, and other third party providers utilized by either party in connection with the engagement.

Use of third party providers

In the normal course of business, we may on occasion use the services of an independent contractor or a temporary or loaned employee, all of whom may be considered a third party service provider. On these occasions, we remain responsible for the adequate oversight of all services performed by the third party service provider and for ensuring that all services are performed with professional competence and due professional care. We will adequately plan and supervise the services provided by the third party service provider; obtain sufficient relevant data to support the work product; and review compliance with technical standards

applicable to the professional services rendered. We will enter into a contractual agreement with the third party service provider to maintain the confidentiality of information and be reasonably assured that the third party service provider has appropriate procedures in place to prevent the unauthorized release of confidential information to others.

Subpoenas

In the event we are requested or authorized by the City, or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the City, the City will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request at standard billing rates.

Dispute resolution provision

This Dispute Resolution Provision sets forth the dispute resolution process and procedures applicable to any dispute or claim arising out of or relating to this engagement letter or the services provided hereunder, or any other audit or attest services provided by or on behalf of the Firm or any of its subcontractors or agents to the City or at its request ("Disputes"), and shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

Mediation

All Disputes shall be first submitted to nonbinding confidential mediation by written notice to the parties, and shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR"), at the written request of a party, shall designate a mediator.

Arbitration procedures

If a Dispute has not been resolved within 90 days after the effective date of the written notice beginning the mediation process (or such longer period, if the parties so agree in writing), the mediation shall terminate and the Dispute shall be settled by binding arbitration to be held at a mutually agreeable location. The arbitration shall be conducted in accordance with the CPR Rules for Non-Administered Arbitration that are in effect at the time of the commencement of the arbitration, except to the extent modified by this Dispute Resolution Provision (the "Rules"). The arbitration shall be conducted before a panel of three arbitrators. Each of the City and the Firm shall designate one arbitrator in accordance with the "screened" appointment procedure provided in the Rules, and the two party-designated arbitrators shall jointly select the third in accordance with the Rules. No arbitrator may serve on the panel unless he or she has agreed in writing to enforce the terms of the engagement letter and to abide by the terms of the Rules. Except with respect to the interpretation and enforcement of these arbitration procedures (which shall be governed by the Federal Arbitration Act), the arbitrators shall apply the laws of the Commonwealth of Virginia (without giving effect to its choice of law principles) in connection with the Dispute. The arbitrators may render a summary disposition relative to all or some of the issues, provided that the responding party has had an adequate opportunity to respond to any such application for such disposition. Any discovery shall be conducted in accordance with the Rules. The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

Costs

Each party shall bear its own costs in both the mediation and the arbitration; however, the parties shall share the fees and expenses of both the mediators and the arbitrators equally.

Waiver of trial by jury

In the event the parties are unable to successfully arbitrate any dispute, controversy, or claim, the parties agree to WAIVE TRIAL BY JURY and agree that the court will hear any matter without a jury.

Independent contractor

Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency, or fiduciary relationship.

No third party beneficiaries

The parties do not intend to benefit any third party by entering into this agreement, and nothing contained in this agreement confers any right or benefit upon any person or entity who or which is not a signatory of this agreement.

Statute of limitations

The City agrees not to bring any claims against any partner or employee of the Firm in any form for any reason. The City and the Firm agree that any suit arising out of or related to the services contemplated by this engagement letter must be filed within two years after the cause of action arises. The cause of action arises upon the earlier of (i) delivery of the final work product for which the firm has been engaged, (ii) where applicable, filing of the final work product for which the firm has been engaged, or (iii) the date which the services contemplated under this engagement letter are terminated by either party.

Terms and conditions supporting fees

The estimated fees set forth in the attached engagement letter are based on anticipated full cooperation from the City's personnel, timely delivery of requested audit schedules and supporting information, timely communication of all significant accounting and financial reporting matters, the assumption that unexpected circumstances will not be encountered during the audit, as well as working space and clerical assistance as mutually agreed-upon and as is normal and reasonable in the circumstances. We strive to ensure that we have the right professionals scheduled on each engagement. As a result, sudden City requested scheduling changes or scheduling changes necessitated by the agreed information not being ready on the agreed-upon dates can result in expensive downtime for our professionals. Any last minute schedule changes that result in downtime for our professionals could result in additional fees. Our estimated fees do not include assistance in bookkeeping or other accounting services not previously described. If, for any reason, the City is unable to provide such schedules, information, and assistance, the Firm and the City will mutually revise the fee to reflect additional services, if any, required of us to achieve these objectives.

The estimated fees contemplate that the City will provide adequate documentation of its systems and controls related to significant transaction cycles and audit areas.

In providing our services, we will consult with the City with respect to matters of accounting, financial reporting, or other significant business issues as permitted by professional standards. Accordingly, time necessary to affect a reasonable amount of such consultation is reflected in our fees. However, should a matter require research, consultation, or audit work beyond that amount, the Firm and the City will agree to an appropriate revision in our fee.

The estimated fees are based on auditing and accounting standards effective as of the date of this engagement letter and known to apply to the City at this time, but do not include any time related to the application of new auditing or accounting standards that impact the City for the first time. If new auditing or accounting standards are issued subsequent to the date of this letter and are effective for the period under audit, we will estimate the impact of any such standard on the nature, timing, and extent of our planned audit procedures and will communicate with the City concerning the scope of the additional procedures and the estimated fees.

The City agrees to pay all costs of collection (including reasonable attorneys' fees) that the Firm may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under this engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the City will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.

This engagement letter sets forth the entire understanding between the City and the Firm regarding the services described herein and supersedes any previous proposals, correspondence, and understandings whether written or oral. Any subsequent changes to the terms of this letter, other than additional billings, will be rendered in writing and shall be executed by both parties. Should any portion of this engagement letter be ruled invalid, it is agreed that such invalidity will not affect any of the remaining portions.

Report on the Firm's System of Quality Control

October 22, 2019

To the Partners of Cherry Bekaert LLP and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Cherry Bekaert LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, an audit of broker-dealers, and an examination of service organizations [SOC 1 engagement].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Cherry Bekaert LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Cherry Bekaert LLP has received a peer review rating of pass.

EisnerAmper LLP
EisnerAmper LLP

The	Governing Board City Council
of	Primary Government Unit (or charter holder) City of Reidsville
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name Cherry Bekaert LLP
	Auditor Address 3800 Glenwood Avenue Suite 200, Raleigh, North Carolina 27612

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/21	Audit Report Due Date 10/31/21
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Must be within four months of FYE

hereby agree as follows:

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

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

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

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

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

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

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

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board 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 and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

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

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

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

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

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

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

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

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

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

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

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

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

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

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

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

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

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

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

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

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

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will 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:

Chris Phillips

Title and Unit / Company:

Asst. City Manager of Administration

Email Address:

cphillips@ci.reidsville.nc.us

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

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

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

PRIMARY GOVERNMENT FEES

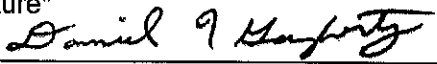
Primary Government Unit	City of Reidsville
Audit Fee	\$ 34,150
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ \$3,000
Writing Financial Statements	\$ 0
All Other Non-Attest Services	\$ 1,050
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$ 30,150.00

DPCU FEES (if applicable)

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

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
Cherry Bekaert LLP	
Authorized Firm Representative (typed or printed)*	Signature*
Daniel Gougherty, CPA	
Date*	Email Address*
03/11/21	dgougherty@cbh.com

GOVERNMENTAL UNIT

Governmental Unit*	
City of Reidsville	
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)*	Signature*
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA")	Signature
N/A	
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)	Signature*
Chris Phillips	
Date of Pre-Audit Certificate*	Email Address*
	cphillips@ci.reidsville.nc.us

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
N/A	
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



THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

Office of the City Manager

MEMORANDUM

TO: Mayor Jay Donecker and Members of Reidsville City Council
FROM: Chris Phillips, Interim City Manager *W*
SUBJ: Water Line Petition for Triangle Road
DATE: April 13, 2021

Enclosed you will find a petition for a water main extension along Triangle Road, which was submitted to the Engineering Department and signed by the three affected property owners. The petition is valid representing 100% of the property owners (3/3) and 100% of the footage (111.17/111.17).

Staff has also prepared a map showing the placement of the proposed water line, which includes approximately 200 feet of 2-inch watermain and appurtenances beginning at the Lawndale/Triangle Road intersection and traveling southeast along Triangle Road to the southeast corner of Parcel No. 8903-09-05-8968.

Engineering forwarded the request to the City Clerk on March 26, 2021. She has prepared a Preliminary Assessment Resolution, which staff is asking Council to approve and which calls for a public hearing at the May 11, 2021 Council meeting.

I am placing this item on the Consent Agenda for your approval. Please let me know if you have any questions.

CP/ags

“Live Simply. Think Big.”

PETITION FOR THE CONSTRUCTION OF WATER MAINS
TRIANGLE ROAD WATER MAIN 2/10/21

NORTH CAROLINA
ROCKINGHAM COUNTY
CITY OF REIDSVILLE

TO THE MAYOR AND CITY COUNCIL OF THE CITY OF REIDSVILLE, N.C.:

We, the undersigned property owners, do respectfully petition and show the Mayor and City Council:

- (1) That we constitute a majority in number of the owners of the real estate abutting on the streets and local improvement district hereinafter described;
- (2) That the undersigned are the owners of a majority of all the lineal feet of frontage of lands abutting upon the street or streets or part of said streets and district hereinafter described and proposed to be improved;
- (3) That the undersigned hereby respectfully petition said Mayor and City Council to establish a local improvement district as provided by an ordinance passed by the City Council on the 10th day of May, 1989, and entitled, "AN ORDINANCE AMENDING CHAPTER 10 OF THE REIDSVILLE CITY CODE TO ADOPT A WATER AND SEWER EXTENSION POLICY," Section 10-101, and amendments thereto for the purpose of constructing the improvement(s) in said district as hereinafter described; and hereby agree to dedicate, at no charge to the City of Reidsville, any easements or right-of-way necessary to accomplish this project;
- (4) That the cost of said improvement(s) shall be at the rate in effect at the time the project is ordered by the City Council; the \$20/ft listed is current as of 2/10/21.
- (5) That the undersigned hereby agree to waive and forego any previous exemptions, agreements or covenants on our subject property pertaining to such special assessments, thereby agreeing to pay the applicable assessment under all circumstances;
- (6) That the cost of said project may be paid by the property owners over a 5-year period at 8% interest per annum;

The improvement district covered by this petition shall consist of the following property:

**BEGINNING AT THE INTERSECTION OF LAWNDALE DRIVE AND TRIANGLE ROAD
HENCEFORTH SOUTHEAST ALONG TRIANGLE ROAD TO THE SOUTHEAST
CORNER OF PARCEL No. 8903.09 05 8968.**

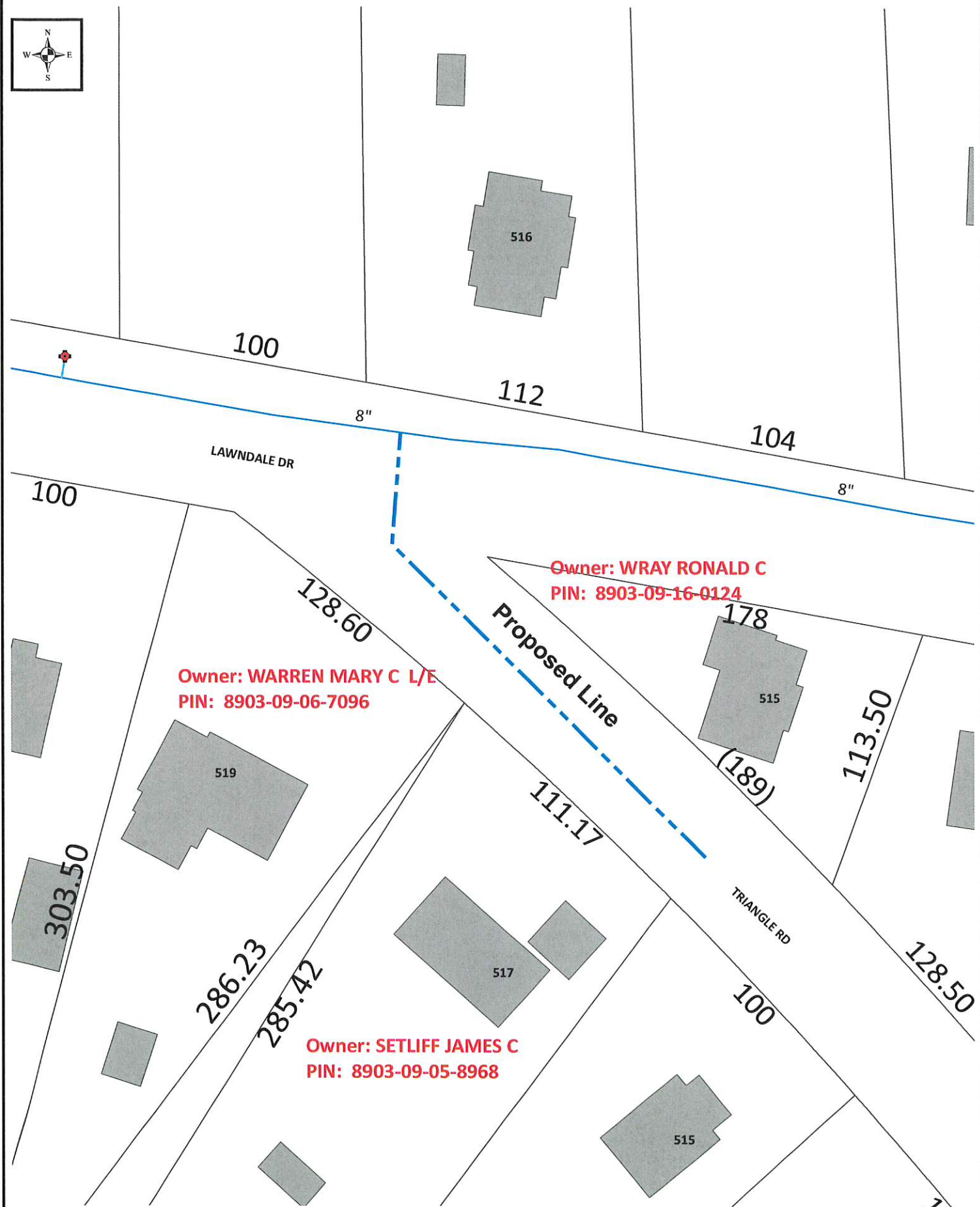
The improvement district covered by this petition shall consist of the following improvement(s):

**APPROXIMATELY 200' OF 2" WATERMAIN AND APPURTENANCES ALONG THE
ABOVE DESCRIBED ROUTE**

- **Water Tap fees are not included by any assessments connected with this petition. The current tap fee is \$1,300 per ¾" water tap as of 2/10/21**

Page 2
Water Petition

<u>PIN NUMBER</u>	<u>PROPERTY OWNER</u>	<u>FEET OWNED</u>	<u>COST PER FT.</u>	<u>TOTAL COST</u>
8903 09 06 7096	MARY C. WARREN 519 TRIANGLE ROAD REIDSVILLE, NC 27320-6615	ZERO (128.6'-150' for corner lot exemption since less than zero no charge)	\$ 20	\$ ZERO
	<u>Mary C. Warren</u> Signature			
8903 09 05 8968	JAMES C. SETLIFF & LINDA SETLIFF 517 TRIANGLE ROAD REIDSVILLE, N.C. 27320-6615	111.17	\$ 20	\$ 2,223.40
	<u>James C. Setliff</u> Signature			
	<u>Linda P. Setliff</u> Signature			
8903 09 16 0124	RONALD C. WRAY & SHEILA K. WRAY 515 LAWNDAL DRIVE REIDSVILLE, N.C. 27320-6601	ZERO (145'-150' for corner lot exemption since less than zero no charge)	\$ 20	\$ ZERO
	<u>Ronald C. Wray</u> Signature			
	<u>Sheila K. Wray</u> Signature			



Disclaimer:
The City of Reidsville, NC
shall not be held liable for
any errors in this data. This
data cannot be construed
to be a legal document.

- Legend**
- Hydrant
 - Proposed New Water Line
 - Water Mains
 - Parcels

**Water Distribution
Reidsville, NC**
Date: 4/1/2021



D H Setliff
City of Reidsville GIS
230 W. Morehead St.
Reidsville, NC 27320



THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

PRELIMINARY ASSESSMENT RESOLUTION

WHEREAS, the City Council of the City of Reidsville has determined that it may be in the best interest of the City to extend its water system and that in order to provide such extensions it would be necessary to access part of the cost thereof upon the real property benefitted thereby;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Reidsville, North Carolina, that:

1. It is intended that the water system of the City of Reidsville be extended by constructing approximately 200' of two-inch watermain and appurtenances beginning at the intersection of Lawndale Drive and Triangle Road henceforth southeast along Triangle Road to the southeast corner of Parcel No. 8903-09-05-8968 pursuant to an Ordinance Amending Chapter 10 of the Reidsville City Code to Adopt a Water and Sewer Extension Policy, Section 10-101. (Note: Petition bore the signatures of 100% of the property owners and 100% of the property footage signed.)
2. Said project shall be assessed at the pre-determined rate of \$20.00 per foot.
3. The assessments herein provided for shall be payable in cash, or if any property owner shall so elect, he shall have the option of paying an assessment in five (5) equal annual installments, said installments to bear interest at the rate of 8% per annum.
4. A public hearing on all matters covered by this resolution will be held on Tuesday, May 11, 2021, beginning at 6:00 P.M., in City Hall Council Chambers, 230 West Morehead Street, Reidsville.

Adopted this 13th day of April, 2021.

ATTEST:

John M. "Jay" Donecker, Mayor

Angela G. Stadler, CMC/NCCMC, City Clerk

"Live Simply. Think Big."



THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

MEMORANDUM

TO: Chris Phillips, Interim City Manager
FROM: Angela G. Stadler, CMC/NCCMC, City Clerk *AGS*
SUBJ: Duplication of Benefits Policy
DATE: April 6, 2021

Approval of a Duplication of Benefits Policy is required for those municipalities getting monies for CDBG-Coronavirus projects through the CARES Act and the Disaster Recovery Reform Act. The Federal government wants to ensure that those receiving financial assistance are not getting funding from multiple sources, thereby, actually exceeding the total need for assistance.

While the City of Reidsville's CDBG-CV project deals with construction rather than providing assistance to citizens, the City is still required to approve the attached Duplication of Benefits Policy.

Therefore, staff is requesting Council approval of the attached policy and authorization for the Mayor to sign any documents, if needed, related to the policy as required by the NC Department of Commerce. Since this program is so new, staff is requesting some flexibility since the attachments are not currently located on the Commerce or other governmental websites. However, the deadline to send the policy to Commerce is April 17. We will review with Commerce at our start-up session for the CDBG-CV grant. Let me know if you have any questions.

/AGS

Enclosures (1)

City of Reidsville Duplication of Benefits Policy

Purpose:

As part of the CARES Act and described in FR-6218-N-01 (CDBG-CV Federal Register Notice), HUD must ensure that there are adequate procedures in place to prevent any duplication of benefits as required by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), as amended by section 1210 of the Disaster Recovery Reform Act (DRRA) of 2018. A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. Within the CDBG-CV program, all grantees are bound by Section 312 of the Stafford Act, as amended by the DRRA, and the OMB Cost Principles within 2 CFR § 200 that requires all costs to be “necessary and reasonable for the performance of the Federal award.”

To comply with DOB requirements, grantees are required by the CARES Act to establish and follow procedures to ensure that DOB does not occur. Establishing a process to effectively identify and prevent duplication of benefits is critical for CDBG-CV grantees to effectively manage the multiple active funding streams related to coronavirus response and efficiently target CDBG-CV resources to meet unmet needs within the community.

This Policy serves as a prevention of a duplication of benefits (DOB) and will set out steps that must be taken to prevent fraud, waste and abuse of the allocation of funds received by the City of Reidsville.

Authority:

Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C. 5121-5207 as amended. The Stafford Act provides the framework for the Federal government’s role in preparing for and recovering from a disaster. Specifically, Section 312 of the Stafford Act prohibits any person, business concern, or entity from receiving “any part of such loss as which he has received financial assistance under any other program, insurance or any source”.

Applicability:

Duplication of benefits requirements apply to all CDBG-CV allocations as well as to FY2019 and FY2020 formula CDBG allocations used to prevent, prepare for, and respond to coronavirus.

Required Policies & Procedures:

To prevent the duplication of benefits, The City of Reidsville is establishing policies and procedures that include the following components:

1. Requirement that any person or entity receiving CDBG-CV assistance (including subrecipients and direct beneficiaries) must agree to repay assistance that is determined to be duplicative. This may be documented through a subrogation agreement or similar clause included in the agreement with the person or entity. The City will establish a protocol to monitor compliance based on risk of duplication of benefits for each activity.
2. Method of assessing whether the use of these funds will duplicate financial assistance that is already received or is likely to be received (such as insurance proceeds) by acting reasonably to evaluate the need and the resources available to meet that need.

The City will evaluate current programs available at the local, county, state, and federal level as well as current and anticipated non-governmental assistance from nonprofits or faith-based groups and establish lines of communication for preventing duplication of benefits.

HUD has prepared a list of active Federal CARES Act and coronavirus response programs and funding sources to help grantees evaluate potential risk for duplication for each activity and applicant.

HUD encourages grantees to target CDBG-CV activities to address unmet needs and gaps to reduce the risk of duplication of benefits.

Determining Duplication of Benefits:

The first step of the DOB calculation is to determine the amount of funds previously received or made available to assist with disaster needs. At the time of the intake/application process, persons, business concerns, and other entities receiving CDBG-CV assistance will be required to disclose all sources of assistance received. Each sub-recipient or contractor is to verify the amount received by reviewing source documentation. Each CDBG-CV program is required to have the necessary forms and procedures to document and address DOB. All recipients of CDBG-CV funding are required to:

1. Identify applicant's total need prior to any assistance.
2. Identify all potentially duplicative assistance.
3. Identify assistance determined not to be duplicative for the activity; such as:
 - Funds used for a different, eligible purpose.
 - Funds not available to the applicant e.g., forced mortgage payoff, contractor fraud, etc.
 - Funds from a private loan not guaranteed by SBA (see below additional guidance on SBA loans), but forgivable loans are duplicative.
 - Any other asset or line of credit available to the applicant, e.g. checking or saving accounts, stocks, etc.
4. Perform a calculation to determine the total funds available from other sources for the activity.
 - Calculate by subtracting the total assistance from the total funds needed to complete the activity.
5. Perform a calculation by subtracting the assistance from other sources (duplicative assistance from the total need for assistance.
6. Require the return of all funds when/if other funds were later received for the same purpose as the CDBG-CV funds. Program managers will monitor compliance with the agreement for a minimum of one year, by contacting the grant recipient and verifying with agencies as noted above/and or listed in the original DOB calculation.
7. Recapture funds if necessary. If additional needs were established, subsequent funds would not be considered a duplication of benefits. If an additional need is not demonstrated, CDBG-CV funds must be recaptured to the extent that they are more than the need and duplicate other assistance received by the beneficiary for the same purpose. If CDBG- CV funds or non-Federal funds were provided last and unknowingly create a duplication, the method of recapturing the CDBG-CV funds provided will be consistent with the Office of Management and Budget requirements (2 CFR part 200). Time-period will include an annual review of DOB as noted utilizing the State's recapture policy.

The following represents the Basic Framework for an example for how the DOB calculation would be completed:

1. Identify Applicants Total Need	\$100,000
2. Identify All Potentially Duplicative Assistance (e.g. received \$50,000 from insurance but \$20,000 was for personal property)	50,000
3. Deduct assistance determined to be duplicative	30,000
4. Maximum eligible award (item 1 minus item 3)	70,000
5. Program cap (if applicable)	<u>50,000</u>
6. Final award (lesser of items 4 and 5)	50,000

Eligible applicants may have previously received assistance from other sources. The following are sources of funding assistance provided for structural damage and loss that may be considered a DOB and under federal law must be deducted from the assistance provided:

- FEMA Individual Assistance for Structure (IA);
- FEMA National Flood Insurance Program (NFIP) and/or Increased Cost of Compliance (ICC);
- Private Insurance,
- Small Business Administration (SBA);
- Charity; and
- Any other funding source that may duplicate assistance.

In addition to using this framework, the process outlined below will be followed:

- All applicants will be required to sign a DOB Certification Form (subrogation agreement) at the time of application, agreeing to disclose, and to repay any additional funds received as compensation for damages from the declared disaster for which assistance has been provided.
- Applicants are required to sign a Consent to Release form permitting the sub-grantees, sub-recipients and contractors to request information regarding assistance received from various agencies.
- Establish data sharing agreements with federal, state, and other entities, to ensure ongoing exchange to access data files, which include previous benefits paid for real property repairs from FEMA, SBA, National Flood Insurance Program (NFIP), and private insurance, private or non-profit that will be available to sub-recipients and contractors.
- The grantee, sub-recipient and contractors will utilize a third-party verification process by sending a Consent to Release Form signed by the applicant to all agencies identified by an applicant as well as all known financial assistance resource to determine whether repair resources were received, this includes federal, state, and local, non-profit agencies and other organizations. In addition, each sub-recipient must identify the local funding that was available in the declared communities to ensure that all resources available to disaster

- In the case of third-party verification and in the absence of a non-response from agencies after three requests, the case manager will use information obtained from the applicant and through their own research efforts to acquire the needed data.
- The applicant should be asked if they ever received federal assistance if the property is in the floodplain. A third-party verification must be conducted on all properties located in a floodplain. NFIP, local register of deeds offices and other resources should be researched to determine whether the property ever received federal disaster assistance. If the home received previous federal assistance and did not maintain flood insurance the property is not eligible for CDBG-DR/CDBG-CV assistance.
- Sub-recipients when analyzing receipts should develop a system to input receipts received both eligible and ineligible to document the total amount eligible and ineligible.
- The policy, "if the Homeowner applied for and was offered an SBA loan but declined all or part of the loan, the amount of the loan declined may be considered a DOB" is revised based on clarification received from HUD on August 30, 2018 as it relates to the Bipartisan Act dated January 3, 2018 and 115 Congress 1st Session H.R.302, January 5, 2017. Until further notice, the CDBG-DR program will assist homeowners who received an SBA loan, but declined the assistance as follows: (1) the State can assist homeowners who have declined SBA loans; this assistance does not count against the homeowner in the DOB calculation; (2) the State must document that assistance provided to the homeowner was necessary and reasonable even though the SBA loan was available to them; (3) this only applies to homeowners that applied for an SBA loan, were approved, but declined the loan in its entirety; the homeowner cannot have used any portion of the SBA loan.
- There may be an exception to the above SBA guidance, if the homeowner has a hardship that would make it difficult or impossible to repay the full SBA loan, therefore, the Homeowner must document the reason they declined the loan on the NCEM's Homeowner SBA Hardship Documentation form. NCEM on a case by case basis will make the determination on whether the household qualifies for the Hardship Determination.
- Utilize a DOB checklist for each applicant's file to track activity applicable to the type of assistance provided (Housing, Infrastructure, or Economic Development).
- Complete a Duplication of Benefit Review Worksheet (analysis of DOB): the worksheet will be reviewed with the applicant; the applicant and the case manager or other designated staff are required to execute and date the worksheet. Make the final DOB analysis available to DOC, HUD and any auditor (OIG or independent)
- Any DOB identified should be adjusted from the submitted claim prior to payment authorization.
- All files should undergo a thorough quality assurance and control (QA/QC) review prior to sending a letter of approval for CDBG-DR/CDBG-CV benefits for each applicable program.
- DOB documentation, QA/QC records should be stored electronically in each Sales

Force file or in a system of record. These records must be accessible to EM, REDD, HUD and other state, federal regulatory agencies.

DOB Forms:

- DOB Certification Form
- DOB Consent to Release Form
- Verification of Receipts Process
- Due Diligence and Inactive Status
- Policy Exception Form
- Sample DOB Applicant Worksheet
- Sample DOB Worksheet Final Approval
- SBA Hardship Determination

Adopted this the 13th day of April, 2021 in Reidsville, North Carolina.

John M. "Jay" Donecker

Mayor

Attest:

Angela G. Stadler, City Clerk



The City of
Reidsville
North Carolina

230 W. Morehead Street, Reidsville, NC 27320 Ph. (336)-349-1065

Donna H. Setliff, CZO
Community Development Manager

TO: The Honorable Mayor Donecker and Members of the
Reidsville City Council
FROM: Donna H. Setliff, Community Development Manager *DH Setliff*
DATE: March 31, 2021
RE: Rezoning Docket No.: Z 2021-03

The applicant is requesting a 1.6 acre parcel on Broad Street be rezoned from Light Industrial to Residential-12. The parcel is adjacent to Residential-12 on two sides (north and west). The north parcel is undeveloped. However, Broad Street is developed residential from Scales Street to the referenced parcel. Directly across the street is an assisted living zoned Office & Institutional. The property to the south is Light Industrial where two warehouse buildings sit. Of course, the Waste Treatment facility is at the end of Board Street zoned Heavy Industrial.

The referenced parcel is small in size to be developed for an industrial use. Additionally, Broad Street has a 30' right-of-way with approximately a 20' travel-way at the location of the parcel. Rezoning the parcel to Residential-12 lessens the impact of a possible undue hardship such as smoke, odors and industrial noise a Light Industrial use could emit. The rezoning is supported by the Comprehensive Plan as it encourages the development of medium and high density residential development through the use of flexible planning.

The Planning Board unanimously recommended in favor of the rezoning.

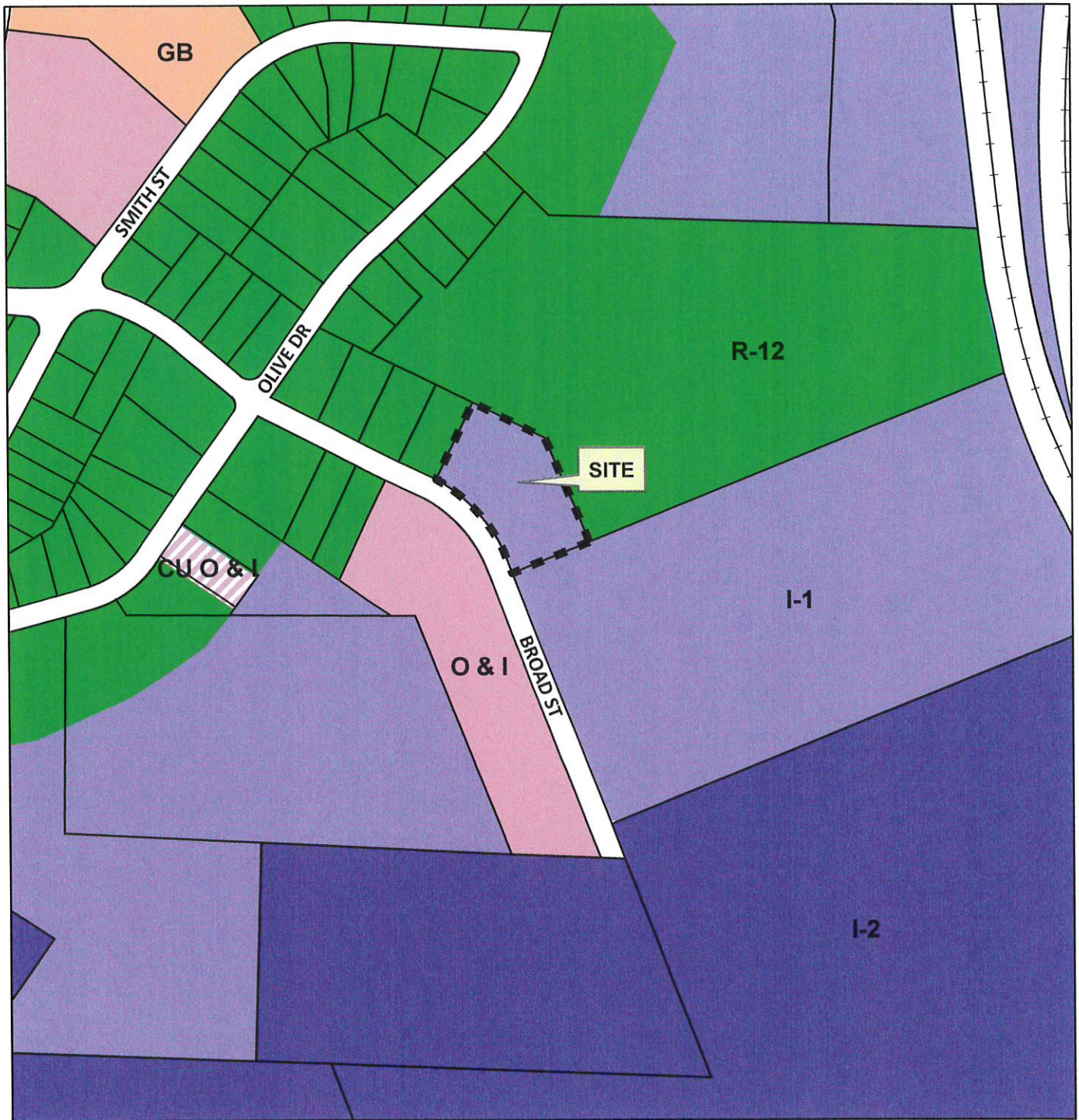
SUGGESTED MOTION

Based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be approved.

Request: I-1 to R-12

Docket No.: Z 2021-03

City of Reidsville, NC Zoning Map



ZONING DISTRICTS		HB	R-20	CU O & I
C	I-1	RA-20	CU NB	
O & I	I-2	CU R-6	CU GB	
CB	R-6	CU R-12	CU HB	
NB	R-12	CU RS-12	CU I-1	
GB	RS-12	CU RA-20		



Prepared By:
City of Reidsville GIS
Donna Setliff
Date: 3/31/2021

Request: I-1 to R-12

Docket No.: Z 2021-03

City of Reidsville, NC Aerial Map



Prepared By:
City of Reidsville GIS
Donna Setliff
Date: 3/31/2021



City of Reidsville, North Carolina

Department of Community Development

230 West Morehead Street

Reidsville, NC 27320

336-349-1065

Application for Rezoning

Date Submitted: _____ Application No.: Z 2021-03

APPLICANT INFORMATION:

Name: ASHMEAD P. PIPWIN

Address: 8581 CYPRESS LAKES DR. APT. 512 City/State/ZIP RALEIGH NC 27613

Daytime Telephone No.: (919) 781-4871

PROPERTY OWNER INFORMATION:

Name: SAME AS APPLICANT

Address: _____ City/State/ZIP _____

Daytime Telephone No.: _____

PROPERTY INFORMATION:

County Property Identification Number (PIN): 8903 07 58 3234

Parcel No.
149281

Property size in acres (sq. ft. if less than one (1) acre): 1.6 ±

Property street location: BROAD ST.

Current use of property: VACANT

Existing Zoning District: I-1

Requested Zoning District: R-12

CERTIFICATION

I hereby request the Planning Board to consider this rezoning application and to make recommendations to the City Council to amend the Zoning Map. I certify that all information provided by me is accurate to the best of my knowledge.

Ashmad P. Popkin

Signature of Applicant

I hereby certify that I am the rightful and true owner(s) of the property(s) indicated on this application for zoning change.

Ashmad P. Popkin

Signature of Owner(s)

8581 Cypress Lakes Dr., Apt. 512
Raleigh, N.C. 27615
February 22, 2021

Ms. Donna H. Setliff
Community Development Manager
Planning and Zoning Division
City of Reidsville
230 W. Morehead Street
Reidsville, N.C. 27320

Re: Rezoning Application for PIN 8903 07 58 3234
Broad Street (south side of town)

Dear Ms. Setliff:

I own the above property and this letter is to ask that this rezoning application be allowed so that this parcel will be zoned R-12.

I apologize for not being present to answer the questions of the Planning Board. I am almost 83 years old. People in my age group have been advised to stay at home during the pandemic, and I have been trying to follow that advice.

This property is almost 1.6 acres and is located in a residential neighborhood. Currently, the zoning is I-1 (Light Industrial). The property consists of 3 residential lots and is too small to be suitable for I-1 development. I am respectfully requesting that the parcel be rezoned as R-12. That zoning will be consistent with the R-12 zoning of the adjoining parcels on the west and north. Thank you for your consideration of my application.

Sincerely yours,
Ash Pipkin
Ashmead P. Pipkin
Phone (919) 781-4871

REZONING REQUEST STAFF REPORT

DOCKET NO.: Z 2021-03

STAFF: Donna H. Setliff, Community Development Manager

PETITIONER: Ashmead P. Pipkin

OWNER(S): Ashmead P. Pipkin

REQUEST: Rezone parcel 149281 from Light Industrial (I-1) to Residential-12 (R-12)

LOCATION: Broad St.

PUBLIC NOTICE MAILED: March 1, 2021

PUBLIC NOTICE POSTED ON PROPERTY: March 1, 2021

PUBLIC NOTICE PUBLISHED IN NEWSPAPER: March 3, 2021

SITE INFORMATION

Tax Parcel Number(s): 149281

Site Acreage: 1.6 ±

Current land uses: Undeveloped

Availability of Water and Sewer: Public water is available. Public sewer ends just short of the property line, further design work would be needed to determine if sewer is accessible to the property.

Is the site located in the watershed? Yes. Jordan Lake Watershed

Is the site located within a floodplain? No

Is the site located within a historic district? No

What is the topography of the property? Gentle slope

Is there a stream on the property? No

COMPABILITY ANALYSIS

North: Residential -12 (R-12)

South: Heavy Industrial (I-1) and Office & Institutional (O &I)

East: Office & Institutional (O&I) and Residential-12 (R-12)

West: Residential -12 (R-12) and Office & Institutional (O & I)

Is the rezoning consistent or compatible with the existing nearby land uses?

COMMENTS: Yes. The property is surrounded on two sides by Residential (R-12) zoning. Broad Street consists of residences from Scales Street to referenced parcel. An assisted living is across the street.

CONSISTENCY WITH ADOPTED PLANS

1. Would the granting of the rezoning request be in conformance with the City Comprehensive Plan Reidsville Reflections, 2010?

COMMENTS: Yes, the Comprehensive Plan encourages high and medium density housing development through the use of flexible planning and development techniques.

2. Is the rezoning reasonable and in the public interest?

COMMENTS: Yes. There are already residences on the lots farther down the street.

3. Are there other traffic considerations associated with the granting of this rezoning request?

COMMENTS: No. Changing the zoning would not increase the traffic flow of the street.

4. Have the conditions changed in the area from the time that the area was originally zoned making this change appropriate or necessary?

COMMENTS: No

5. Was a mistake made in the original zoning of this area?

COMMENTS: No

6. Has the Zoning classification of this property changed since the original 1965 adoption of the Zoning Ordinance?

COMMENTS: Not that Planning is aware of.

7. Are there substantial reasons why the property cannot be used in accord with existing zoning?

COMMENTS: No

8. Would the granting of the rezoning request raise precedents, vested rights, etc.?

COMMENTS: No

9. Will the proposed change constitute a grant of special privileges to an individual owner to the detriment of general plans, trends, or public welfare?

COMMENTS: No

OTHER REVIEW FACTORS

1. Would the proposed rezoning have an adverse impact on other public facilities such as utilities and streets?

COMMENTS: No. Developing this property as Light Industrial would have more of an impact on the streets than Residential-12.

2. Would the proposed change be a deterrent to the improvement or development of adjacent property in accordance with existing regulations?

COMMENTS: No

3. Would the granting of the rezoning request impose undue hardships on adjacent landowners such as noise, smoke, odors, visual impairment or other nuisances?

COMMENTS: No

ANALYSIS AND STAFF RECOMMENDATION

The applicant is requesting a 1.6 acre parcel on Broad Street be rezoned from Light Industrial to Residential-12. The parcel is adjacent to Residential-12 on two sides (north and west). The north parcel is undeveloped. However, Broad Street is developed residential from Scales Street to the referenced parcel. Directly across the street is an assisted living zoned Office & Institutional. The property to the south is Light Industrial where two warehouse buildings sit. Of course, the Waste Treatment facility is at the end of Board Street zoned Heavy Industrial.

The referenced parcel is small in size to be developed for an industrial use. Additionally, Broad Street has a 30' right-of-way with approximately a 20' travel-way at the location of the parcel. Rezoning the parcel to Residential-12 lessens the impact of a possible undue hardship such as smoke, odors and industrial noise a Light Industrial use could emit. The rezoning is supported by the Comprehensive Plan as it encourages the development of medium and high density residential development through the use of flexible planning.

FINDINGS

The rezoning is consistent with the City's Comprehensive Plan and is reasonable and in the public interest of the community in that the Plan encourages the development of medium and high density residential development through the use of flexible planning.

The property abuts Residential-12 zoning.

The area is primarily residential, except for the far end of Broad Street where two warehouses and the Waste Treatment Plant are located.

SUGGESTED MOTION

Based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be recommended to City Council for approval.

R-12 Permitted Uses

Amendments through September 15, 2018

Accessory uses, including but not limited to fallout shelters, garages, guest houses, tool sheds, swimming pools	See Note 1
Automotive parking lots serving uses permitted in district in which lot is located	
Boarding house, rooming house	
Cemetery or mausoleum	
Churches, synagogues, temples and other places of worship (including preschool child instruction and/or care carried on by churches, provided the operation is contained entirely on site)	See Note 31
Clubs and lodges, private, non-profit	
Condominiums (Residential)	See Note 30
Day care facility in the Home for 6 or more children	Requires SUP
Dwellings, apartments	See Note 30
Dwellings, apartments, high density	Requires SUP
Dwellings, condominiums	See Note 30
Dwellings, single family detached	
Dwellings, townhouses	See Note 25
Dwellings, two family	
Family care homes	See Note 6
Fences and walls	
Fire and police stations, emergency services	
Flammable gas for heating premises on which located	
Golf courses, except par three or miniature courses	
Home Occupations	See Note 2
Modular Units (residential and commercial)	See Note 28
Nail Salon within the Home	Requires SUP
Nonconforming use, change or extension	Requires SUP
Private athletic fields, recreational buildings, playgrounds, no commercial gain, no automobile or motorcycle racing	
Private community building, not for commercial gain	
Public parks, cultural and recreational facilities	
Public utility facilities, pump stations, water tower, etc.	
Rooming houses, boarding houses	
Satellite dishes	See Note 1
Schools (academic); kindergarten, elementary, secondary, public or private	
Signs	Art. VI
Temporary building incidental to a construction project	
Therapeutic massage as a home occupation	Requires SUP
Tourist homes or bed and breakfast	Requires SUP
Townhouses (residential)	
Vehicle, junked	See Note 19
Vehicle, nuisance	See Note 20
Yard sales, rummage sales sponsored by non-profit organizations	

I-1 Permitted Uses

Amendments through September 15, 2018

Accessory uses, including but not limited to fallout shelters, garages, guest houses, tool sheds, swimming pools	See Note 1
Adult Establishments	Requires SUP
Art studio, art gallery and museum	
Amusements, commercial including but not limited to bowling alleys, roller skating rinks; not including drive-in theaters, commercial stables, roller coasters, carousels, fairgrounds, automobile race tracks, circuses or the like	
Automobile accessories sales	
Automobile body shops, painting, upholstering and reconditioning	See Note 7
Automobile car wash	
Automobile car wash, not automatic or self-service, requiring no vehicle stacking	
Automotive parking lots serving uses permitted in district in which lot is located	
Automobile repair garages	See Note 7
Automobile sales, new and used	See Note 26
Automobile parking lots for public rental when not associated with an existing permitted use and with site plan approval by Planning Staff	See Note 9
Automobile service stations, not including outside storage of used, wrecked, inoperable or dismantled automobiles	
Automobile service stations	See Note 7
Bakeries, bottling works	
Beach Bingo Parlors	See Note 11
Boatworks, marine sales, travel trailer sales, recreational vehicle and sales	
Building material sales and storage	See Note 7
Carnivals, ferris wheels, rides (temporary)	
Carpentry shops	See Note 7
Carpet, rug, bag cleaning establishments	
Cleaners	
Coal, coke, wood lots	See Note 7
Coffee Shop	
Compartmentalized storage for individual storage of residential and commercial goods	
Condominiums (Office and Commercial)	
Construction storage yards, lumber yards	See Note 7
Drive-in theater	Requires SUP
	Requires SUP/ See Note 14
Dwelling, accessory to non-residential	
Exhibit Center/Event Center, not including recreational type events or spectator sports events	
Fabrication - light fabrication of items for sale on premises	
Fairground, carousels, roller coaster, ferris wheels, super slides, etc. (permanent)	
Fences and walls	
Fire and police stations, emergency services	
Flammable gas for heating premises on which located	
Fleamarkets (commercial) and/or sale of used goods out-of-doors, provided that no sales area shall be located in any required yard and provided that parking spaces as required in the district where located shall be provided as specified in the zoning ordinance	See Note 10
Food and dairy processing (excluding slaughter of animals)	
Frozen food lockers	
Game Rooms	

I-1 Permitted Uses

Amendments through September 15, 2018

Golf courses, par three, par two miniature courses	
Golf driving range	
Gymnasiums, spas and fitness centers	
Hazardous waste storage transfer facility	Requires SUP
Homeless shelters	Requires SUP
Hunting Supply Sales	See Note 35
Industrial/Corporate park	Requires SUP
Industrial supplies, machinery and equipment sales	
Laboratories, research	
Laundries	
Machine shop, welding shop	
Maintenance shops and yards for vehicles and equipment	
Manufacture of apparel, canvas goods, linens, domestic soft goods	
Manufacture of electrical products, precision tools and instruments	
Manufacture of pharmaceutical products	
Microbreweries	See Note 37
Mobile home manufacturing	
Mobile home sales, sale of agricultural implements, heavy machinery	
Modular Units (residential and commercial)	See Note 28
Monument works, stone works	
Motorcycle, power saw, lawn mower repair	
Mulch sales	See Note 15
Nonconforming use, change or extension	Requires SUP
Offices	
Open air retail sale or display incidental to operation of an otherwise permitted use in a permanent building; no obstruction of parking areas or sidewalk, no outdoor storage	
Plumbing, heating, electrical contractors sales and service	See Note 7
Printing or binding shop	
Private athletic fields, recreational buildings, playgrounds, no commercial gain, no automobile or motorcycle racing	
Processing and packaging of windshield washer fluid	Requires SUP
Public parks, cultural and recreational facilities	
Public utility stations serving the community; transformers, radio and TV towers	
Public utility facilities, pump stations, water tower, etc.	
Public works, garages, storage	
Radio and television stations	
Repair and servicing of office and household appliances and equipment	
Recycle collection	Requires SUP
Recycle processing	See Note 7
Retail uses permitted in Industrial Districts	Requires SUP
Satellite dishes	See Note 1
Schools (Nonacademic); commercial, vocational, public or private including music and dance studio	See Note 24
Sheet metal and/or roofing shops	
Signs	Art. VII
Storage Building Sales	
Storage, Class I combustible liquids in underground tanks only when installed by certified service person and which meet all requirements of fire prevention code	

I-1 Permitted Uses

Amendments through September 15, 2018

Storage, outdoor	See Note 7
Storage, gas products for private use - above ground	See Note 13
Storage, kerosene for commercial use - above ground - one 500 gallon tank per commercial property	
Storage, gas and petroleum projects in quantities for distribution	
Temporary building incidental to a construction project	
Tire recapping	
Tire sales and service	See Note 7
Tobacco warehouses, processing and storage	
Transportation terminals, freight	
Vehicle, junked	See Note 19
Vehicle, nuisance	See Note 20
Veterinary establishments, inside kennel only	
Veterinary establishments	
Water treatment facilities	
Wholesale establishments	
Wholesaling of household furniture, furnishing and appurtenances	
Warehouses, sales or service	
Woodworking shops, millwork	
Yard sales, rummage sales sponsored by non-profit organizations	

NOTIFICATION LIST FOR Z 2021-03						
PIN	Parcel No.	Name	Address	City	State	Zip
890307583234	149281	PIPKIN ASHMEAD PRINGLE	8581 CYPRESS LAKES DR UNIT 512	RALEIGH	NC	27615-2148
890307585567	168881	STUTTS WAYNE L	3500 BRASSFIELD OAKS DR	GREENSBORO	NC	27410-2135
890307581356	149279	JESSIE ELIZABETH C	410 CYPRESS DR	REIDSVILLE	NC	27320-6046
890307579988	149276	CARDINAL HOLDINGS LLC	PO BOX 2883	REIDSVILLE	NC	27323-2883
890307572853	149272	ALEXANDRIA ADELAIDE INC	PO BOX 26	REIDSVILLE	NC	27323-0026



THE CITY OF
Reidsville
NORTH CAROLINA


230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

NOTICE OF PUBLIC HEARING

Notice is hereby given that a meeting and public hearing will be conducted by the Reidsville City Council on Tuesday, April 13, 2021, at 6:00 p.m., in the Council Chambers, City Hall, 230 West Morehead Street, Reidsville, North Carolina, to consider a rezoning request for property located on Broad Street, specifically Rockingham County Parcel No.149281 from Light Industrial (I-1) to Residential-12 (R-12). Ashmead P. Pipkin owns the property and submitted the application. (Z 2021-03)

A copy of the application further describing this request is available for public inspection in the Department of Community Development, City Hall, weekdays, from 8:30 a.m. to 4:30 p.m. by appointment. Should you have any specific questions about this request, please feel free to contact the Community Development Department at 336-349-1066. Interested parties will be given the opportunity to address City Council during this public hearing.

This the 24th day of March, 2021.

Angela G. Stadler, CMC/NCCMC 
City Clerk

The City of Reidsville shares the goals of the Americans with Disabilities Act, which protects qualified individuals from discrimination on the basis of disabilities and provides for equality of opportunity in the services, programs, activities and employment of the City. Any individual with a disability who needs an interpreter or other auxiliary aids or services for this meeting may contact the City of Reidsville at 336-349-1030 (Voice). The toll-free number for Relay North Carolina is 1-800-235-2962 (TT).

**Publish Dates in the RockinghamNow: Wednesday, March 24, 2021
Wednesday, March 31, 2021**

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**CERTIFICATE OF MAILING NOTICES OF PUBLIC HEARING
TO PROPERTY OWNERS**

TO THE HONORABLE MAYOR AND REIDSVILLE CITY COUNCIL:

I, Angela G. Stadler, CMC, Reidsville City Clerk, do hereby certify that notices of the public hearing considering a request to rezone property on Broad Street, specifically Rockingham County Parcel No. 149281 from Light Industrial (I-1) to Residential-12 (R-12) to be held April 13, 2021, at 6:00 p.m. in the Council Chambers, 230 West Morehead Street, Reidsville, North Carolina, were mailed by first-class mail on the 19th day of March, 2021 to all the owners of real property shown thereon.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the seal of the City of Reidsville, this 19th day of March, 2021.



Angela G. Stadler, CMC/NCCMC
City Clerk



THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

MEMORANDUM

TO: Ashmead Pringle Pipkin
Wayne L. Stutts
Elizabeth C. Jessie
Cardinal Holdings, LLC
Alexandria Adelaide, Inc.
FROM: Angela G. Stadler, CMC/NCCMC, City Clerk *AS*
DATE: March 24, 2021
SUBJ: Public Hearing – April 13, 2021

Notice is hereby given that a meeting and public hearing will be conducted by the Reidsville City Council on Tuesday, April 13, 2021, at 6:00 p.m., in the Council Chambers, City Hall, 230 West Morehead Street, Reidsville, North Carolina, to consider a rezoning request for property on Broad Street, specifically Rockingham County Parcel No. 149281 from Light Industrial (I-1) to Residential-12 (R-12). Ashmead P. Pipkin owns the property and submitted the application. (Z 2021-03)

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The City of
Reidsville
North Carolina

230 W. Morehead Street, Reidsville, NC 27320 Ph. (336)-349-1065

Donna H. Setliff, CZO
Community Development Manager

TO: The Honorable Mayor Donecker and Members of the Reidsville City Council
FROM: Donna H. Setliff, Community Development Manager *DH Setliff*
DATE: March 31, 2021
RE: Rezoning Docket No.: Z 2021-04

The applicant has requested the rear portion of a 9.82 acre parcel on Olive Drive be rezoned from Light Industrial to Residential-12. The front portion is already zoned Residential-12. This request corrects a split zone issue with referenced parcel. The parcels on the north, west and south are zoned Residential-12. The parcel to the east is Light Industrial. However, that parcel is within the floodplain.

In my Planner's opinion this property is better suited to be Residential-12 than Light Industrial. Access to the parcel is from Smith Street and Olive Drive, which was not constructed for industrial traffic. The neighborhood on Smith and Olive is single family residential.

The rezoning is supported by the Comprehensive Plan as it encourages medium and high density residential development through flexible planning. Subsequently, the rezoning is a continuation of the neighboring Residential-12 zoning and is one of the City's medium density residential districts.

The Planning Board unanimously recommended in favor of the rezoning.

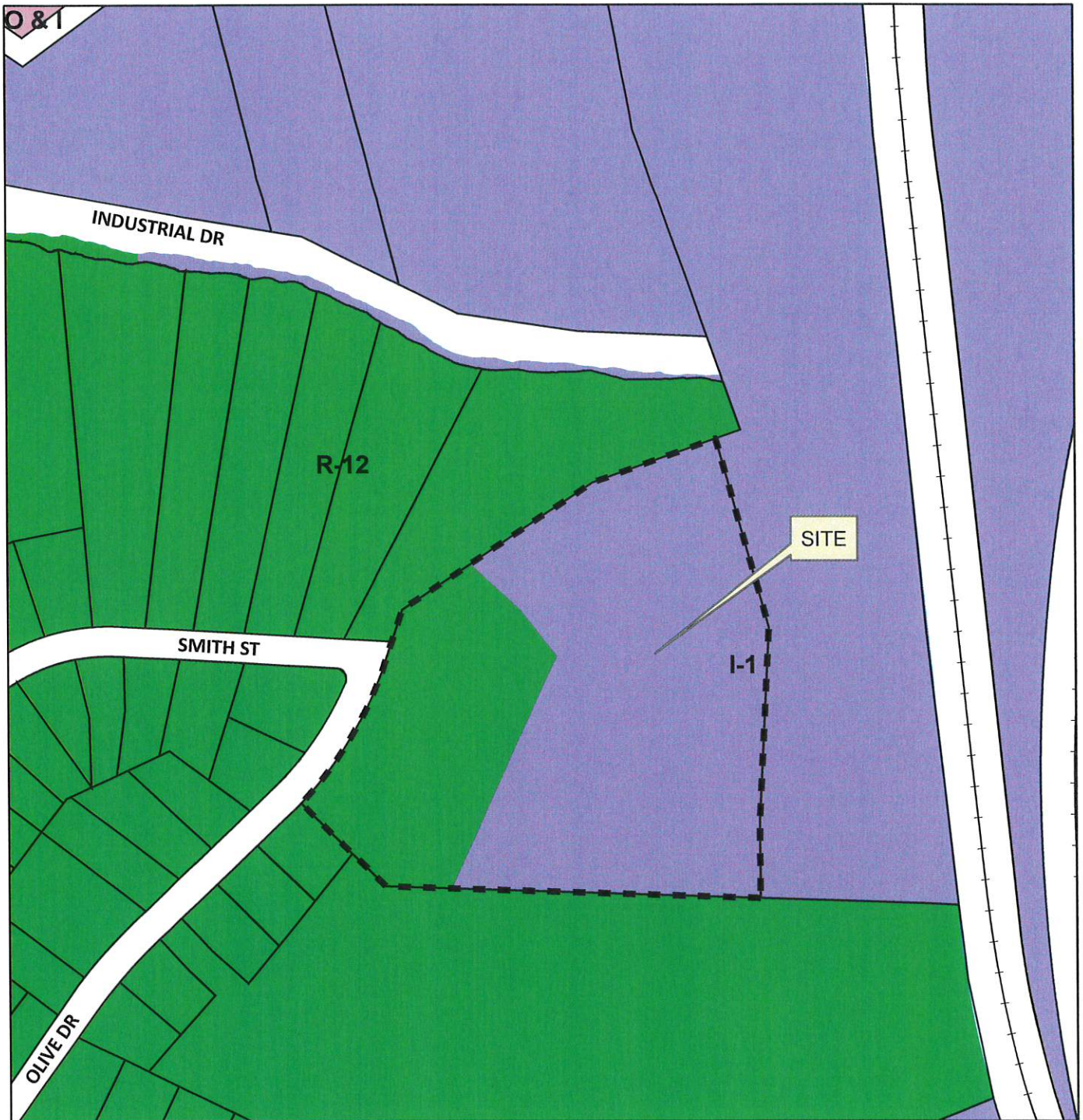
SUGGESTED MOTION

Based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be approved.

Request: I-1 to R-12

Docket No.: Z 2021-04

City of Reidsville, NC Zoning Map



ZONING DISTRICTS		HB	R-20	CU O & I
C	I-1	RA-20	CU R-6	CU NB
O & I	I-2	CU R-12	CU R-12	CU GB
CB	R-6	CU RS-12	CU RA-20	CU HB
NB	R-12			CU I-1
GB	RS-12			



Prepared By:
City of Reidsville GIS
Donna Setliff
Date: 3/31/2021

Request: I-1 to R-12

Docket No.: Z 2021-04

City of Reidsville, NC Zoning Map



Prepared By:
City of Reidsville GIS
Donna Setliff
Date: 3/31/2021



City of Reidsville, North Carolina

Department of Community Development

230 West Morehead Street

Reidsville, NC 27320

336-349-1065

Application for Rezoning

Date Submitted: _____ Application No.: Z 2021-04

APPLICANT INFORMATION:

Name: ASHMEAD P. PIPKIN

Address: 8581 CYPRESS LAKES DR. City/State/ZIP RALEIGH NC 27615
APT. 512

Daytime Telephone No. : (919) 781-4871

PROPERTY OWNER INFORMATION:

Name: SAME AS APPLICANT

Address: _____ City/State/ZIP _____

Daytime Telephone No. : _____

PROPERTY INFORMATION:

County Property Identification Number (PIN): 8903 07 59 6155

Parcel No
175705

Property size in acres (sq. ft. if less than one (1) acre): 9.82 ±

Property street location: 2113 OLIVE ST. DR.

Current use of property: VACANT

Existing Zoning District: PART R-12, PART I-1

Requested Zoning District: ALL R-12

CERTIFICATION

I hereby request the Planning Board to consider this rezoning application and to make recommendations to the City Council to amend the Zoning Map. I certify that all information provided by me is accurate to the best of my knowledge.

Ashmad P. Pipkin

Signature of Applicant

I hereby certify that I am the rightful and true owner(s) of the property(s) indicated on this application for zoning change.

Ashmad P. Pipkin

Signature of Owner(s)

8581 Cypress Lakes Dr., Apt. 512
Raleigh, N.C. 27615
February 22, 2021

Ms. Donna H. Setliff
Community Development Manager
Planning and Zoning Division
City of Reidsville
230 W. Morehead Street
Reidsville, N.C. 27320

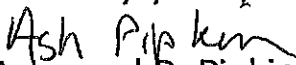
Re: Rezoning Application for PIN 8903 07 59 6155
2113 Olive Drive (south side of town)

Dear Ms. Setliff:

I am own the above property and this letter is to ask that this rezoning application be allowed so that all of this parcel will be zoned R-12.

I apologize for not being present to answer the questions of the Planning Board. I am almost 83 years old. People in my age group have been advised to stay at home during the pandemic, and I have been trying to follow that advice.

This property is almost 10 acres and is located in a residential neighborhood. Currently, the zoning is split about equally between R-12 and I-1 (Light Industrial). The I-1 portion does not have any road access and is not suitable for I-1 development. I am respectfully requesting that the entire parcel be rezoned as R-12. That zoning will be consistent with the zoning of the surrounding parcels and with good zoning practices. Thank you for your consideration of my application.

Sincerely yours,

Ashmead P. Pipkin
Phone (919) 781-4871

REZONING REQUEST STAFF REPORT

DOCKET NO.: Z 2021-04

STAFF: Donna H. Setliff, Community Development Manager

PETITIONER: Ashmead P. Pipkin

OWNER(S): Ashmead P. Pipkin

REQUEST: Rezone a portion of a parcel located on Olive Drive from Light Industrial (I-1) to Residential-12 (R-12) making the entire parcel Residential-12 (R-12).

LOCATION: Olive Dr.

PUBLIC NOTICE MAILED: March 1, 2021

PUBLIC NOTICE POSTED ON PROPERTY: March 1, 2021

PUBLIC NOTICE PUBLISHED IN NEWSPAPER: March 3, 2021

SITE INFORMATION

Tax Parcel Number(s): 175705

Site Acreage: 9.82 ±

Current land uses: Vacant

Availability of Water and Sewer: Public water and sewer is available in Olive Drive.

Is the site located in the watershed? Yes. Jordan Lake Watershed

Is the site located within a floodplain? No

Is the site located within a historic district? No

What is the topography of the property? Sloping

Is there a stream on the property? No

COMPABILITY ANALYSIS

North: Residential -12 (R-12)

South: Residential -12 (R-12)

East: Light Industrial (I-1)

West: Residential -12 (R-12)

Is the rezoning consistent or compatible with the existing nearby land uses?

COMMENTS: Yes. The property is surrounded on three sides by Residential-12 (R-12). Dwellings are located on Olive Drive and Smith Street.

CONSISTENCY WITH ADOPTED PLANS

1. Would the granting of the rezoning request be in conformance with the City Comprehensive Plan Reidsville Reflections, 2010?

COMMENTS: Yes, the Comprehensive Plan encourages medium and high density residential development through flexible planning and development techniques.

2. Is the rezoning reasonable and in the public interest?

COMMENTS: Yes. The rezoning is compatible as there are residences on the surrounding lots.

3. Are there other traffic considerations associated with the granting of this rezoning request?

COMMENTS: No. Changing the zoning would not increase the traffic flow of the street.

4. Have the conditions changed in the area from the time that the area was originally zoned making this change appropriate or necessary?

COMMENTS: No

5. Was a mistake made in the original zoning of this area?

COMMENTS: No

6. Has the Zoning classification of this property changed since the original 1965 adoption of the Zoning Ordinance?

COMMENTS: Not that Planning is aware.

7. Are there substantial reasons why the property cannot be used in accord with existing zoning?

COMMENTS: No, although it is a split zoned property which would need to be addressed prior to development.

8. Would the granting of the rezoning request raise precedents, vested rights, etc.?

COMMENTS: No

9. Will the proposed change constitute a grant of special privileges to an individual owner to the detriment of general plans, trends, or public welfare?

COMMENTS: No

OTHER REVIEW FACTORS

1. Would the proposed rezoning have an adverse impact on other public facilities such as utilities and streets?

COMMENTS: No. There are already residences on the street with utilities already in place.

2. Would the proposed change be a deterrent to the improvement or development of adjacent property in accordance with existing regulations?

COMMENTS: No

3. Would the granting of the rezoning request impose undue hardships on adjacent landowners such as noise, smoke, odors, visual impairment or other nuisances?

COMMENTS: No

ANALYSIS AND STAFF RECOMMENDATION

The applicant has requested the rear portion of a 9.82 acre parcel on Olive Drive be rezoned from Light Industrial to Residential-12. The front portion is already zoned Residential-12. This request corrects a split zone issue with referenced parcel. The parcels on the north, west and south are zoned Residential-12. The parcel to the east is Light Industrial. However, that parcel is within the floodplain.

In my Planner's opinion this property is better suited to be Residential-12 than Light Industrial. Access to the parcel is from Smith Street and Olive Drive, which was not constructed for Industrial traffic. The neighborhood on Smith and Olive is single family residential. The rezoning is supported by the Comprehensive Plan as it encourages medium and high density residential development through flexible planning. Subsequently, the rezoning is a continuation of the neighboring Residential-12 zoning.

FINDINGS

The rezoning is consistent with the City's Comprehensive Plan and is reasonable and in the public interest of the community in that the Plan encourages medium and high density residential development through flexible planning.

SUGGESTED MOTION

Based on the information provided in the staff report and verbal evidence presented during the public hearing this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the rezoning be recommended to City Council for approval.

R-12 Permitted Uses

Amendments through September 15, 2018

Accessory uses, including but not limited to fallout shelters, garages, guest houses, tool sheds, swimming pools	See Note 1
Automotive parking lots serving uses permitted in district in which lot is located	
Boarding house, rooming house	
Cemetery or mausoleum	
Churches, synagogues, temples and other places of worship (including preschool child instruction and/or care carried on by churches, provided the operation is contained entirely on site)	See Note 31
Clubs and lodges, private, non-profit	
Condominiums (Residential)	See Note 30
Day care facility in the Home for 6 or more children	Requires SUP
Dwellings, apartments	See Note 30
Dwellings, apartments, high density	Requires SUP
Dwellings, condominiums	See Note 30
Dwellings, single family detached	
Dwellings, townhouses	See Note 25
Dwellings, two family	
Family care homes	See Note 6
Fences and walls	
Fire and police stations, emergency services	
Flammable gas for heating premises on which located	
Golf courses, except par three or miniature courses	
Home Occupations	See Note 2
Modular Units (residential and commercial)	See Note 28
Nail Salon within the Home	Requires SUP
Nonconforming use, change or extension	Requires SUP
Private athletic fields, recreational buildings, playgrounds, no commercial gain, no automobile or motorcycle racing	
Private community building, not for commercial gain	
Public parks, cultural and recreational facilities	
Public utility facilities, pump stations, water tower, etc.	
Rooming houses, boarding houses	
Satellite dishes	See Note 1
Schools (academic); kindergarten, elementary, secondary, public or private	
Signs	Art. VI
Temporary building incidental to a construction project	
Therapeutic massage as a home occupation	Requires SUP
Tourist homes or bed and breakfast	Requires SUP
Townhouses (residential)	
Vehicle, junked	See Note 19
Vehicle, nuisance	See Note 20
Yard sales, rummage sales sponsored by non-profit organizations	

I-1 Permitted Uses

Amendments through September 15, 2018

Accessory uses, including but not limited to fallout shelters, garages, guest houses, tool sheds, swimming pools	See Note 1
Adult Establishments	Requires SUP
Art studio, art gallery and museum	
Amusements, commercial including but not limited to bowling alleys, roller skating rinks; not including drive-in theaters, commercial stables, roller coasters, carousels, fairgrounds, automobile race tracks, circuses or the like	
Automobile accessories sales	
Automobile body shops, painting, upholstering and reconditioning	See Note 7
Automobile car wash	
Automobile car wash, not automatic or self-service, requiring no vehicle stacking	
Automotive parking lots serving uses permitted in district in which lot is located	
Automobile repair garages	See Note 7
Automobile sales, new and used	See Note 26
Automobile parking lots for public rental when not associated with an existing permitted use and with site plan approval by Planning Staff	See Note 9
Automobile service stations, not including outside storage of used, wrecked, inoperable or dismantled automobiles	
Automobile service stations	See Note 7
Bakeries, bottling works	
Beach Bingo Parlors	See Note 11
Boatworks, marine sales, travel trailer sales, recreational vehicle and sales	
Building material sales and storage	See Note 7
Carnivals, ferris wheels, rides (temporary)	
Carpentry shops	See Note 7
Carpet, rug, bag cleaning establishments	
Cleaners	
Coal, coke, wood lots	See Note 7
Coffee Shop	
Compartmentalized storage for individual storage of residential and commercial goods	
Condominiums (Office and Commercial)	
Construction storage yards, lumber yards	See Note 7
Drive-in theater	Requires SUP
Dwelling, accessory to non-residential	Requires SUP/ See Note 14
Exhibit Center/Event Center, not including recreational type events or spectator sports events	
Fabrication - light fabrication of items for sale on premises	
Fairground, carousels, roller coaster, ferris wheels, super slides, etc. (permanent)	
Fences and walls	
Fire and police stations, emergency services	
Flammable gas for heating premises on which located	
Fleamarkets (commercial) and/or sale of used goods out-of-doors, provided that no sales area shall be located in any required yard and provided that parking spaces as required in the district where located shall be provided as specified in the zoning ordinance	See Note 10
Food and dairy processing (excluding slaughter of animals)	
Frozen food lockers	
Game Rooms	

I-1 Permitted Uses

Amendments through September 15, 2018

Golf courses, par three, par two miniature courses	
Golf driving range	
Gymnasiums, spas and fitness centers	
Hazardous waste storage transfer facility	Requires SUP
Homeless shelters	Requires SUP
Hunting Supply Sales	See Note 35
Industrial/Corporate park	Requires SUP
Industrial supplies, machinery and equipment sales	
Laboratories, research	
Laundries	
Machine shop, welding shop	
Maintenance shops and yards for vehicles and equipment	
Manufacture of apparel, canvas goods, linens, domestic soft goods	
Manufacture of electrical products, precision tools and instruments	
Manufacture of pharmaceutical products	
Microbreweries	See Note 37
Mobile home manufacturing	
Mobile home sales, sale of agricultural implements, heavy machinery	
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Monument works, stone works	
Motorcycle, power saw, lawn mower repair	
Mulch sales	See Note 15
Nonconforming use, change or extension	Requires SUP
Offices	
Open air retail sale or display incidental to operation of an otherwise permitted use in a permanent building; no obstruction of parking areas or sidewalk, no outdoor storage	
Plumbing, heating, electrical contractors sales and service	See Note 7
Printing or binding shop	
Private athletic fields, recreational buildings, playgrounds, no commercial gain, no automobile or motorcycle racing	
Processing and packaging of windshield washer fluid	Requires SUP
Public parks, cultural and recreational facilities	
Public utility stations serving the community; transformers, radio and TV towers	
Public utility facilities, pump stations, water tower, etc.	
Public works, garages, storage	
Radio and television stations	
Repair and servicing of office and household appliances and equipment	
Recycle collection	Requires SUP
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Retail uses permitted in Industrial Districts	Requires SUP
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Schools (Nonacademic); commercial, vocational, public or private including music and dance studio	See Note 24
Sheet metal and/or roofing shops	
Signs	Art. VII
Storage Building Sales	
Storage, Class I combustible liquids in underground tanks only when installed by certified service person and which meet all requirements of fire prevention code	

I-1 Permitted Uses

Amendments through September 15, 2018

Storage, outdoor	See Note 7
Storage, gas products for private use - above ground	See Note 13
Storage, kerosene for commercial use - above ground - one 500 gallon tank per commercial property	
Storage, gas and petroleum projects in quantities for distribution	
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Transportation terminals, freight	
Vehicle, junked	See Note 19
Vehicle, nuisance	See Note 20
Veterinary establishments, inside kennel only	
Veterinary establishments	
Water treatment facilities	
Wholesale establishments	
Wholesaling of household furniture, furnishing and appurtenances	
Warehouses, sales or service	
Woodworking shops, millwork	
Yard sales, rummage sales sponsored by non-profit organizations	

NOTIFICATION LIST FOR Z 2021-04							
PIN	Parcel No.	Name	Name	Address	City	State	Zip
890307591075	166787	SCALES MARK V		2118 OLIVE DR	REIDSVILLE	NC	27320
890307592135	166786	SUTTON ALICE HORTON L/E		2103 SMITH ST	REIDSVILLE	NC	27320-6513
890307596155	175705	PIPKIN ASHMEAD PRINGLE		8581 CYPRESS LAKES DR UNIT 512	RALEIGH	NC	27615-2148
890319692224	175706	WILSON OLIVIA V	WILSON DONION W	381 DIX RD	RUFFIN	NC	27326-9061
890307596557	167374	PIPKIN ASHMEAD PRINGLE		8581 CYPRESS LAKES DR UNIT 512	RALEIGH	NC	27615-2148
890307585567	168881	STUTTS WAYNE L		3500 BRASSFIELD OAKS DR	GREENSBORO	NC	27410-2135
890307582971	168876	WILKINS BRENDA CAMPBELL		PO BOX 1312	REIDSVILLE	NC	27323-1312
890307590070	149252	WATSON KAY W		2120 OLIVE DR	REIDSVILLE	NC	27320-6508



THE CITY OF
Reidsville
NORTH CAROLINA


230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

NOTICE OF PUBLIC HEARING

Notice is hereby given that a meeting and public hearing will be conducted by the Reidsville City Council on Tuesday, April 13, 2021, at 6:00 p.m., in the Council Chambers, City Hall, 230 West Morehead Street, Reidsville, North Carolina, to consider a rezoning request for property located on Olive Street, specifically a portion of Rockingham County Parcel No. 175705 from Residential-12 (R-12) and Light Industrial (I-1) to Residential-12 (R-12). Ashmead P. Pipkin owns the property and submitted the application. (Z 2021-04)

A copy of the application further describing this request is available for public inspection in the Department of Community Development, City Hall, weekdays, from 8:30 a.m. to 4:30 p.m. by appointment. Should you have any specific questions about this request, please feel free to contact the Community Development Department at 336-349-1066. Interested parties will be given the opportunity to address City Council during this public hearing.

This the 24th day of March, 2021.

Angela G. Stadler, CMC/NCCMC
City Clerk 

The City of Reidsville shares the goals of the Americans with Disabilities Act, which protects qualified individuals from discrimination on the basis of disabilities and provides for equality of opportunity in the services, programs, activities and employment of the City. Any individual with a disability who needs an interpreter or other auxiliary aids or services for this meeting may contact the City of Reidsville at 336-349-1030 (Voice). The toll-free number for Relay North Carolina is 1-800-235-2962 (TT).

**Publish Dates in the RockinghamNow: Wednesday, March 24, 2021
Wednesday, March 31, 2021**

"Live Simply. Think Big."



THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

MEMORANDUM

TO: Mark V. Scales
Alice Horton Sutton L/E
Ashmead Pringle Pipkin
Olivia V. Wilson
Donion W. Wilson
Wayne L. Stutts
Brenda Campbell Wilkins
Kay W. Watson
FROM: Angela G. Stadler, CMC/NCCMC, City Clerk *afz*
DATE: **March 24, 2021**
SUBJ: Public Hearing – April 13, 2021

Notice is hereby given that a meeting and public hearing will be conducted by the Reidsville City Council on Tuesday, April 13, 2021, at 6:00 p.m., in the Council Chambers, City Hall, 230 West Morehead Street, Reidsville, North Carolina, to consider a rezoning request for property on Olive Street, specifically a portion of Rockingham County Parcel No. 175705 from Residential-12 (R-12) and Light Industrial (I-1) to Residential-12 (R-12). Ashmead P. Pipkin owns the property and submitted the application. (Z 2021-04)

A copy of the application further describing this request is available for public inspection in the Department of Community Development, City Hall, on weekdays from 8:30 a.m. to 4:30 p.m. by appointment. Should you have any specific questions about this request, please feel free to contact the Community Development Department at 336-349-1066. Interested parties will be given the opportunity to address City Council during this public hearing.

The City of Reidsville shares the goals of the Americans with Disabilities Act, which protects qualified individuals from discrimination on the basis of disabilities and provides for equality of opportunity in the services, programs, activities and employment of the City. Any individual with a disability who needs an interpreter or other auxiliary aids or services for this meeting may contact the City of Reidsville at 336-349-1030 (Voice). The toll-free number for Relay North Carolina is 1-800-735-2962 (TT).

“Live Simply. Think Big.”



THE CITY OF
Reidsville
NORTH CAROLINA

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**CERTIFICATE OF MAILING NOTICES OF PUBLIC HEARING
TO PROPERTY OWNERS**

TO THE HONORABLE MAYOR AND REIDSVILLE CITY COUNCIL:

I, Angela G. Stadler, CMC, Reidsville City Clerk, do hereby certify that notices of the public hearing considering a request to rezone property on Olive Street, specifically a portion of Rockingham County Parcel No. 175705 from Residential 12 (R-12) and Light Industrial (I-1) to Residential-12 (R-12) to be held April 13, 2021, at 6:00 p.m. in the Council Chambers, 230 West Morehead Street, Reidsville, North Carolina, were mailed by first-class mail on the 19th day of March, 2021 to all the owners of real property shown thereon.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the seal of the City of Reidsville, this 19th day of March, 2021.



Angela G. Stadler, CMC/NCCMC
City Clerk



THE CITY OF Reidsville NORTH CAROLINA

Water Treatment Plant Carbon Feed System

To: Mayor Jay Donecker and the Reidsville City Council

From: Chris Phillips, Interim City Manager

Date: April 6, 2021

The Reidsville City Council approved 2020-2021 budget included the installation of a carbon feed system at the Water Treatment Plant. The system will be used to remedy the EPA's total organic carbon (TOC) removal requirements and total trihalomethanes (TTHMs) reduction. It will also prepare the City to treat for taste and odor issues in the hotter months due to algal blooms and can also be used as a method to treat emerging contaminants, like blue green algae, that are rapidly moving north from reservoirs further south. The system will also allow the City to polish our water to have a cleaner and fresher taste.

The estimated cost for the project was \$340,000, and this is the adopted budget amount. The City of Greensboro was approached about this upgrade and agreed to pay one third of the cost based on production percentages. At this time the estimated cost had increased to \$399,600. Greensboro approved the enclosed resolution approving reimbursement to the City of Reidsville for \$131,900; thus, leaving the City's portion of the project at an estimated \$267,700.

On Thursday, April 1, 2021, McGill Engineering held a bid opening for the project. There were two bidders. The lowest bid, as shown in the attached report, was \$474,962. Please note this is below the formal bid range of \$500,000 (which would have required 3 bids.) McGill is recommending accepting this bid and including a 5% contingency of \$23,748, bringing the total cost estimate to \$498,710. In addition, engineering fees on the project total \$39,500 for a complete cost of \$538,210.

One third of the bid cost would bring Greensboro's contribution to \$177,600 and would leave Reidsville with a cost of \$360,610, which would be about \$20,000 more than the adopted budget (originally for the entire project). If Greensboro's contribution is capped at the adopted resolution amount of \$131,900, Reidsville's portion of the project would be \$406,310. This amount is \$66,310 more than the original budget. Greensboro will be presented with the final bid amounts, but with either level of participation from Greensboro, I am confident the additional funds needed for this project can be found within the 2020-2021 Combined Enterprise Fund budget.

It is the staff recommendation that the bid for the Carbon Feed project from Turner Murphy Co., Inc. be accepted.



April 5, 2021

Mr. Chris Phillips, Interim City Manager
City of Reidsville
230 West Morehead Street
Reidsville, North Carolina, 27320

RE: Award Recommendation
Powder Activated Carbon Facility
Reidsville, North Carolina

Dear Mr. Phillips:


On behalf of the City of Reidsville, McGill Associates solicited informal bids for the construction of a Powder Activated Carbon Facility at the City's water treatment plant. Bids were received and opened publicly on April 1, 2021. A total of two (2) bids were received, and Turner Murphy Co., Inc. of Rock Hill, South Carolina submitted the lowest responsive, responsible bid with a bid amount of \$474,962.00.

Turner Murphy Co., Inc. has successfully completed similar projects and is appropriately licensed with the North Carolina Board for General Contractors. We recommend award of this project to Turner Murphy Co., Inc. in the amount of \$474,962.00. Further, we recommend establishing a five percent (5%) contingency for the project in the amount of \$23,748.00.

Beyond the construction contract, our authorized services to date have included design, permitting, and bidding/award of the project. Construction phase services (contract administration and observation) have yet to be authorized in our scope of services. Our latest cost estimate had a line item amount of \$29,500 for those services, based on limited field observation time, which should also be included in the City's budget for completion of the project.

Enclosed for your use is the certified bid tabulation. If you have any questions or comments, please do not hesitate to contact us at (828) 328-2024.

Sincerely,
McGILL ASSOCIATES, P.A.



DOUGLAS CHAPMAN, PE
Principal/Hickory Office Manager

Enclosures: Certified Bid Tabulation

CC: Scott Jewell, City of Reidsville

BID RESULTS

POWDER ACTIVATED C ARBON SYSTEM

City of Reidsville, North Carolina

Thursday, April 1, 2021; 2:00 pm

230 West Morehead Street, Reidsville, NC 27320

Bidder	Total Bid Amount
Gilbert Engineering Company	\$536,390.00
Turner-Murphy Construction	\$474,962.00

This is to certify that the bids tabulated herein were accompanied by a 5% bid bond or certified check and publicly opened and read aloud at 2:00 pm local time on the 1st day of April 2021 at the Reidsville City Hall, 230 W. Morehead Street, Reidsville, North Carolina 27320.

DOUGLAS CHAPMAN, PE



1240 19th St Ln NW
Hickory, North Carolina 28601
Firm License No. C-0459



[Handwritten signature]
4-5-21

RESOLUTION APPROVING A REIMBURSEMENT AGREEMENT IN THE AMOUNT OF \$131,900 WITH THE CITY OF REIDSVILLE FOR THE FUNDING OF WATER QUALITY IMPROVEMENTS SUPPORTING THE PURCHASE OF TREATED DRINKING WATER

WHEREAS, the City of Reidsville and the City of Greensboro entered into an Agreement dated May 26, 1999 that established an interlocal agreement between the two community's water and sewer systems, the construction of a water transmission line connecting Reidsville to Greensboro, and the terms and conditions for the sale of treated water to Greensboro by Reidsville;

WHEREAS, City Council approved an amendment to the agreement on August 16, 2016 that increased the minimum purchase to 1 million gallons per day;

WHEREAS, the parties extended the contract to June 30, 2024;

WHEREAS, Reidsville is proposing to install water treatment equipment designed to improve the quality of water Greensboro receives through the interlocal agreement and transmission line;

WHEREAS, the proposed treatment equipment reduces the potential formation of disinfection byproducts that have resulted in occasional water quality issues for Greensboro;

WHEREAS, the proposed improvements also helps reduce the adverse impacts from high water age created by the time it takes to transport water from Reidsville to Greensboro's distribution system;

WHEREAS, the city's share of the costs for the water treatment improvement are based on the percentage of water purchased in relation to total daily production or 33% of the plant's average daily production of 3.025 million gallons per day;

WHEREAS, the engineer's cost estimate for constructing the improvements is \$399,600 and the city's contribution based on purchased water flow is \$131,900; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the City Manager is authorized to approve a Reimbursement Agreement with the City of Reidsville for the funding of water quality improvements supporting the purchase of treated drinking water in the amount of \$131,900 and the associated budget adjustment.



City of Reidsville Municipal Building Constructed 1926
Renovated For Police Department 1995 - 1996

Reidsville Police Department

"Making A Difference"

220 West Morehead Street
Reidsville, North Carolina 27320

ROBERT A. HASSELL
CHIEF OF POLICE

MEMORANDUM

To: Chris Phillips, Interim City Manager

From: Robert Hassell, Chief of Police *RH*

Date: April 5, 2021

Subject: Officer Trainee Positions

Over the span of the last several years, the number of qualified candidates for law enforcement officer positions has fallen dramatically. This realization has heightened the competitive environment for law enforcement agencies seeking to facilitate vacancies with qualified individuals. Many agencies have begun hiring competent applicants in trainee positions prior to the applicant beginning their basic law enforcement training or following enrollment while the applicant is attending basic law enforcement training. Statistics prove that agencies that have applied this process have experienced a significant increase in applications resulting in substantial success in hiring qualified candidates. Based on this insight, it is my belief this program would greatly enhance the recruitment efforts of the Reidsville Police Department.

A recent visit to the Rockingham Community College Basic Law Enforcement Training program was made by the Reidsville Police Department Recruitment Team. The visit revealed there were six (6) applicants who stated, if they had the option, they would be interested in a trainee position with the Reidsville Police Department. If this became an available option to applicants, it would provide the department a considerable advantage over competing agencies.

The department requests to create a new police officer trainee position at pay grade twenty, with a current starting salary of \$33,203. This new position will be one (1) pay grade below the position of Police Officer I. If the position is approved, the department requests to hold up to two (2) vacant police officer positions and fill with officer trainees.

The positions would be posted on the application portal for the City of Reidsville. The normal selection process would be conducted to narrow the pool to the most qualified applicants. All of the hiring requirements for police officers would be met to include background investigations, physical, and psychological evaluations prior to employment.

The individuals selected as trainees would be scheduled to attend the subsequent basic law enforcement academy at RCC. There is a possibility the person selected as trainee could already be actively enrolled in BLET. In this case, the individual will remain enrolled in class.

Once the trainees have successfully completed training and received certification from the North Carolina Training and Standards Division, they will be advanced to Police Officer I. The trainees will be compensated at pay grade twenty-one (21).

Thank you in advance for your valued consideration.



THE CITY OF Reidsville NORTH CAROLINA

The American Rescue Plan

To: Mayor Jay Donecker and the Reidsville City Council
From: Chris Phillips, Interim City Manager
Date: April 6, 2021

On March 11, 2021, President Biden signed into law the American Rescue Plan (ARP), which allocates \$1.9 trillion to COVID-19 relief and economic recovery. Cities and towns in NC will directly receive more than \$1.3 billion from the plan. The City of Reidsville is expected to receive an estimated \$4,090,000 in direct funding. The allocation of funds is based on population.

The Act specifically mentions the following guidance for use of the funds:

- Respond to the COVID-19 emergency and address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.
- Provide premium pay to essential employees or grants to their employers. Premium pay couldn't exceed \$13 per hour or \$25,000 per worker.
- Provide government services affected by a revenue reduction resulting from COVID-19.
- Make investments in water, sewer and broadband infrastructure.

Obviously this guidance is somewhat limited. In the weeks since the passing of the ARP, there has been some guidance about eligible costs and there will continue to be further definitions on the use of the funds. This first installment, half of the funds, is expected this summer.

Since the announcement of the ARP, the City has been approached by Citizens, employees, nonprofits, and various vendors about ideas for using these funds. The funds have to be spent by the end of the 2024 calendar year. Therefore, the City does have time to plan on a best course of action related to using the funds.

In addition to the direct funding, the ARP also provides funds through traditional tracks for the following:

- Small Business Relief
- Broadband
- Water and Wastewater
- Local Investment
- Mental Health and Substance Abuse
- Unemployment
- Transit
- Affordable Housing
- Emergency Rental Assistance

City staff will monitor related programs to find further funding opportunities as they arise.

Over the next months, City staff, most likely including a new City Manager and new Public Works Director, will work on exploring options for using the ARP funding. Funding plans will be presented to the Reidsville City Council before funds are spent or committed to any use.

Please let me know if there are specific questions related to the ARP that can be researched.



The City of
Reidsville
North Carolina

230 W. Morehead Street, Reidsville, NC 27320 Ph. (336)-349-1065- Fax (336) 347-2355

*Haywood Cloud Jr., Assistant City Manager of Community Services
Departments of Community Development/Parks & Recreation/Economic Development*

MEMORANDUM

To: Chris Phillips, Interim City Manager
From: Haywood Cloud, Jr., Assistant City Manager of Community Services
Date: 4/4/2021
Re: Reopening of City Buildings

In light of Rockingham County's COVID-19 positivity rate remaining consistently below 5%, and the continuing rise in the number of citizens getting vaccinated, the City's COVID-19 task force is proposing reopening our buildings and resuming specific City services later this month.

Our COVID-19 Task Force (which was formed in March 2020 and has had daily conference calls since its inception) has been discussing how and when to reopen our buildings and resume regular City services in the safest way possible. We are proposing that April 26th, 2021 be the day to reopen. The buildings to reopen will include but are not limited to: City Hall, RCARE, and the Parks and Recreation fitness center.

Staff will prepare a press release and provide notification letters to citizens who are members of some of our specific facilities (i.e. RCARE), and will post signs that will include CDC Guidelines, safety precautions, available activities and other information that will assist with a safe opening.

Once we open, we will operate daily with an abundance of caution to make sure that we are doing all we can as a staff to keep both our employees and participants safe.

Please let me know if you have any questions.





THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

Office of the City Manager

MEMORANDUM

TO: The Honorable Mayor Donecker and Members of Reidsville City Council
FROM: Chris Phillips, Interim City Manager *CP*
SUBJ: City Manager's Monthly Report
DATE: April 13, 2021

1. CityVision Voting Delegate
 - a. The deadline to designate a Council member as the voting delegate for the NC League of Municipalities's CityVision conference falls on April 12th, the day before you meet. Therefore, Mayor Donecker has agreed to serve as the voting delegate for the annual business meeting at the conference, which will be held virtually April 20-22. Please let us know if you have any questions about this.
2. Spring 2021 Litter Sweep
 - a. The NC Department of Transportation will hold its annual Litter Sweep campaign April 10-24. Everyone is encouraged to volunteer and pick up trash along our State's roadways. Our Appearance Commission has planned a community litter pick-up throughout April and May. Also, RAC is planning a free shredding event for paper documents on Saturday, May 1, from 9 a.m. until 12 noon behind City Hall. Flyers about both of these events can be found behind the Miscellaneous tab.
3. 2021-22 Budget Update
 - a. Department Heads have submitted budget requests, and revenue projections have been completed. Those requests from Department Heads include several capital items. These items are being reviewed for priority in consideration of the entire City budget. At the same time, potential budget savings in the current year will allow for the purchase of some capital items from the 2020-2021 fiscal year budget. The most positive budgetary news has been the health insurance renewal; while a double-digit increase was expected, the actual renewal rate came in at 3%. A final recommended budget will be presented at the City Council's May meeting with a public hearing and a vote to be held at the June Council meeting. Between the May and June meetings, a budget work session will be held to review the budget in more detail prior to the public hearing.

"Live Simply. Think Big."

4. Freeway Drive

- a. At Council's January Retreat it was reported that there was an unexpected amount billed by NCDOT for the third installment on the Freeway Drive line relocation. The billing was \$1 million more than the estimate. I did send a detailed letter to the Division 7 Director outlining why the City felt the billing was unfair in addition to being unexpected. I received a reply last week that, after reviewing the contract, it was determined that it was unclear if the project was supposed to be billed to the City at 100% or 75%, so the 75% rate will be applied. This decision brings the final installment down to a reasonable increase of about \$75,000 over the estimate. I am pleased to be able to report this favorable resolution to the City Council.

5. Project Updates:

- a. Youth Development Center Update
Behind the Miscellaneous tab you will find a project status report, including pictures, from the NC Department of Public Safety for the Youth Development Center. About 10% of the work on the site is done. Due to COVID-19 restrictions, the project has been unable, as of yet, to use inmate labor, which has affected the schedule considerably.
- b. Rockingham Theater
Brown Entertainment is in the process of closing on the Rockingham Theater. The closing process took longer than normal due to COVID issues and some aspects of the funding required by the Council of Government. They are still very excited about this project and plan to have live music in downtown Reidsville in 2021.
- c. Reidsville Luckies at Jaycee Park
The baseball field expansion at Jaycee Park is right on schedule. The outfield has been extended and prepped and grass is growing. Sod has been placed inside the infield diamond. The Old North State League is excited to bring the Reidsville Luckies back to town! Opening day is set for Saturday, June 12 at 7:00 p.m. versus the Lexington Flying Pigs.





THE CITY OF
Reidsville
NORTH CAROLINA

230 W. Morehead Street • Reidsville, North Carolina 27320 • (336) 349-1030 • Fax (336) 342-3649

MEMORANDUM

TO: Chris Phillips, Interim City Manager
FROM: Angela G. Stadler, CMC, City Clerk
SUBJ: Board/Commission Appointments for April 13, 2021
DATE: April 6, 2021

The following applications have been received for appointment to the Boards and Commissions listed:

New Reidsville Housing Authority

William Roach of 324 Carter Ridge Drive has applied for a position on the New Reidsville Housing Authority Board. This is a Mayoral appointment. If Mr. Roach is appointed, there will be one position available.

Reidsville Human Relations Commission

Dawn Charaba of 913 Country Club Drive and William Roach of 324 Carter Ridge Drive have applied for positions on the Reidsville Human Relations Commission. If both are appointed, the Commission will have one open position.

ADDITIONAL VACANCIES

In addition to the vacancies mentioned above, the following openings on other boards and commissions of the City will be advertised for consideration at the May 11, 2021 City Council meeting:

- Three three-year terms on the Reidsville Appearance Commission
- Three three-year terms on the Reidsville Community Pool Association
- One five-year outside-City ETJ position on the Reidsville Planning Board, which requires County Commissioners' approval.

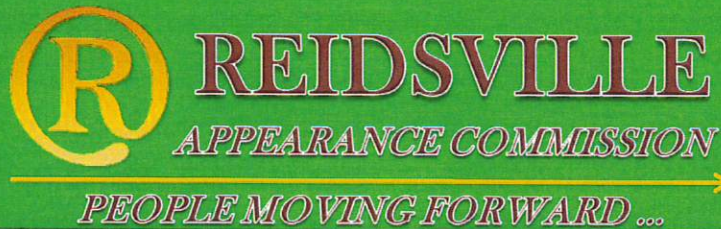
Applications to be considered at the City Council meeting on May 11, 2021, will need to be turned in by 5 p.m. on Friday, April 30, 2021.

AGS/cf

Attachments (3)

"Live Simply. Think Big."

CITY LITTER PICK-UP!



The Reidsville Appearance Commission, in conjunction with the City of Reidsville, will host a community litter pick-up.

Participants will be entered into a drawing for a \$50 gift card! Drawings will be held at the end of April and May.

To be eligible for the drawing, participants will need to email a picture of themselves picking up the litter with an identifying marker of the street to Briana Perkins at blperkins@ci.reidsville.nc.us

Prior to the litter pick-up, call (336) 349-1065 to obtain the required bags and assignment of street(s) along with additional information.

Gift Card
Drawing!

Donate
aluminum
cans at
Fire
Station #1!

TEAM
REIDSVILLE

LET'S
SHRED!

TEAM
REIDSVILLE

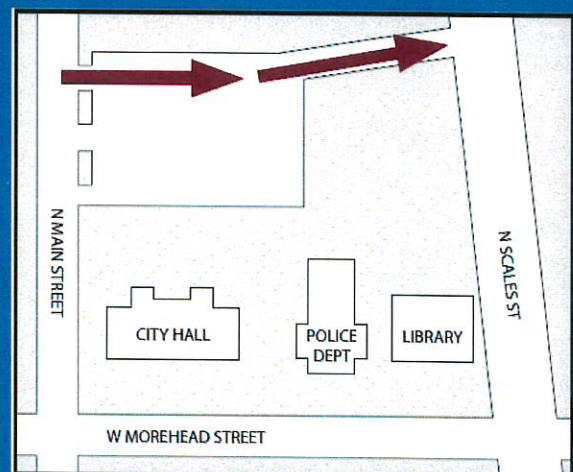
Saturday
May 1st
at 9am-12pm
(or until truck is full)

FREE SHREDDING!

The Reidsville Appearance Commission, in conjunction with the City of Reidsville, is hosting a free shred event!

Parking lot behind City Hall
(enter from N. Main St.)

Bins will be provided to
dump documents in.



No plastics or boxes are
allowed in the bins, only
paper products.

 REIDSVILLE
APPEARANCE COMMISSION
PEOPLE MOVING FORWARD



North Carolina Department of Public Safety

Central Engineering

Roy Cooper, Governor
Erik A. Hooks, Secretary

Cassandra Skinner Hoekstra, Chief Deputy Secretary
Doug Holbrook, Chief Financial Officer
Jeffrey O'Briant, Director

PROJECT STATUS REPORT

GENERAL

REPORT DATE

03/31/2021

PROJECT NAME

Rockingham Youth Development Center

PREPARED BY

NC-DPS C.E. (Michael Gashaw)

CONSTRUCTION PROGRESS

- **Site work:** Sitework subcontractor completed rough grading. Installed curb along all pavement areas. Installed subbase and asphalt for paved areas.
- **Site utilities:** Installation of waterline and storm water piping is complete including horizontal directional drill bore under the stream.
- **Security Fencing:** CAP/ICP has progressed on the installation of security fencing. CAP is using own staff to due to Inmate labor unavailability due to COVID19.
- **Schedule:** CAP has reported actual work percent complete is 10%.
- **Challenges:** Inmate labor may not be available for few months more due to COVID19 restriction. This will continue affecting project schedule significantly as inmate labor is the major work force on this project.

PROGRESS PICTURES





REIDSVILLE ABC BOARD**Minutes of January 7, 2021 Board Meeting**

1. The meeting was held via telephone. It was called to order at 2:10 pm by Chairperson Denise Brady. Members Rucker and Turner, GM Langel and Councilwoman Sherry Walker were present.
2. Invocation was delivered by Member Rucker.
3. Chairperson Brady called for any known conflicts of interest. None were reported.
4. The minutes of the November 2020 Board meeting were approved as read.
5. Chair Brady gave an update on new building project. Chair Brady explained to the Board that after a conversation with Jonathan Jobe, Home Trust Bank, the Board needs to confirm that per contract with Stocks Engineering they will review, inspect and approve payment for jobs completed and Cirrus Construction will be in charge of architectural aspects of the project. The Board voted unanimously to approve.

Motion to approve: Turner Second: Rucker

6. The Board voted to unanimously approve first payout to Cirrus Construction of

Motion to approve: Rucker Second: Turner

7. The Board discussed COVID- 19 issues. Chair Brady informed the Board of her conversations with Laurie Lee, ABC Commission, other Board members and Councilwoman Walker concerning COVID- 19 issues at the store in December 2020.

8. General Manager Langel advised Member Turner that he needs to complete ethics training required by the ABC Commission for all new Board members. Langel will forward all necessary information to Member Turner.

9. The Board discussed request from Reidsville City Mayor to provide him with minutes of Board meeting minutes from previous two years. The Board unanimously agreed that Chair Brady would draft the Board's response stating the Board had previously submitted board meeting minutes from 2015 to 2020.

Motion to approve: Brady Second: Rucker

10. The Board plans to meet within the next two weeks with Stocks Engineering and Cirrus Construction representatives to further discuss building project.

11. The next regular meeting of the Board will be February 25, 2021 at 9:00 am at the Reidsville ABC Store.

12. There being no further business to discuss, the meeting was adjourned at 4:15 pm.

Approved: _____
Denise Brady, Chairperson

Approved: _____
George Rucker

Approved: Clark Turner
Clark Turner

Using the City of Reidsville's COVID-19 emergency sick leave policy as a template, the Board approved the following COVID-19 emergency paid sick leave plan:

All employees will be provided up to 80 hours of emergency sick leave pay if they seek testing, test positive or have been instructed to quarantine at home following a COVID-19 exposure. Full-time employees will be paid for regular scheduled hours missed without using sick leave. Part-time employees will be paid the hourly rate for regular scheduled hours missed.

This policy is retroactive from Dec 1, 2020.

This policy will expire March 31, 2021.

Motion to approve: Rucker Second: Turner

The Board unanimously agreed with GM Langel's recommendations to reduce the risk of COVID-19 exposure to staff and customers:

- Staff divided into two teams to operate store to limit employee interaction to minimize exposure
- Limit customer capacity to five customers at a time
- Employees will continue strict cleaning and sanitizing procedures
- Employees will continue to practice and promote social distancing
- Employees will continue to enforce facial covering regulations



Department of Human Resources

200 West Morehead Street
Reidsville, North Carolina 27320
(336) 549-1058

Memorandum

To: Preston Mitchell, City Manager

From: Leigh Anne Bassinger, Human Resources Director
Chris Phillips, Assistant City Manager and Finance Director

Date: December 29, 2020

Re: Extension of Emergency Paid Sick Leave for Employees

In April, 2020, the President signed into the law the Families First Coronavirus Response Act which provides employees with up to 80 hours of emergency paid sick leave if they are seeking testing, have tested positive or have been instructed to quarantine at home by a health department official following a significant COVID-19 exposure. These federal benefits are set to expire on December 31, 2020.

Since the start of the pandemic, Human Resources has managed a total of fifty-seven (57) employees who have fallen into one or more of the above categories. To date, twenty-five (25) employees have actually tested positive for COVID-19 since the start of the pandemic.

I respectfully request the City Council consider adopting a temporary personnel policy which will allow employees to qualify for continued emergency paid sick leave benefits through March 31, 2021. Employees would only be eligible for a maximum of 80 hours of emergency paid sick leave, through a combination of hours under the FFCRA and the City of Reidsville's temporary policy. Those that have already received some benefits under the FFCRA would have the total number of hours available under the City's policy reduced by the number of hours they have already been granted.

With the increasing availability of vaccines, we may be nearing the end of the pandemic. However, if we do not have at least 70% of our employee population vaccinated or recovered from COVID-19 by the end of March, we may need to extend this policy for an additional 90 days at that time.

"Live Simply. Think Big."

The Reidsville Human
Relations Commission
did not meet in the month of
March 2021 due to the
absence of a quorum.