CITY OF NEW BERN BOARD OF ALDERMEN MEETING DECEMBER 11, 2018 – 6:00 P.M. CITY HALL COURTROOM 300 POLLOCK STREET

- 1. Meeting opened by Mayor Dana E. Outlaw. Prayer Coordinated by Alderman Best. Pledge of Allegiance.
- 2. Roll Call.
- 3. Request and Petition of Citizens.

Consent Agenda

- 4. Consider Adopting a Resolution Closing Specific Streets for Christ Episcopal Church Community Christmas Caroling.
- 5. Consider Adopting a Revised Resolution Closing Specific Streets for the Beary Merry Christmas Sledding Shopping Event.
- 6. Approve Minutes.

- 7. Presentation of School Essay Contest Winners.
- 8. Appointment of Mayor Pro Tempore for 2019 and Administration of Oath.
- 9. Conduct a Public Hearing, Consider Adopting a Statement of Zoning Consistency, and Consider Adopting an Ordinance to Rezone Three Tracts of Land Identified as Tax Parcels 7-105-17001, 7-105-15000 and 7-105-15001 from A-5 Agricultural District to R-8 Residential.
- 10. Consider Adopting a Resolution Approving a Lease Agreement with NC Coastal Land Trust for Veterans Employment Base Camp and Organic Garden.
- 11. Consider Adopting a Resolution Approving the Sale of 570 NC Hwy. 55W.
- 12. Consider Adopting a Resolution Approving a Supplemental Agreement with NC Department of Transportation Regarding Improvements on Trent Road.
- 13. Consider Adopting a Resolution Approving an Audit Contract Amendment for Fiscal Year Ending June 30, 2018.

- 14. Consider Adopting a Budget Ordinance Amendment for the FY2018-19 Operating Budget.
- 15. Consider Adopting a Resolution Approving a Declaration of Intent to Reimburse for FY2018-19 Capital Purchases.
- 16. Consider Adopting an Amendment to the Grant Project Ordinance for the Hurricane Florence Fund.
- 17. Appointment(s).
- 18. Attorney's Report.
- 19. City Manager's Report.
- 20. New Business.
- 21. Closed Session.
- 22. Adjourn.

INDIVIDUALS WITH DISABILITIES REQUIRING SPECIAL ASSISTANCE SHOULD CALL 639-7501 NO LATER THAN 3 P.M. THE DATE OF THE MEETING Aldermen

Sabrina Bengel Jameesha Harris Robert V. Aster Johnnie Ray Kinsey Barbara J. Best Jeffrey T. Odham



200 Ballack Street P.O. Box 1129

300 Pollock Street, P.O. Box 1129 New Bern, NC 28563-1129 (252) 636-4000 Dana E. Outlaw Mayor

Mark A. Stephens City Manager

Memo to: Mayor and Board of Aldermen

From: Mark A. Stephens, City Manager

1/11/18

Date: December 7, 2018

Re: December 11, 2018 Agenda Explanations

1. Meeting opened by Mayor Dana E. Outlaw. Prayer Coordinated by Alderman Best. Pledge of Allegiance.

2. Roll Call.

3. Request and Petition of Citizens.

This section of the Agenda is titled Requests and Petitions of Citizens. This is an opportunity for public comment, and we thank you for coming to the Board of Aldermen meeting tonight to share your views. We value all citizen input.

Speaker comments are limited to a maximum of 4 minutes during the public comment period. At the conclusion of 4 minutes, each speaker shall leave the podium. Comments will be directed to the full board, not to an individual board member or staff member. Although the board is interested in hearing your comments, speakers should not expect any comments, action or deliberation from the board on any issue raised during the public comment period.

In the board's discretion, it may refer issues to the appropriate city officials or staff for further investigation. If an organized group is present to speak on a common issue, please designate one person to present the group's comment, which shall be limited to a maximum of 4 minutes.

Consent Agenda

4. Consider Adopting a Resolution Closing Specific Streets for Christ Episcopal Church Community Christmas Caroling.

(Ward 1) John Haroldson, Event Coordinator, has requested the 300 block of Pollock Street be closed on December 20, 2018 from 5 p.m. to 7 p.m. for Christ

Episcopal Church's community Christmas caroling. A memo from Foster Hughes, Director of Parks and Recreation, is attached.

5. Consider Adopting a Revised Resolution Closing Specific Streets for the Beary Merry Christmas Sledding Shopping Event.

(Ward 1) On November 13, 2018, the Board adopted a resolution to close streets and authorize the use of City-owned lots for the Beary Merry Christmas Sledding Shopping event on December 9, 2018. The weather forecast for December 9th calls for rain. As a result, Amanda Banks, Event Chair, has requested the event be moved to December 22, 2018. Additionally, she has asked that the 300 block of South Front Street be closed instead of the original location at the 200 block of Craven Street. A memo from Foster Hughes is attached.

6. Approve Minutes.

Minutes from the November 27, 2018 regular meeting are provided for review and approval.

7. Presentation of School Essay Contest Winners.

The New Bern Police Department and Craven County Schools held its 7th Annual Essay Contest. One of the contest winners will be in attendance to read their essay, and all winners in attendance will be acknowledged and extended a handshake of appreciation from the Governing Board.

8. Appointment of Mayor Pro Tempore for 2019 and Administration of Oath.

Section 2.4 of the City's Charter provides that at the first meeting in December, the Board of Aldermen will choose one of its members as Mayor Pro Tempore to serve a one-year term. The mayor pro tempore shall perform the duties of the Mayor during his absence or disability as prescribed by the Charter and the General Statutes.

9. Conduct a Public Hearing, Consider Adopting a Statement of Zoning Consistency, and Consider Adopting an Ordinance to Rezone Three Tracts of Land Identified as Tax Parcels 7-105-17001, 7-105-15000 and 7-105-15001 from A-5 Agricultural District to R-8 Residential.

(Ward 3) Thomas Engineering, agent for Nolan Commercial Contractors, LLC, has requested to have three tracts of property identified as tax parcels 7-105-17001, 7-105-15000 and 7-105-15001 rezoned from A-5 Agricultural District to R-8 Residential. The property is located to the west of Old Airport Road and to the south of Bettye Gresham Road and jointly consist of approximately 72.23 acres. The Planning and Zoning Board voted unanimously 7-0 on November 13, 2018 to approve the request. State statute and local ordinance require the Governing Board to hold a public hearing to receive comments on rezoning requests, and this hearing

has been duly advertised. After conducting the hearing, the Board is requested to adopt a statement of zoning consistency and then consider approving the ordinance to rezone the property. A memo from Morgan Potts, City Planner, is attached along with a map of the subject property.

10. Consider Adopting a Resolution Approving a Lease Agreement with NC Coastal Land Trust for Veterans Employment Base Camp and Organic Garden.

(Ward 2) On August 27, 2013, the Board adopted a resolution approving a 64month lease with the North Carolina Coastal Land Trust for 1.21 acres of Henderson Park, which is located at 940 Chapman Street. The land has been utilized by the Veterans Employment Base Camp and Organic Garden to operate a community garden. The garden assists disabled veterans through the use of horticulture therapy, and it assists disadvantaged or homeless veterans with transitional employment. The lease expired on November 30, 2018, and Lovay Wallace-Singleton, Executive Director of the Garden, is seeking another lease for a 60-month term at a rate of \$1.00 per year. The intent to consider the lease has been duly advertised as required by state statute.

11. Consider Adopting a Resolution Approving the Sale of 570 NC Hwy. 55W.

(Ward 5) An offer of \$6,750.00 was received from Edwin B. Franklin, Sr. for the purchase of 570 NC Hwy. 55 W. The offer was advertised as required by law, but no additional bids were received. The parcel is a vacant lot with a tax value of \$13,500.00, and Mr. Franklin's offer represents 50% of that value. The property was acquired jointly by the City and Craven County through tax foreclosure in May of 2017. The total taxes due to both taxing authorities was \$4,860.56. In December 2017, the County transferred its interest in the property to the City. The City subsequently demolished a structure that was on the property due to its deteriorated state and asbestos contamination. As the sole property owner, the cost of \$7,354.00 for demolition was paid by the City. If the sale of the property is approved, the City will receive full proceeds less the cost of advertising the offer. A memo from Brenda Blanco, City Clerk, is attached.

12. Consider Adopting a Resolution Approving a Supplemental Agreement with NC Department of Transportation Regarding Improvements on Trent Road.

(Ward 2) In 1995, the City and NCDOT entered into an agreement whereby certain state-owned roads would be turned over to the City. One of those roads included Trent Road. As part of the agreement, NCDOT was to complete specific improvements and resurface the road. At this time, NCDOT has completed all of the drainage improvements, but has not completed the resurfacing. The agreement provides NCDOT will pay the City a lump sum of \$44,714 in lieu of resurfacing approximately 1,000 linear feet of Trent Road. Public Works has reviewed this offer and feels the lump sum payment is sufficient to cover the cost of resurfacing the area. A memo from Matt Montanye, Director of Public Works, is attached.

13. Consider Adopting a Resolution Approving an Audit Contract Amendment for Fiscal Year Ending June 30, 2018.

On May 8, 2018, the Board approved a contract with Mauldin & Jenkins, LLC to perform the City's audit for Fiscal Year Ending June 30, 2018. The terms of the contract provided the audit report would be due on October 31, 2018. Since Hurricane Florence, City staff has been working on recovery efforts and with FEMA on claims arising from the hurricane. Staff has also been in the middle of an ERP conversion. While the City did not lose any records, the hurricane and ERP conversion have prevented staff from finalizing schedules to complete the audit. The Board is asked to consider approving an amendment to the contract to extend the audit due date to December 31, 2018. A memo from J.R. Sabatelli, Director of Finance, is attached.

14. Consider Adopting a Budget Ordinance Amendment for the FY2018-19 Operating Budget.

This budget amendment appropriates \$266,460 to the Police Department for upgrades to the New Word computer-aided dispatch software. The Emergency Telephone System Fund has already appropriated \$60,000 toward the cost, which brings the total estimated project to \$326,460. The additional \$266,460 will be paid by an increase in debt proceeds. Additionally, the budget amendment appropriates \$66,000 to E911 for the upgrade to the 911 call-recording system. This appropriation will be offset by an increase in fund balance appropriated. A memo from Mr. Sabatelli is attached.

15. Consider Adopting a Resolution Approving a Declaration of Intent to Reimburse for FY2018-19 Capital Purchases.

The adopted budget for Fiscal Year 2018-19 included the purchase of several capital items. As a result, the Board adopted a resolution approving a Declaration of Intent to Reimburse on July 10, 2018 for an amount not to exceed \$1,149,075. However, the amount has increased by \$266,460 for the upgrade to the Police Department's computer-aided dispatch system. The declaration of intent has been revised to reflect a new total of \$1,415,535. A memo from Mr. Sabatelli is attached.

16. Consider Adopting an Amendment to the Grant Project Ordinance for the Hurricane Florence Fund.

On October 9, 2018, the Hurricane Florence grant fund was established with an initial budget of \$4.4 million. As recovery efforts, repairs, replacements and mitigation costs continue to increase, additional funding may be needed. At this time, an additional \$3.6 million is required to allow the recovery efforts to continue. A memo from Mr. Sabatelli is attached.

17. Appointment(s).

Esther Hardin's term on the New Bern-Craven County Public Library expired on December 1, 2018. Ms. Hardin has moved out of the area and is not interested in

reappointment. The Board is asked to make an appointment to fill this seat. The appointee will serve a six-year term.

- 18. Attorney's Report.
- 19. City Manager's Report.
- 20. New Business.
- 21. Closed Session.
- 22. Adjourn.

AGENDA ITEM COVER SHEET

Agenda Item Title:

Consider Adopting the Resolution to Episcopal Church Community Christr Thursday, December 20, 2018.	close the 300 block of Pollock Street to vehicle traffic for Christ mas Caroling from 5:00 p.m. until 7:00 p.m. on
Date of Meeting 12/11/2018	Ward # if applicable <u>Ward 1</u> If multiple, list:
Department Parks & Recreation	Person Submitting Item: Mr. Foster Hughes
Call for Public Hearing <u>No</u>	Date of Public Hearing
Explanation of Item: John Haroldson, Coordinator has rec Episcopal Church Community Christ	quested to close the 300 block of Pollock Street for Christ mas Caroling.
Actions Needed by Board: Adopt the Resolution.	
Is item time sensitive? <u>No</u> Will there be advocates/opponei	nts at the meeting? No
Backup Attached:	
Resolution Memo Application Map	
Cost of Agenda Item: N/A If this item requires an expendit certified by the Finance Director Additional notes:	ure, has it been budgeted and are funds available and : <u>Select</u>



Aldermen

Sabrina Bengel Jameesha Harris Bobby Aster Johnnie Ray Kinsey Barbara J. Best Jeffrey T. Odham

From:

Foster Hughes, CPRE Director of Parks & Recreation



Dana E. Outlaw Mayor

Mark A. Stephens City Manager

Memo To: Mayor and Board of Aldermen

E

Re: Adopt Resolution to close the 300 block of Pollock Street to vehicle traffic for Christ Episcopal Church Community Christmas Caroling from 5:00 p.m. until 7:00 p.m. on Thursday, December 20, 2018.

Foster Hughes, CPRE Parks and Recreation Director

Background Information:

John Haroldson, Coordinator has requested to close the 300 block of Pollock Street to vehicle traffic for Christ Episcopal Church Community Christmas Caroling event on Thursday, December 20, 2018 from 5:00 p.m. until 7:00 p.m.

Recommendation:

The Parks and Recreation Department recommends approval and request the Board adopt a Resolution approving the request.

If you have any questions concerning this matter, please call.

1307 Country Club Rd New Bern, NC 28562 Office 252 639-2901 Fax 252 636-4138

RESOLUTION

THAT WHEREAS, Christ Episcopal Church has scheduled their annual Community Christmas Caroling and has requested that the 300 block of Pollock Street be closed to vehicular traffic from 5:00 p.m. until 7:00 p.m. on Thursday, December 20, 2018; and

WHEREAS, the Director of Parks and Recreation of the City of New Bern recommends the street be closed as requested.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

That the 300 block of Pollock Street be closed to vehicle traffic from 5:00 p.m. until 7:00 p.m. on Thursday, December 20, 2018 for Christ Episcopal Church Community Christmas Caroling.

ADOPTED THIS 11th DAY DECEMBER 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK





Thank you for choosing New Bern Parks & Recreation for your event or permit. The purpose of this form is to obtain information <u>before</u> the application or permit process is requested. All requests are to be returned to Parks & Recreation Administration; requests include, but not limited to parks, open spaces, ball fields, streets, festivals, parades, road races and rallies.

If requesting the use of a recreation center, complete and return to the facility of choice (contact facility at bottom of page); approval of application is at the discretion of the Center Supervisor.

Please note: When requesting the use of City facilities for event purposes, allow for a minimum of 60 days prior to the requested event date for consideration; for permits, allow for a minimum of 30 days prior to the requested permit date for consideration. Completing a pre-event or permit questionnaire does not guarantee approval.

Name: John Haroldson	Today's Dat	e: <u>11/26/18</u>
Address: P. O. Box 1169	City: <u>New Be</u>	m
State: <u>NC</u> Zip: <u>28563-1169</u>	Telephone: 252-638-8300	Cell: 252-514-7392
E-mail address:joharoldson@me.com		
Facility Requested (check one):Star	nley White Rec. CenterWest	New Bern Rec. Center
George St. Park Spray Ground	New Bern Aquatics CenterA	hletic FieldCity Park
X Other (example: Open Space/Ball Fi	eld/Street): 300 block of Pollock Street	
Date of Event: 12/20/18	Hours: From: 5:00 pm	To: <u>7:00 pm</u>
Purpose of Event: Christ Church Communi	ty Caroling	
Is this an ongoing event?Yes _X_N	lo (if yes, please explain, include da	tes & times:
Are you requesting closure and/or use of \$	State-owned streets/bridges in the C	ity limits of New Bern? Y* X N
	et our office know and we will supply one for y	bridges. A Special Event Form must be completed and ou. Once the NCDOT Special Events Form is complete, f New Bern and NCDOT as an additional insured.
Is event for fundraising purposes?Y	es X_NO (If yes, please provide non-profi	t or not-for-profit organization name and tax I.D.
Number) Organization Name: Christ Episcop	al Church ID #:	
Projected Attendarice: 100 Will you I	be charging admission?Yes X	No (If yes, state how much \$)
Note: Security may be required at the organize	ers expense, given the attendance and p	projected nature of the event.
Recreation Center:	please check the area(s) you are requesting
Meeting RoomKitchenM	ulti-purpose RoomGame Roor	nFitness RoomGymnasium
Park Name:	Please check the area(s)	you are requesting.
ShelterOpen Space	StageGazeboOt	her:
Electricity?YesNo (Check of	one) Water? <u>Y</u> es <u>No</u>	(Check one)
ph o. Kult		11/26/18
Signature	Title (if applicable)	(Date)





AGENDA ITEM COVER SHEET

Agenda Item Title:

Date of Meeting 12/11/2018	Ward # if applicable <u>Ward 1</u>
	If multiple, list:
Department Parks & Recreation	Person Submitting Item: Mr. Foster Hughes
Call for Public Hearing <u>No</u>	Date of Public Hearing
Explanation of Item:	
	ested to close specifics streets to vehicle traffic for Beary Merry
Actions Needed by Board:	
Adopt the Resolution	
Is item time sensitive? <u>No</u>	
Will there be advocates/opponent	ts at the meeting? Select
Backup Attached:	
Resolution	
Memo	
Cost of Agenda Item: N/A	
	re, has it been budgeted and are funds available and <u>Select</u>
If this item requires an expenditu	



Aldermen

Sabrina Bengel Jameesha Harris Bobby Aster Johnnie Ray Kinsey Barbara J. Best Jeffrey T. Odham Foster Hughes, CPRE Director of Parks & Recreation



Dana E. Outlaw Mayor

Mark A. Stephens City Manager

- Memo To: Mayor and Board of Aldermen
- From: Foster Hughes, CPRE Parks and Recreation Director 44
- Re: Adopt the Resolution to close the 300 block of South Front Street from 8:00 a.m. until 5:00 p.m. on Saturday, December 22, 2018 for Beary Merry Christmas Celebration Sledding Shopping.

Background Information:

Amanda Banks, Event Chair has requested to close 300 block of South Front Street to vehicle traffic from 8:00 a.m. until 5:00 p.m. on December 22, 2018 for Beary Merry Christmas Sledding Shopping.

The use of the vacant lots located at 304 and 308 South Front Street (old Talbot's lot) December 22, 2018 from 8:00 a.m. until 5:00 p.m.

Recommendation:

The Park and Recreation Department recommends approval and request the Board adopt a Resolution approving the request.

1307 Country Club Rd New Bern, NC 28562 Office 252 639-2901 Fax 252 636-4138

RESOLUTION

THAT WHEREAS, the Board of Aldermen adopted a resolution on November 13, 2018 approving a request to close streets and authorize the use of City-owned vacant lots for the Beary Merry Christmas Sledding Shopping event on December 9, 2018; and

WHEREAS, due to a forecast for rainy weather, the Downtown Council has requested the location and date of the event be rescheduled, and the Director of Parks and Recreation recommends approval of the request.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

THAT the 300 block of South Front Street be closed to vehicular traffic from 8:00 a.m. until 5:00 p.m. on December 22, 2018; and

FURTHER, use of the vacant lots located at 304 and 308 South Front Street (the "Talbot's lot") is hereby granted for Beary Merry Christmas events on December 22, 2018 from 8 a.m. until 5 p.m.

ADOPTED THIS 11TH DAY OF DECEMBER 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK



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AGENDA ITEM COVER SHEET

Agenda Item Title:

New Bern Police Department Essay Contest Winners

Date of Meeting December 11 2018	
Department Police	Person Submitting Item: Chief Summers/Officer Hollowell
Call for Public Hearing Yes KNo	Date of Public Hearing

Explanation of Item:

The New Bern Police Department and the Craven County School System have been working in partnership over the past few weeks on 7th Annual Essay Contest. The purpose of the contest is to get students to think about how they can become valuable citizens within the community. Students were allowed to choose between two topics and submit their essays. A panel of volunteers and officers reviewed each essay and chose a winner from each school.

Actions Needed by Board:

Allow police department to acknowledge at least 7 winners from elementary schools. One winner will read their essay.

Is item time sensitive? Yes Vo

Will there be advocates/opponents at the meeting? Yes Vo

Backup Attached:

n/a

Cost of Agenda Item: n/a

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : \Box Yes \checkmark No

Additional notes:

Ben D. Quinn Elementary SchoolJaron HawkinsCalvary Baptist SchoolLeyla CoxCreekside Elementary SchoolKaitlyn NguyenEpiphany School of Global StudiesCaroline StricklandOaks Road Elementary SchoolFranki Martinez-CabreraSaint Paul' s Catholic SchoolJoshua GuillenTrent Park Elementary SchoolSydnee Hayes

I, _____, do solemnly swear that I will support the Constitution of the United States; so help me God.

I, _____, do solemnly swear that I will support and maintain the Constitution and Laws of the United States and the Constitution and Laws of North Carolina, not inconsistent therewith; and that I will faithfully discharge the duties of my office as Mayor Pro Tempore; so help me, God.

I, _____, do solemnly and sincerely swear that I will be faithful and bear true allegiance to the State of North Carolina and to the constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability; so help me, God.

The foregoing oaths were administered by me and sworn to and subscribed before me this the 11th day of December, 2018.

Brenda E. Blanco, City Clerk

AGENDA ITEM COVER SHEET

Agenda Item Title:

Conduct a Public Hearing and consider the rezoning of Craven County Parcel ID #'s 7-105-17001, 7-105-15000, and 7-105-15001 from A-5 Agricultural to R-8 Residential

Date of Meeting 12-11-2018	Ward # if applicable Ward 3
Department Development Services	Person Submitting Item: Morgan Potts
Call for Public Hearing 🗹 Yes 🗌 No	Date of Public Hearing 12/11/2018

Explanation of Item:

State statute and local ordinance requires the governing body to hold a public hearing to rezone approximately 72.23 +/-acres from A-5 Agricultural District to R-8 Residential District. The parcels are located to the west of Old Airport Road and to the south of Bettye Gresham Road.

Actions Needed by Board:

To hold a public hearing and consider approval or denial of the requested zoning map amendment, adopt an ordinance amending the zoning map and statement of consistency or inconsistency.

Is	item	time	sensitive?	v	Yes	🗌 No
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Will there be advocates/opponents at the meeting? Yes No

Backup Attached:

Memo, Ordinance, Site Map, Consistency and Inconsistency Statements, Analysis, Rezoning application, and Excerpt of Minutes from The Planning and Zoning Board.

Cost of Agenda Item: ⁰

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : Yes No

Additional notes:

The Planning and Zoning Board met on November 13, 2018, and voted unanimously (7-0) to recommend approval of the rezoning application.



Development Services 303 First Street, P.O. Box 1129 New Bern, NC 28563 (252)639-7581

MEMORANDUM

- TO: Mayor Outlaw City of New Bern Board of Aldermen
- FROM: Morgan J. Potts, AICP City Planner
- **DATE:** November 29, 2018
- SUBJECT: Request to Rezone Craven County Parcel ID's 7-105-17001, 7-105-15000, and 7-105-15001 from A-5 Agricultural District to R-8 Residential District

The Board of Aldermen is requested to hold a public hearing on December 11, 2018 at 6:00 p.m., or as soon thereafter as possible, to consider a request by Thomas Engineering, agent for Nolan Commercial Contractors, LLC, to rezone approximately 72.23 +/-acres from A-5 Agricultural District to R-8 Residential District. The parcels are located to the west of Old Airport Road and to the south of Bettye Gresham Road.

"The R-8 residential district is designed to accommodate single-, two-, and multifamily dwellings with a minimum 8,000 square feet lot for one unit and 4,000 square feet for each additional unit; multifamily density maximum is approximately 10.6 units per acre (based on a five-acre tract). For the R-8 residential district, in promoting the general purposes of this ordinance, the specific intent of this district is: (a) To encourage the continued use of the land for residential purposes; (b) To prohibit commercial and industrial use of the land and to prohibit any other use which would substantially interfere with development or continuation of residential uses in the district; (c) To encourage the discontinuance of existing uses that would not be permitted as new uses in this district; (d) To discourage any use which would generate traffic on minor streets other than normal traffic to serve residences on those streets; and (e) To discourage any use which because of its character or size would create requirements and costs for public services such as police and fire protection, water supply and sewerage, substantially in excess of such requirements and costs if the district were developed solely for residential purposes."

According to the 2010 CAMA Regional Land Use Plan, the adjacent area's land use is

vacant/undeveloped, and this land use classification is applicable to the subject parcels. At the time of publication of the document, the subject parcels were within Craven County jurisdiction. The future land use map classifies the adjacent area parcels as "Urban Transition". Additionally the land is classified as "Medium Suitability" for urban development; therefore the zoning request for R-8 Residential District is a suitable classification.

Staff finds the requested initial zoning consistent with the CAMA Regional Land Use Plan and nearby land uses, and staff recommends approval of the request. Please contact me at 639-7583 should you have questions or need additional information.

Craven County Parcel ID's #7-105-17001, 7-105-15000, and 7-105-15001

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STATEMENT OF ZONING CONSISTENCY WITH ADOPTED PLANS

The Board of Aldermen of the City of New Bern finds the action to rezone Craven County Parcel ID's 7-105-17001, 7-105-15000, and 7-105-15001 to R-8 Residential District reasonable and in the public interest, and consistent with the City Land Use Plans and nearby land uses. In that:

- 1. The R-8 Residential District is deemed to be compatible with the adjoining residential uses and designation given by the Future Land Use Map found in the 2010 Regional Land Use Plan.
- 2. The proposed R-8 Residential District is deemed to be compatible with adjacent uses.
- 3. The proposed R-8 Residential District is deemed to be compatible with existing residential uses.

Craven County Parcel ID's #7-105-17001, 7-105-15000, and 7-105-15001

STATEMENT OF ZONING INCONSISTENCY WITH ADOPTED PLANS

The Board of Aldermen of the City of New Bern finds the action to rezone Craven County Parcel ID's #7-105-17001, 7-105-15000, and 7-105-15001 to R-8 Residential District is not reasonable and is not in the public interest, and finds it to be inconsistent with the Regional Land Use Plan and nearby land uses in that the proposed R-8 Residential District is incompatible with the uses permitted on nearby properties, and other properties in the vicinity. And that:

1. The proposed R-8 Residential District would be incompatible with adjacent uses.

AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF NEW BERN SO AS TO CHANGE THE ZONING CLASSIFICATION OF PROPERTY OWNED BY NOLAN COMMERCIAL CONTRACTORS, INC. CONSISTING OF APPROXIMATELY 72.23 ACRES LOCATED ON THE WEST SIDE OF OLD AIRPORT ROAD, SOUTH OF BETTYE GRESHAM LANE, FROM THE ZONING CLASSIFICATION OF A-5 AGRICULTURAL DISTRICT TO R-8 RESIDENTIAL DISTRICT

THAT WHEREAS, Nolan Commercial Contractors, Inc. owns approximately 72.23 acres located on the west side of Old Airport Road, south of Bettye Gresham Lane, and an application has been made to change the zoning classification of the subject property from A-5 Agricultural District to R-8 Residential District; and

WHEREAS, the Planning and Zoning Board unanimously recommended said request be approved; and

WHEREAS, the Board of Aldermen of the City of New Bern conducted a duly advertised public hearing with respect to the proposed amendment on December 11, 2018, at which time all interested parties were given an opportunity to be heard; and

WHEREAS, the Board of Aldermen of the City of New Bern deems it advisable and in the public interest to effect said change, as the requested R-8 Residential District classification is consistent with the City Land Use Plans and nearby land uses, and the Future Land Use Map found in the 2010 Regional Land Use Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. That the zoning map of the City of New Bern be and the same is hereby amended by changing the zoning classification of the real property owned by Nolan Commercial Contractors, Inc. consisting of 72.23 acres, more or less, located on the west side of Old Airport Road, south of Bettye Gresham Lane, from A-5 Agricultural District to R-8 Residential District as more specifically shown on the plat entitled "REZONING CASE: NOLAN COMMERCIAL PID: 7-105-15000, 15001, 17001" prepared by the Development Services Department of the City of New Bern, a copy of which is attached hereto and incorporated herein by reference.

Section 2. That the Board deems it in the public interest to rezone the subject property as the requested R-8 Residential District classification is consistent with the City Land Use Plans and nearby land uses, and the Future Land Use Map found in the 2010 Regional Land Use Plan.

Section 3. That this ordinance shall be in full force and effect from and after its adoption and publication as required by law.

ADOPTED THIS 11th DAY OF DECEMBER, 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CIFY CLERK





City of New Bern Craven County Parcel ID's #7-105-17001, 7-105-15000, and 7-105-15001 Rezoning Request Analysis

Date: November 29, 2018

Applicant: John Thomas Engineering/Nolan Commercial Contractors, LLC.

Requested Change:

Existing: A-5 Agricultural District (5 acre lots) Proposed: R-8 Residential District (8,000 sq. ft. lots)

Location:

The properties are located to the south of Bettye Gresham Road and to the west of Old Airport Road.

Size:

The property covers an area of approximately 72.23+/- acres.

Reason for Change:

The purpose of the proposed re-zoning request is to permit the establishment of a residential Planned Unit Development. The General Plan for the PUD is pending approval by the Planning & Zoning Board.

History/Background:

The parcel was formerly utilized in agricultural production, and is now vacant. The site is adjacent to the Hardee Farms Subdivision.

Present Land Use: Vacant

Surrounding Land Uses and Zoning:

North: R-8 Residential District South: Not zoned (Craven County Parcel) East: R-8 Residential District/C-4 Commercial West: R-8 Residential District

City Provided Utilities and Services:

All city provided utilities and services are available to the general area.

Comprehensive Plan:

2010 CAMA Regional Land Use Plan

The general area is classified as "Urban Transition". This classification provides for future intensive urban development on lands on the periphery of existing developed areas that will be provided with necessary urban services that will support more intensive urban development. Included in these areas are areas that are in an urban transition, moving from less intensive uses to higher intensity uses that require urban services.

1993 Thoroughfare Plan/Traffic:

According to the 1993 Thoroughfare Plan this street is classified as a local road, which is defined as any link not on a higher-order urban system, and serves primary to provide direct access to abutting land and access to high systems.

Environment:

According to the CAMA Regional Land Use Plan, the area has medium suitability for development. According to the North Carolina Flood Risk Information System, the western portion of the property is located within the "AE" flood zone; however, this portion of the parcel will be reserved for open space and will not be developed according to the proposed General Plan.

Staff Comments:

The proposal to rezone the subject property to R-8 Residential District is consistent with the character of the adjacent land uses and zoning classifications. Staff has found the proposed rezoning to be in the public interest and is consistent with the Land use Plan and adjoining parcels. Staff recommends approval of the requested rezoning.

Morgan Potts, AICP, CFM City Planner

LOIL APPLICATION TO AMEND LAND USE ORDINANCE Fee: \$375.00	NEW	BERN	Morgan Potts (252) 639-7583 pottsm@newbern-nc.org Fax: (252) 636-2146
 NAME: <u>Nolan Commercial C</u>	Everything co	CAROLINA omes together here	
ADDRESS: <u>P. O. Box 7227, J</u>	lacksonville, NC 28		
CELL:		HOME/WORK:	910-455-6956
EMAIL: closings@nc-mi.com		FAX: <u>910-939-2</u>	802
ZONING CHANGE REQUE	STED		
A. Amendment to zoning c	lassification, from	A-5	to <u>R-8</u>

۱,

Give section of City's Land Use Ordinance to be amended and attach explanation to application.

- 3. **LOCATION OF PROPERTY** <u>Proposed Hardee Farms Phase Two (off Old Airport Road)</u> Note: If there is no street address, list other means such as landmarks, community or neighborhood names, subdivision name, lot number highway number.
- 4. If rezoning request, provide Metes and Bounds description of property: Legal Description attached.

Use separate sheet if necessary and attaché to application. In lieu of the above, a surveyor's map (plat) containing the Metes, Bounds and Distance of property is acceptable.

5. If request involves property owned by persons other than the applicant, list names and addresses (use separate sheet if necessary and attach to application.

NAME	ADDRESS

- 6. If property owners listed in Item 5 have given consent to this request, attach copy(s) of their approval to this application.
- 7. Give concise statement of reasons why the proposed amendment would be in the public interest if change is granted.

The general area is basically zoned R-8, including the adjacent existing residential subdivions of Brices Crossing and Hardee Farms Phase One. Longleaf Pines subdivision is located across Old Airport Road, which is also zoned R-8. Developement of this parcel will facilitate the extension of Bettye Gresham Lane from the existing Hardee Farms Phase One development to Old Airport Road at the intersection of Old Airport Road and West Thurman Road.

Signature of

' 2018 Date

Applications to be considered must be submitted 21 days before the Planning & Zoning Board meeting, which is held on the first Tuesday of each month.

<u>Exhibit A</u>

Craven County Tax Parcel Identification Numbers 7-105-17001, 7-105-15000, and 7-105-15001

Beginning at a Point, said Point being the Southeastern most corner of Common Area "A" Brices Crossing Section One-A as shown on that certain plat entitled Brices Crossing Section One-A as recorded in Plat Cabinet H Slide 86G in the Craven County Register of Deeds;

Thence, from the Point of Beginning, South 13degrees 26minutes 16seconds East for a distance of 732.84 feet to a point.

Thence, South 76 degrees 35 minutes 35 seconds West for a distance of 500.26 feet to a point;

Thence, South 13 degrees 24 minutes 14 seconds East for a distance of 755.32 feet to a point;

Thence, South 07 degrees 21 minutes 58 seconds East for a distance of 16.55 feet to a point;

Thence, North 66 degrees 30 minutes 41 seconds West for a distance of 82.93 feet to a point;

Thence, South 65 degrees 44 minutes 43 seconds West for a distance of 70.35 feet to a point;

Thence, South 40 degrees 35 minutes 52 seconds West for a distance of 85.27 feet to a point;

Thence, North 74 degrees 10 minutes 12 seconds West for a distance of 101.38 feet to a point;

Thence, North 52 degrees 28 minutes 16 seconds West for a distance of 57.21 feet to a point;

Thence, North 28 degrees 37 minutes 56 seconds West for a distance of 18.65 feet to a point;

Thence, South 71 degrees 37 minutes 55 seconds West for a distance of 58.08 feet to a point;

Thence, South 66 degrees 11 minutes 05 seconds West for a distance of 63.91 feet to a point;

Thence, South 70 degrees 44 minutes 47 seconds West for a distance of 91.14 feet to a point;

Thence, South 48 degrees 56 minutes 53 seconds West for a distance of 99.96 feet to a point;

Thence, South 82 degrees 22 minutes 57 seconds West for a distance of 51.75 feet to a point;

Thence, North 41 degrees 43 minutes 25 seconds West for a distance of 56.35 feet to a point;

Thence, North 84 degrees 05 minutes 50 seconds West for a distance of 54.31 feet to a point;

Thence, South 73 degrees 22 minutes 42 seconds West for a distance of 53.05 feet to a point;

Thence, South 60 degrees 20 minutes 02 seconds West for a distance of 37.53 feet to a point;

Thence, South 77 degrees 56 minutes 04 seconds West for a distance of 1459.70 feet to a point;

Thence, North 12 degrees 04 minutes 28 seconds West for a distance of 225.85 feet to a point;

Thence, North 27 degrees 25 minutes 57 seconds East for a distance of 861.96 feet to a point;

Thence, North 07 degrees 40 minutes 56 seconds West for a distance of 319.48 feet to a point;

Thence, North 82 degrees 19 minutes 04 seconds East for a distance of 120.03 feet to a point;

Thence, North 07 degrees 40 minutes 56 seconds West for a distance of 95.00 feet to a point;

Thence, North 82 degrees 19 minutes 04 seconds East for a distance of 51.00 feet to a point;

Thence, South 07 degrees 40 minutes 56 seconds East for a distance of 95.00 feet to a point;

Thence, North 82 degrees 19 minutes 04 seconds East for a distance of 85.00 feet to a point;

Thence, North 07 degrees 40 minutes 56 seconds West for a distance of 291.00 feet to a point;

Thence, North 82 degrees 19 minutes 04 seconds East for a distance of 713.22 feet to a point;

Thence, North 76 degrees 45 minutes 51 seconds East a distance of 1218.95 feet to the Point of Beginning.

Containing 72.18 acres, more or less.

This being the same tracts of land identified as Craven County Tax Parcel Identification Numbers 7-105-17001, 7-105-15000, and 7-105-15001.

Together with and subject to covenants, easements, and restrictions of record.

End of legal Description



Re: Application to Amend Land Use Ordinance
Amend Zoning Classification
Craven County Tax Parcel Identification Numbers
7-105-17001
7-105-15000
7-105-15001
Deed Book 3536, Page 1283
Hardee Farms Phase Two
New Bern, NC

I, Nolan W. Sydes, President, for Nolan Commercial Contractors, Inc., being the Owner of the property described herein, do hereby authorize John G. Thomas, PE, Thomas Engine Fing, PA as agent for the purpose of this application.

<u>11-5-18</u> Date Signature: Nolan W. Sydes

Swom to and subscribed before me, this	5 ⁴ h	day of 1	Devember.
2018			

Wer D. Montas Notary Public

My Chynobin Bintes tom Expires 01-21-2019



1316-B Commerce Drive-P O. Box 1309-New Bern. NC 28563 Phone (2521637-2727) fax: (2521636-2448-Website: ThomasEngineeringPA.com

	DRAFT		DRAFT	DRAFT
1	Excerpt	of Minutes of	the New Bern Plann	ning & Zoning Board
2	•		November 13, 2018	
3 4 5	A special meet Services Confe	ting of the New Be rence Room, 303 Fi	ern Planning & Zoning Boa irst Street, on Tuesday, Nove	ard was held in the Development mber 13, 2018 at 5:30 PM.
6 7 8 9 0 1 2 3	Members pres	ent:	Mr. Raymond Layton, Ch Mr. Sonny Aluzzo, Vice C Mr. Haron Beatty Mr. Jerry Walker Mr. Don Black Mr. Willie Newkirk, Sr. Ms. Carol Williams	
4 5	Members abs	sent:	None	
16 17 18 19	Members exc	used:	Mr. Jeffrey Midgett Mr. Marshall Ballard Mr. Pat Dougherty	
20 21 22 23	Staff present:	:	Ms. Morgan Potts, City P Mr. Bradleigh Sceviour, I Development Administra	Land & Community
24 25	Chair Layton c	called the meeting to	o order.	
26 27 28	Roll call was t	aken and a quorum *********	declared. ************************************	****
29 30 31 32 33 34 35	 New Business: A. Consideration of a request to rezone 72.23 +/- acres from A5 Agricultural to R-3 Residential by Nolan Commercial Contractors, LLC/John Thomas Engineering located to the southwest of the intersection of Betty Gresham Lane and Ole Airport Roads. The properties are further identified in Craven County Parce Identification Numbers 7-105-17001, 7-105-15000, 7-105-15001. (Ward 3) 			
36 37	Staff Comme	ents: City staff prese	ented the proposed rezoning r	equest.
 38 39 40 41 42 	Applicant Co the rezoning, 116 lots.	mments: The appli and the proposed p	icant briefly presented the real plan for a residential Planned	zoning application and the need for d Unit Development, consisting of
42 43 44 45 46	cut ⁹ The appl	licant responded it v	3323 Hardee Farms Drive would be. Staff Sceviour no development and Hardee Fa	inquired if the area would be clear ted that a 20 ft. green space buffer rms Phase 1.

DRAFT

DRAFT

DRAFT

- Board Discussion: There was little discussion. A motion was made to recommend approval by 47 Mr. Black and seconded by Mr. Aluzzo. The motion passed unanimously (7-0).
- 48
- 49 ******
- 50

AGENDA ITEM COVER SHEET

Agenda item title:

Lease Agreement between City of New Bern and North Carolina Coastal Land Trust

Date of Meeting/Work Session	December 11, 2018 Ward # if applicable 2
Department Public Works	Person submitting item Scott Davis
Call for Public Hearing	Date of Public Hearing

Explanation of the item:

Agreement to lease approximately 1.21 acres of Henderson Park, located at 940 Chapman Street, for a community garden to be used in conjunction with providing rehabilitation and work training to homeless and disabled veterans

Actions needed by Board:

Adopt resolution approving the Lease Agreement

Is item time sensitive? Yes

Will there be advocates/opponents at the meeting?

Backup attached:

Resolution Lease Agreement

Cost of Agenda Item _____

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?

Additional notes:
RESOLUTION

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

That the Lease Agreement dated December 11, 2018 by and between the City of New Bern and North Carolina Coastal Land Trust, a copy of which is attached hereto and incorporated herein by reference, be and the same is hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute the same for and on behalf of the City.

ADOPTED THIS 11TH DAY OF DECEMBER, 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK

STATE OF NORTH CAROLINA

COUNTY OF CRAVEN

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into as of the 11th day of December, 2018, effective as of December 1, 2018, by and between the CITY OF NEW BERN ("Lessor"), a North Carolina municipal corporation, and NORTH CAROLINA COASTAL LAND TRUST, ("Lessee"), a nonprofit North Carolina corporation, collectively referred to as the "Parties."

<u>WITNESSETH</u>:

THAT WHEREAS, the Lessor owns real property known as Henderson Park located at 940 Chapman Street, New Bern, NC identified as Craven County parcel numbers 8-013-191 and 8-013-207; and

WHEREAS, the Lessor has agreed that the Lessee may lease a portion of Lessor's real property, depicted as "Proposed Garden Lot" consisting of approximately 52,675 Sq. Ft. or 1.21 acres, more or less, as described and shown on Exhibit A attached hereto (the "Premises") for the purposes of establishing a community garden to be used in conjunction with providing rehabilitation and work training to homeless and disabled veterans; and

WHEREAS, the Lessor has determined that the Premises will not be needed by the Lessor for the term of the Lease; and

WHEREAS, the Parties have agreed upon the terms of a Lease and wish to reduce their agreement to writing.

NOW, THEREFORE, subject to the terms and conditions hereinafter set forth, said Lessor does hereby let and lease unto said Lessee, and said Lessee does hereby accept as tenant of said Lessor, the Premises.

TO HAVE AND TO HOLD said Premises, together with all privileges and appurtenances thereunto belonging to it, the said Lessee, its successors and assigns, for the term and upon the conditions hereinafter set forth:

1. The term of this Lease shall be for a period of sixty (60) months commencing at 12:01 a.m. on December 1, 2018, and terminating at midnight on November 30, 2023.

2. During the term of this Lease, the Lessee shall be responsible for maintaining and repairing the structures and improvements to be erected so that the Lessor will have no obligation whatsoever with respect to the maintenance or repair of the same during the term of this Lease.

3. The Lessor shall maintain hazard insurance on the improvements located on the Premises in such amount as Lessor may determine in its sole discretion. Lessor shall also maintain general liability insurance in such amount as it deems necessary to protect the City of New Bern. The Lessee shall pay to the Lessor, on or before the 1st day of February, 2019, the actual expenses incurred by the Lessor to provide said coverage, both hazard and liability, but no more than the sum of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00). In lieu of payment of Lessor's expense in providing general liability insurance in connection with the use of the Premises, Lessee may, if it elects to do so, carry its own liability insurance in an amount no less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00), so long as the City of New Bern is a named insured therein. In such event, the Lessee shall provide the Lessor with a Certificate of Insurance.

4. Should the Premises be damaged or destroyed by fire, the Lessor shall be under no obligation to repair or replace the improvements located on said Premises, and, should it elect not to repair or replace, this Lease shall thereupon terminate, unless the Lessee shall advise the Lessor, in writing, within thirty (30) days of the date of damage or destruction, that it proposes, at its own expense, to repair or replace the improvements located on said Premises and proceeds to do so within ninety (90) days of the loss.

5. As rental for the said Premises, the Lessee agrees to maintain the Premises, as hereinabove set forth, and to pay the sum of ONE DOLLAR (\$1.00) per annum during the term of this Lease, with the first payment to be made contemporaneously with the execution of this Lease.

6. The Lessee agrees to utilize the Premises for establishing a community garden to be used in conjunction with providing rehabilitation and work training to homeless and disabled veterans.

7. Upon obtaining all required permits, the Lessee shall have the right to construct, erect, maintain, place and replace structures, equipment and improvements incident to the use of the property as described in Section 6 above, including but not limited to sheds, greenhouses, raised garden beds, compost bins, cisterns, trellis, irrigation and lighting systems, at the Premise during the term of this Lease consistent with the terms of such permits. Such structures, equipment and improvements, together with all personal property placed in and about the

Premises by the Lessee shall be and remain the property of the Lessee and may be removed by it upon the termination of this Lease for any reason or at any time.

8. Lessee may assign this Lease to Veterans Employment Base Camp and Organic Garden ("Veterans Garden"), a North Carolina corporation, provided that Veterans Gardens shall have received notice from the Internal Revenue Service that it is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity; Lessee shall not assign this Lease nor sublet any part of the demised property to any other entity without written consent of the Lessor.

9. It is expressly agreed that, if the Lessee shall neglect to make any payment of rent when due or neglect to do and perform any matter or thing herein agreed to be done and performed by it and shall remain in default thereof for a period of thirty (30) days after written notice from the Lessor calling attention to such default, the Lessor may declare this Lease terminated and cancelled and take possession of said Premises without prejudice to any other legal remedy it may have on account of such default. Said notice may be given to the person at such time in charge of said Premises or sent by certified mail to the Lessee at the following address:

> North Carolina Coastal Land Trust 131 Racine Drive, Suite 202 Wilmington NC 28403 Attn: Legal Department

And

Veterans Base Camp and Organic Garden 419 Conner Grant Rd New Bern NC 28562 Attn: Ms. Lovay Wallace-Singleton

IN TESTIMONY WHEREOF, Lessor has caused this instrument to be executed in its corporate name by its Mayor Pro Tem and its corporate seal to be affixed and attested by its City Clerk, and Lessee has caused this instrument to be executed in its corporate name by its President and its corporate seal affixed, all as of the day and year first above written, this Agreement being executed in duplicate originals, one of which is retained by each of the parties.

CITY OF NEW BERN

By:_____

Mayor

_

ATTEST:

City Clerk

[SEAL]

NORTH CAROLINA COASTAL LAND TRUST

By:_____

President

[CORPORATE SEAL]

STATE OF NORTH CAROLINA

COUNTY OF CRAVEN

I, ______, a notary public in and for said county and state, do hereby certify that on the _____ day of December, 2018, before me personally appeared DANA E. OUTLAW with whom I am personally acquainted, who, being by me duly sworn, says that he is the Mayor and that BRENDA E. BLANCO is the City Clerk of the City of New Bern, the municipal corporation described in and which executed the foregoing instrument; that she knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor Pro Tem; that the said common seal was affixed, all by order of the Board of Aldermen of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and notarial seal, this _____ day of December, 2018.

Notary Public

My commission expires:

STATE OF NORTH CAROLINA

COUNTY OF _____

I, ______, a notary public in and for said county and state, do hereby certify that on the ______day of ______, 20____, before me personally appeared Kevin Hicks, with whom I am personally acquainted, who, being by me duly sworn, says that he is the President of North Carolina Coastal Land Trust; that the seal affixed to the foregoing instrument in writing is the corporate seal of the Corporation, and that said instrument was signed and sealed by him, in behalf of said Corporation, by its authority duly given. And the said President acknowledged that the said instrument is the act and deed of said corporation.

WITNESS my hand and notarial seal, this _____ day of _____, 20___.

Notary Public

My commission expires:



EXHIBIT A

Page	: 1 of 1 11/07/2018 15:28:07	Ad Number : 16965009
Order Number	: 15496690	Ad Key : Salesperson : SW - Sharon Williams
	. 10490090	······································
PO Number		Publication : New Bern Sun Journal
Customer	: 89029 CITY OF NEW BERN	Section : Classifieds
Contact	: ACCOUNTS PAYABLE	Sub Section ; Classifieds
Address1	: PO BOX 1129	Category : 015 Legal Notices
Address2	:	Dates Run : 11/11/2018-11/11/2018
City St Zip	: NEW BERN NC 28563	Days : 1
Phone	: (252) 639-2717	Size : 2 x 1.67, 15 lines
Fax	: (252) 636-4108	Words : 145
	•	Ad Rate : L1
Printed By	: Sharon Williams	Ad Price : 95.82
Entered By	: Sharon Williams	Amount Paid : 0.00
•		Amount Due : 95.82
Keywords	: HENDERSON PARK	
Notes	: 11/7/18 Proof/price to Peggy. ssw	
Zones	:	

NOTICE OF INTENT TO LEASE PROPERTY OWNED BY THE CITY OF NEW BERN BEING ADVERTISED PURSUANT TO §160A-272 OF THE N.C. GENERAL STATUTES

TAKE NOTICE that the Board of Aldermen of the City of New Bern Intends to authorize the lease of approximately 1.21 acres, being a portion of the real property owned by the City known as Henderson Park located at 940 Chapman Street and identified as Craven County Parcel ID #8-013-191 and #8-013-207, to the North Carolina Coastal Land Trust for the sum of One Dollar (\$1.00) per annum during the term of the lease. This matter will come before the Board of Alderman at its regularly scheduled meeting on December 11, 2018, in the City Hall Courtroom in the City of New Bern, beginning at 6:00 p.m. This the 11th day of November, 2018. BRENDA BLANCO, CITY CLERK

November 11, 2018 (adv)



Mission Statement:

The Veterans Employment Base Camp and Organic Garden's (VEBCOG) mission is to provide transitional employment for homeless and disadvantaged veterans. In addition, we provide a location for the rehabilitation of disabled veterans using Horticulture Therapy. But our program has expanded to include so much more, from the Children's Garden and its programming to the Annual Veteran's Stand-down. We are a social entrepreneurship, which has an innovative, value creating activity that occurs within Eastern North Carolina.

Organization Summary:

Veterans Employment Base Camp and Organic Garden (VEBCOG) is a non-profit 501C3 organization designed to reintroduce unemployed, underemployed and disabled veterans back into the workforce as productive, employable individuals. VEBCOG provides temporary employment during the post-war transitional phase. Organic gardening is incorporated in the program as a peaceful means of rehabilitation for the veterans, who have previously faced more trying and violent situations while in the service. An employable veteran will not be achieved based solely on their daily work done in the garden. With the combination of health and wellness, life skills and workforce training assessments throughout the program, the desired outcome is the employable individual. In this social enterprise, the organic vegetables and produce are equally as important as the well-being and success of the veterans.

The primary client of VEBCOG is the veteran, family members and caregivers of Craven, Carteret, Pamlico, Onslow and Jones Counties within the eastern North Carolina area. By partnering with the local military bases in the area and other service providers, potential participants are identified and assessed to determine eligibility in the program. Eligible veterans are employed at the garden for a period up to five months and are assisted with healthcare, VA claims and benefits and in finding a more permanent job at the end of the program. In addition, forming strategic relationships with other organizations has proven to be vital for the success of VEBCOG. The garden site is located in New Bern, North Carolina but our programming extends well beyond. The New Bern site is a 1.2 acre area. The garden is constructed for handicap accessibility with the use of ADA compliant walkways, raised garden beds at the necessary height for the disabled veterans in wheel chairs to access with ease and ergonomic garden tools. Founded in May 2011 we began functioning under the fiscal sponsorship of the NC Coastal Land Trust. We have grown from our initial grant of \$2000.00 to a current operating budget of \$70,000.00.



Purpose:

In March 2014, Veterans Employment Base Camp and Organic Garden held its groundbreaking ceremony and by March of 2015 we were hiring our first veteran interns for our USDA funded Beginning Farmers Program. Our strategic plan will continue this growth for the next years and allow our program to advance and expand into the following programs:

Active duty agricultural training:

WASHINGTON, November 15, 2018 – The U.S. Department of Agriculture's (USDA) National Institute of Food and Agriculture (NIFA) announces <u>six awards(link is external)</u> to help military veterans pursue farming and ranching careers. Grants are made through NIFA's Enhancing Agricultural Opportunities for Military Veterans Competitive Grants Program (AgVets). Section 760 of the Consolidated Appropriations Act, 2017 (H.R. 244, 115th Congress) provides funds to NIFA for AgVets to provide grants to nonprofit organizations for training programs and services to establish and enhance farming and ranching opportunities for military veterans. These AgVets projects will increase the number of military veterans gaining knowledge and skills through comprehensive, hands-on, and immersive model farm and ranch programs offered regionally that lead to successful careers in the food and agricultural sector. The program encourages the development of training opportunities specifically designed for military veterans.

Awardees are:

- Farmer Veteran Coalition, Davis, California \$979,978
- North-South Institute, Davie, Florida \$584,632
- Servicemember Agricultural Vocation Education Corp, Manhattan, Kansas \$999,300
- <u>Veterans Employment Base Camp and Organic Garden, New Bern, North Carolina -</u>
 <u>\$281,659</u>
- Recipe for Success Foundation, Houston, Texas \$999,997
- Dairy Grazing Apprenticeship, Inc., Medford, Wisconsin \$954,434

The project is expected to provide outreach to nearly 10,000 transitioning military and offer farm training to 50 – 70 veterans annually. Onslow County Incubator Farm is strategically located to directly support transitioning veterans from the 3 major North Carolina Marine Corp Bases: MCB Camp Lejeune, MCAS New River, and MCAS Cherry Point.

Youth City Farmers Market:

The project being proposed is one part of three main activities: creation of a farmers market, training kitchen and fresh food café. The City Farmers Market project will allow youth employment into agricultural/forestry and civic programs and to bring their participation to a site dedicated in part, to education, stewardship and civic responsibility and result in a positive learning experience.

AGENDA ITEM COVER SHEET

Agenda Item Title:

Consider Adopting a Resolution to Sell 570 NC Hwy 55 W

Date of Meeting 12/11/18		Ward # if applicable Ward 5
Department City Clerk	-	Person Submitting Item: Brenda Blanco
Call for Public Hearing Ves]No	Date of Public Hearing

Explanation of Item:

The initial offer to purchase 570 NC Hwy 55 W was advertised, but no upset bids were received. The Board is asked to consider selling the property for the offer of \$6,750.00, which represents 50% of the tax value.

Actions Needed by Board:

Consider selling property.

Is	item	time	sensitive?	Yes	🖸 No
----	------	------	------------	-----	------

Will there be advocates/opponents at the meeting? Yes Vo

Backup Attached:

Offer to Purchase, Resolution to Sell Property, Deed to Buyer, legal notice advertising offer

Cost of Agenda Item:

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : Yes No

Additional notes:

Aldermen

Sabrina Bengel Jameesha Harris Robert V. Aster Johnnie Ray Kinsey Barbara J. Best Jeffrey T. Odham



CITY OF NEW BERN

300 Pollock Street, P.O. Box 1129 New Bern, NC 28563-1129 (252) 636-4000 Dana E. Outlaw Mayor

Mark A. Stephens City Manager

MEMO TO:	Mayor and Board of Alderm	nen
FROM:	Brenda Blanco, City Clerk	BBlance
DATE:	December 6, 2018	

SUBJECT: Sale of 570 NC Hwy. 55W

Edwin B. Franklin, Sr.'s offer to purchase 570 NC Hwy. 55W for \$6,750.00 was advertised, but no additional bids were received. The property is a vacant lot situated adjacent to Mr. Franklin's home. It has a tax value of \$13,500.00, and his offer represents 50% of the value. It was acquired jointly by the City and County through tax foreclosure in May of 2017. The total taxes due to both taxing authorities was \$4,860.56. In December 2017, Craven County transferred its interest in the property to the City, and the City subsequently demolished a structure that was on the property due to asbestos and a deteriorated state.

The Board is asked to consider selling the property for the initial bid of \$6,750.

/beb

RESOLUTION

THAT WHEREAS, the City of New Bern has received an offer to purchase a parcel of property owned by the City identified as 570 NC Highway 55 West, and being more particularly described herein; and

WHEREAS, the Board of Aldermen is authorized to sell the property pursuant to North Carolina General Statute §160A-269; and

WHEREAS, the offer to purchase was advertised as required by said statute; and

WHEREAS, the offer to purchase was in the sum of \$6,750.00 by Edwin B. Franklin, Sr.; that no increased bids were received; and

WHEREAS, the Board of Aldermen deems it advisable and in the best interest of the City to sell the subject property to the successful bidder and to convey the said property by quitclaim deed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

<u>Section 1</u>. That the last and highest bid of Edwin B. Franklin, Sr. in the sum of \$6,750.00 for said parcel identified as 570 NC Highway 55 West, and being more particularly described herein, be and the same is hereby accepted, and the Mayor and the City Clerk be and they are hereby authorized and directed to execute a quitclaim deed to the purchaser for the said property.

<u>Section 2</u>. That a copy of said quitclaim deed is attached hereto and incorporated herein by reference, and the original deed shall be delivered to said purchaser once the same has been executed on behalf of the City, upon payment of the purchase price.

Section 3. That the subject property is more particularly described as follows:

All those certain lots or parcels of land lying and being situate in Number Eight (8) Township, Craven County, North Carolina, and being more particularly described as follows:

<u>PARCEL A</u>: Beginning at a point in the northern right-of-way line of NC Highway 55, which point lies the following courses and distances from the centerline intersection of NC Highway 55 and Pleasant Hill Road: S 56° 53' 03" E 990.57 feet to a point; N 33° 00' 00" E 30 feet to a point which point marks the aforementioned point of beginning.

1

THENCE FROM SAID POINT OF BEGINNING, N 33° 00' 00" E 208 feet to an iron pipe; thence S 58° 01' 59" E 75.01 feet to a point; thence S 33° 00' 00" W 209.42 feet to a point in the northern right-of-way line of NC Highway 55; thence along and with the northern right-of-way line of NC Highway 55, N 57° 00' 00" W 75.0 feet to an iron pipe marking the aforementioned point of beginning. Containing 15,656 square feet, more or less and being all of Lot Number Two as the same is shown and delineated in Map Book 3, at Page 57, Craven County Registry.

This description is taken from that certain Re-survey of Lot #2 of the Hahn Land for Robert Earl and Hollis H. Moore by Jerry R. Ryan, Registered Land Surveyor, dated October 9, 1996, to which reference is made for a more accurate description.

<u>PARCEL B</u>: Beginning at a point in the northern right-of-way line of NC Highway 55, which point lies the following courses and distances from the centerline intersection of NC Highway 55 and Pleasant Hill Road: S 56° 53' 03" E 990.57 feet to a point; N 33° 00' 00" E 30 feet to a point which point marks the aforementioned point of beginning.

THENCE FROM SAID POINT OF BEGINNING, N 33° 00' 00" E 208 feet to an iron pipe, S 36° 01' 38" W along and with a wire fence, 208.29 feet to a point in the northern right-ofway line of NC Highway 55; thence along and with the northern right-of-way line of NC Highway 55, S 57° 00' E 11 feet to the aforementioned point of beginning. Being that certain tract or parcel of land described as an area of occupation, 1,144 square feet more or less, as the same is shown on the aforementioned plat entitled Re-survey of Lot #2 of the Hahn Land for Robert Earl and Hollis H. Moore by Jerry R. Ryan, Registered Land Surveyor, dated October 9, 1996, to which reference is made for a more accurate description.

This being the same property recorded in Book 1545, Page 261, Craven County Registry.

Being that same property conveyed to Craven County and the City of New Bern by Commissioner's Deed of Correction recorded on May 18, 2017, in Book 3501, Page 1550 of the Craven County Registry. Craven County thereafter deeded its interest in the property to the City of New Bern by deed recorded in Book 3523 at Page 1136.

ADOPTED THIS 11TH DAY OF DECEMBER, 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK

NORTH CAROLINA

OFFER TO PURCHASE AND CONTRACT

CRAVEN COUNTY

Edwin B. Franklin, Sr. , as Buyer, hereby offers to purchase and CITY OF NEW BERN, as Seller, upon acceptance of said offer, agrees to sell and convey, all of that plot, piece or parcel of land described below (hereafter referred to as the "Property"), upon the following terms and conditions:

1. REAL PROPERTY: Located in or near the City of New Bern, Craven County, North Carolina, being known as and more particularly described as:

Street Address: 570 NC Hwy 55W

Subdivision Name:

Tax Parcel ID No.: 8-222-051

Plat Reference:

Being all of that property more particularly described in Deed Book 3523, Page 1136 in the Craven County Registry.

- 2. PURCHASE PRICE: The purchase price is (6,750.00) and shall be paid as follows:
- (a) \$<u>6,750.00</u>, EARNEST MONEY DEPOSIT with this offer by □ cash □ bank check □ certified check to be held by Seller until the sale is closed, at which time it will be credited to Buyer, or until this contract is otherwise properly terminated. In the event this offer is not accepted, then all earnest monies shall be refunded to Buyer. In the event of breach of this contract by Seller, all earnest monies shall be refunded to Buyer upon Buyer's request. In the event of breach of this contract by Buyer, then all earnest monies shall be forfeited to Seller upon Seller's request, but such forfeiture shall not affect any other remedies available to Seller for such breach.
- (b) \$ 0.00 , BALANCE of the purchase price in cash or readily available funds at Closing.

3. CONDITIONS:

- (a) This contract is not subject to Buyer obtaining financing.
- (b) The Property must be in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted.
- (c) The Property is being sold subject to all liens and encumbrances of record, if any.
- (d) Other than as provided herein, the Property is being conveyed "as is".
- (e) This contract is subject to the provisions of G.S. §160A-269. Buyer acknowledges that this contract is subject to certain notice provisions and the rights in others to submit upset bids in accordance therewith.
- (f) Title shall be delivered at Closing by QUITCLAIM DEED

4. SPECIAL ASSESSMENTS: Seller makes no warranty or representation as to any pending or confirmed governmental special assessments for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property, or pending or confirmed owners' association special assessments. Buyer shall take title subject to all pending assessments, if any.

5. PAYMENT OF TAXES: Any ad valorem taxes to which the Property is subject shall be paid in their entirety by Buyer.

6. EXPENSES: Buyer shall be responsible for all costs with respect to any title search, title insurance, recording of the deed and its legal fees. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this agreement, and for any excise tax (revenue stamps) required by law.

7. EVIDENCE OF TITLE: Not Applicable.

8. CLOSING: Closing shall be defined as the date and time of recording of the deed. All parties agree to execute any and all documents and papers necessary in connection with Closing and transfer of title within thirty (30) days of the granting of final approval of the sale by the City of New Bern's Board of Aldermen pursuant to G.S. §160A-269. The deed is to be made to Edwin B. Franklin, Sr., Edwin B. Franklin, Jr. and Jeannie Johnson

9. **POSSESSION:** Unless otherwise provided herein, possession shall be delivered at Closing.

10. PROPERTY INSPECTION, APPRAISAL, INVESTIGATION:

(a) This contract is not subject to inspection, appraisal or investigation, as the Property is being bought "as is." Seller makes no representation as to water, sewer, conditions, title, access, or fitness for any intended use.

(b) CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION.

11. RIGHT OF ENTRY, RESTORATION AND INDEMNITY: Buyer and Buyer's agents and contractors shall not have the right to enter upon the Property for any purpose without advance written permission of the Seller. If such permission is given, Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property. This indemnity shall survive this contract and any termination hereof.

12. OTHER PROVISIONS AND CONDITIONS: (ITEMIZE ALL ADDENDA TO THIS CONTRACT AND ATTACH HERETO.): None.

Buyer Initials = By _____ Seller Initials _____

13. RISK OF LOSS: The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller.

14. ASSIGNMENTS: This contract may not be assigned without the written consent of all parties, but if assigned by agreement, then this contract shall be binding on the assignee and the assignee's heirs, successors or assigns (as the case may be).

15. **PARTIES:** This contract shall be binding upon and shall inure to the benefit of the parties, i.e., Buyer and Seller and their heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

16. SURVIVAL: If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

17. ENTIRE AGREEMENT: This contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties.

18. NOTICE AND EXECUTION: Any notice or communication to be given to a party herein may be given to the party or to such party's agent. This offer shall become a binding contract (the "Effective Date") when signed by both Buyer and Seller and such signing is communicated to the offering party. This contract is executed under seal in signed multiple originals, all of which together constitute one and the same instrument, with a signed original being retained by each party, and the parties adopt the word "SEAL" beside their signatures below.

BUYER:

SELLER

(If an individual)

ADC

t	= DV	_(SEAL)
Name:	Edwin B. Franklin, Sr.	<u> </u>
Date:	November 1, 2018	
Address:	560 NC Hwy 55W	
	New Bern, NC 28562	
Phone:	252-259-2126 (C) or	
i none.	252-638-6999 (H)	

CITY OF NEW BERN

By:		(SEAL)
Its:	Mayor	
Date:	J	

(If a business entity)

By:	(SEAL)
Its:	
Address:	
Phone:	

FRA		
Buyer Initials	Seller Initials	<u> </u>

Prepared by and return to:

Michael Scott Davis DAVIS HARTMAN WRIGHT PLLC 209 Pollock Street New Bern, NC 28560

Tax Parcel No. 8-222-051 Revenue Stamps: \$0.00

STATE OF NORTH CAROLINA

COUNTY OF CRAVEN

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this 11th day of December, 2018, by and between the **CITY OF NEW BERN**, a municipal corporation of the State of North Carolina ("Grantor"); to **EDWIN B. FRANKLIN, SR., EDWIN B. FRANKLIN, JR. and JEANNIE JOHNSON**, as tenants in common, whose mailing address is 560 NC Highway 55 West, New Bern, NC 28562, ("Grantees");

WITNESSETH:

That said Grantor for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration to Grantor paid by the Grantees, the receipt of which is hereby acknowledged, has remised and released, and by these presents does remise, release and forever quitclaim unto the Grantees, Grantees' heirs and assigns, as tenants in common, the following described property, to wit:

SEE <u>EXHIBIT A</u> ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

The property herein conveyed does not include the primary residence of a Grantor.

DAVIS HARTMAN WRIGHT PLLC Attorneys at Law 209 Pollock Street New Bern, NC 28560

TO HAVE AND TO HOLD the above described lot or parcel of land and all privileges and appurtenances thereunto belonging to the Grantees, Grantees' heirs and assigns, free and discharged from all right, title, claim or interest of the said Grantor or anyone claiming by, through or under the Grantor.

IN TESTIMONY WHEREOF, the CITY OF NEW BERN has caused this instrument to be executed as its act and deed by its Mayor, attested by its City Clerk, and its seal to be hereunto affixed, all by the authority of its Board of Aldermen, as of the day and year first above written.

CITY OF NEW BERN

(SEAL)

By: ______ DANA E. OUTLAW, MAYOR

ATTEST:

BRENDA E. BLANCO, CITY CLERK

STATE OF NORTH CAROLINA

COUNTY OF CRAVEN

I, ______, Notary Public in and for said County and State, do hereby certify that on the _____ day of December, 2018, before me personally appeared DANA E. OUTLAW, with whom I am personally acquainted, who, being by me duly sworn, says that he is the Mayor and that BRENDA E. BLANCO is the City Clerk for the City of New Bern, the municipal corporation described in and which executed the foregoing instrument; that he knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor; that the said common seal was affixed, all by order of the Board of Aldermen of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and official seal this the _____ day of December, 2018.

Notary Public

My Commission Expires:

EXHIBIT A

All that certain lot or parcel of land lying and being situate in Number Eight (8) Township, Craven County, North Carolina, and being more particularly described as follows:

<u>PARCEL A</u>: Beginning at a point in the northern right-of-way line of NC Highway 55, which point lies the following courses and distances from the centerline intersection of NC Highway 55 and Pleasant Hill Road: S 56° 53' 03" E 990.57 feet to a point; N 33° 00' 00" E 30 feet to a point which point marks the aforementioned point of beginning.

THENCE FROM SAID POINT OF BEGINNING, N 33° 00' 00" E 208 feet to an iron pipe; thence S 58° 01' 59" E 75.01 feet to a point; thence S 33° 00' 00" W 209.42 feet to a point in the northern right-of-way line of NC Highway 55; thence along and with the northern right-of-way line of NC Highway 55, N 57° 00' 00" W 75.0 feet to an iron pipe marking the aforementioned point of beginning. Containing 15,656 square feet, more or less and being all of Lot Number Two as the same is shown and delineated in Map Book 3, at Page 57, Craven County Registry.

This description is taken from that certain Re-survey of Lot #2 of the Hahn Land for Robert Earl and Hollis H. Moore by Jerry R. Ryan, Registered Land Surveyor, dated October 9, 1996, to which reference is made for a more accurate description.

<u>PARCEL B</u>: Beginning at a point in the northern right-of-way line of NC Highway 55, which point lies the following courses and distances from the centerline intersection of NC Highway 55 and Pleasant Hill Road: S 56° 53' 03" E 990.57 feet to a point; N 33° 00' 00" E 30 feet to a point which point marks the aforementioned point of beginning.

THENCE FROM SAID POINT OF BEGINNING, N 33° 00' 00" E 208 feet to an iron pipe, S 36° 01' 38" W along and with a wire fence, 208.29 feet to a point in the northern right-of-way line of NC Highway 55; thence along and with the northern right-of-way line of NC Highway 55, S 57° 00' E 11 feet to the aforementioned point of beginning. Being that certain tract or parcel of land described as an area of occupation, 1,144 square feet more or less, as the same is shown on the aforementioned plat entitled Re-survey of Lot #2 of the Hahn Land for Robert Earl and Hollis H. Moore by Jerry R. Ryan, Registered Land Surveyor, dated October 9, 1996, to which reference is made for a more accurate description.

This being the same property recorded in Book 1545, Page 261, Craven County Registry.

Being that same property conveyed to Craven County and the City of New Bern by Commissioner's Deed of Correction recorded on May 18, 2017, in Book 3501, Page 1550 of the Craven County Registry.

Subject to restrictive covenants and easements of record.

Craven County Geographic Information System

Craven County does NOT warrant the information shown on this page and should be used ONLY for tax assessment purposes. This report was created by Craven County GIS reporting services on 11/1/2018 9:30:14 AM

			2	
Parcel ID :	8-222 -051			
Owner :	NEW BERN-C	ITY OF		
Mailing Address :	PO BOX 1129	NEW BERN NC 28563		
Property Address :	570 W NC 55 I	HWY		
Description :	NEUSE RD			1712
Lot Dimension :			Subdivision :	
Assessed Acreage :	0.352	Calculated Acreage :	0.350	
Deed Reference :	3523-1136	Recorded Date :	12 29 2017	
Recorded Survey :				
Estate Number :				
Land Value :	\$13,500	Tax Exempt :	Yes	
Improvement Value :	\$0	# of Improvements :	0	
Total Value :	\$13,500			
City Name :	NEW BERN	Fire tax District :		
Drainage District :		Special District :		
Land use :	VACANT-RESID	DENTIAL TRACT		
	Recen	t Sales Information		
SALE DATE Sellers	Name	Buvers Name	Sale Type	Sale Price

SALE DATE	Sellers Name	Buyers Name	Sale Type	Sale Price
12/29/2017	CRAVEN COUNTY & NEW BERN-CITY	NEW BERN-CITY OF	MULTI-PARCEL- SALE	\$0
5/18/2017	GREEN, SANDRA	CRAVEN COUNTY & NEW BERN-CITY	STRAIGHT TRANSFER	\$0
11/5/2001	MOORE, ROBERT EARL & HOLLIS H	GREEN, SANDRA	STRAIGHT TRANSFER	\$33,000
12/17/1996	JACKSON, HELEN CLARK	MOORE, ROBERT EARL & HOLLIS H	STRAIGHT TRANSFER	\$15,000
1/18/1996	JACKSON, MELVIN	JACKSON, HELEN CLARK	STRAIGHT TRANSFER	\$0

List of Improvements to Site

No improvements listed for this parcel



Page	: 1 of 1 11/15/2018 10:48:44	Ad Number : 16965825	
Order Number PO Number Customer Contact Address1 Address2 City St Zip Phone Fax Printed By Entered By Keywords Notes	 15496930 89029 CITY OF NEW BERN ACCOUNTS PAYABLE PO BOX 1129 NEW BERN NC 28563 (252) 639-2717 (252) 636-4108 Sharon Williams Sharon Williams PARCEL 8-222-051 11/15/18 Proof/price to Peggy. ssw 	Ad Kumber:10900325Ad Key:Salesperson:SW - Sharon WilliaPublication:New Bern Sun JourSection:ClassifiedsSub Section:ClassifiedsCategory:015 Legal NoticesDates Run:11/19/2018-11/19/2Days:1Size:2 x 3.55, 32 linesWords::Ad Rate:L1Ad Price:176.12Amount Paid:0.00Amount Due:176.12	mal
Zones	:		

NOTICE OF AN OFFER TO PURCHASE PROPERTY OWNED By the city of New Bern Being Advertised Pursuant to \$160A-269 of the n.C. general statutes

TAKE NOTICE that the City of New Bern has received an offer to purchase the parcel of property hereinbelow described, which is located at 570 NC Highway 55 West in the City of New Bern, for the sum of Six Thousand Seven Hundred Fifty and No/100 Dollars (\$6,750.00). Any person, firm, or corporation interested in purchasing the property may raise the bid by submitting a sealed offer to the office of the City Clerk before 5:00 p.m. on November 29, 2018. The above bid must be raised by not less than ten percent (10%) of the first \$1,000.00 and five percent (5%) of the remainder. When a bid is raised, the bidder shall deposit with the City Clerk five percent (5%) of the increased bld. At the end of the 10-day period, the City Clerk shall open the bids, if any, and the highest such bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer, and the City Clerk shall readvertise the offer at the increased bid, and shall continue to do so until a 10-day period has passed without any qualifying upset bid having been received, at which time the Board of Aldermen of the City of New Bern may accept the offer and sell the property to the highest bidder. The Board may, at any time, reject any and all offers. The Subject Property is described as follows:

That certain parcel identified as Craven County tax parcel number 8-222-051, and being the tract described as '570 NC Highway 55 West' in Deed Book 3523 at Page 1136 of the Craven County Registry, subject to any and all liens and encumbrances of record.

This the 19th day of November, 2018.

November 19, 2018 (adv)

BRENDA E. BLANCO, CITY CLERK

AGENDA ITEM COVER SHEET

Agenda Item Title:

	o approve a supplemental agreement with NCDOT eceiving payment in lieu of certain improvements along
Date of Meeting 12/11/2018	Ward # if applicable <u>Ward 2</u> If multiple, list:
Department Public Works	Person Submitting Item: Matt Montanye
Call for Public Hearing <u>No</u>	Date of Public Hearing
Explanation of Item:	
The attached agreement will provide	e the City of New Bern a lump sum payment in the amount of g approximately 1,000 LF of Trent Road that was not included in
Actions Needed by Board:	
Adopt resolution.	
Is item time sensitive? <u>No</u>	
Will there be advocates/opponer	nts at the meeting? <u>No</u>
Backup Attached:	
Memo from Public Works Resolution	
NCDOT Agreement	
Cost of Agenda Item: N/A	
	ure, has it been budgeted and are funds available and : <u>Select</u>
Additional notes:	



Public Works Department P.O. Box 1129, 1004 S. Glenburnie Road New Bern, N.C. 28563-1129 Phone: (252) 639-7501 Fax: (252) 636-1848

November 30, 2018

Memo to:	Mayor and Board of Aldermen
From:	Matt Montanye, Director of Public Works
Re:	Consider adopting a Resolution approving a supplemental agreement with NCDOT regarding the City of New Bern receiving payment in lieu of certain improvements along Trent Road being completed by NCDOT.

Background Information:

In 1995, the City of New Bern and NCDOT entered into an agreement where certain state roads (including Trent Road) would be turned over to the City. As a part of this agreement certain improvements including drainage improvements and resurfacing were to be completed by NCDOT. At this time, NCDOT has completed all of the agreed upon drainage improvements along Trent Road (near Red Robin Lane), but has never completed the street resurfacing in this area.

This agreement will allow NCDOT to pay the City of New Bern a lump sum in the amount of \$44,714 in lieu of resurfacing approximately 1,000 LF of Trent Road. The Public Works Department has reviewed this supplementary agreement and the \$44,714 should cover the cost for resurfacing this area.

Recommendation:

The Public Works Department recommends and requests that the Board adopt this resolution approving the attached supplementary agreement with NCDOT.

RESOLUTION

THAT WHEREAS, the City of New Bern entered in agreements with NCDOT on March 21, 2006, April 14, 2008 and November 9, 2015 and;

WHEREAS, certain areas of Trent Road have not been resurfaced as outlined in the agreements; and

WHEREAS, NCDOT has offered to pay the City of New Bern a lump sum in the amount of \$44,714 in lieu of performing this work, and the City of New Bern is willing to accept the lump sum payment in lieu of the work being performed; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

That the City of New Bern hereby approves a supplementary agreement between the City of New Bern and NCDOT, a copy of which is attached hereto and incorporated herein, which provides that NCDOT will provide the City of New Bern with a lump sum payment in the amount of \$44,714 in lieu of resurfacing approximately 1,000 LF of Trent Road.

ADOPTED THIS 11TH DAY OF DECEMBER 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK

NORTH CAROLINA

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CRAVEN COUNTY

SUPPLEMENTAL AGREEMENT

DATE: 10/25/2018

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

WBS ELEMENTS: 2019CPT.02.31.20251

AND

CITY OF NEW BERN

TOTAL SUPPLEMENTAL FUNDS [NCDOT PARTICIPATION] \$44,714

THIS AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department", and the City of New Bern, hereinafter referred to as the "Municipality."

WITNESSETH:

WHEREAS, the Department and the Municipality on 03/21/2006, entered into a Maintenance Agreement for TIP Projects B-2532 and U-4755 (Maintenance Agreement) and on 04/14/2008 entered into a Municipal Agreement for Project U-4755; and,

WHEREAS, the Department and the Municipality on 11/9/2015, entered into a Supplemental Agreement to amend both the Maintenance Agreement and Municipal Agreement to include resurfacing and drainage improvements on SR 1278 (Trent Road); and,

WHEREAS, the Department has agreed to provide payment to the Municipality for performing the improvements on Trent Road, (formerly "SR 1278") in New Bern, in lieu of the Department performing the work.

NOW THEREFORE, the parties wish to supplement the aforementioned Agreement whereby the following provisions are amended:

SCOPE

The resurfacing and drainage improvements will include pavement, shoulder reconstruction, erosion control and striping necessary to pave Trent Road from the Red Robin Intersection Culvert Project Limits to the Secondary Resurfacing Project limits. The amount of roadway of Trent Road that was not included in either of these projects is approximately 1000 feet.

FUNDING

The Department providing payment of \$44,714 in lieu of performing the work. Reimbursement to the Municipality shall be made upon approval of the invoice by the Department's Division Engineer and the Department's Fiscal Section.

Except as hereinabove provided, the Agreements heretofore executed by the Department and the Municipality on 3/21/2006, 4/14/2008 and 11/9/2015, are ratified and affirmed as therein provided.

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

L.S. ATTEST:	CITY OF NEW BERN
BY:	BY:
TITLE:	TITLE:
DATE:	DATE:

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

Approved by	(Governing Board) of the City of New Bern as		
attested to by the signature of	, Clerk of the		
	(Governing Board) on (Date)		
	This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.		
(SEAL)	(FINANCE OFFICER)		
	Federal Tax Identification Number		
	Remittance Address:		
	City of New Bern		
	DEPARTMENT OF TRANSPORTATION		
	BY:		
	(CHIEF ENGINEER)		
	DATE:		
APPROVED BY BOARD OF TRANSPOR	TATION ITEM O: (Date)		

•

AGENDA ITEM COVER SHEET

Agenda Item Title:

Consider Adopting a Resolution Approving Audit Contract Amendment for Fiscal Year Ending June 30, 2018

Date of Meeting 12/11/18	Ward # if applicable N/A
Department Finance	Person Submitting Item: Joseph R. Sabatelli, CPA
Call for Public Hearing Yes 🖌 No	Date of Public Hearing

Explanation of Item:

The attached resolution authorizes the Mayor to execute the Amendment to Contract to Audit Accounts with Mauldin & Jenkins, PLLC for the year ending June 30, 2018. The amendment authorizes modifies the due date from October 31, 2018 to December 31, 2018.

Actions Needed by Board:

Adopt Resolution and authorize execution of Amendment to Contract to Audit Accounts

Is	item	time	sensitive?	✓ Yes	🗌 No
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Will there be advocates/opponents at the meeting? Yes No

Backup Attached:

Memo; Resolution, Amendment to Contract to Audit Accounts, Contract to Audit Accounts, Engagement Letter

Cost of Agenda Item:

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : \Box Yes \Box No

Additional notes:



TO: City Manager, Honorable Mayor and Members of the Board of Aldermen

FROM: JR Sabatelli, CPA – Director of Finance

DATE: December 3, 2018

RE: Fiscal Year Ending June 30, 2018 Audit Contract

Background

North Carolina General Statutes (G.S.) 159-34 requires each governmental until to have an annual independent audit and specifies the general terms and conditions of the audit. The firm of Mauldin & Jenkins, LLC is performing our audit for Fiscal Year Ending June 30, 2018.

Please consider this request for the Board of Aldermen to authorize the Mayor to execute a contract amendment (copy enclosed) with the firm of Mauldin & Jenkins, LLC to extend the audit due date to December 31, 2018 as required by the Local Government Commission. The extension is necessary due to delays caused by Hurricane Florence and the implementation of the new ERP system.

Requested Action

The Board adopt a resolution extending the contract with Mauldin & Jenkins, LLC to December 31, 2018, and authorize the Mayor to execute the extension for the same.

RESOLUTION

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

That the "Amendment to Contract to Audit Accounts" by and between the City of New Bern and Mauldin & Jenkins, LLC, a copy of which is attached hereto and incorporated herein by reference, be and the same is hereby approved, and the Mayor be and he is hereby authorized and directed to execute the same for and on behalf of the City.

ADOPTED this 11th day of December, 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK

SEAL

LGC-205 Amended AMENDMENT TO CONTRACT TO AUDIT ACCOUNTS

Whereas	Primary Government Unit
	City of New Bern
and	Discretely Presented Component Unit (DPCU) (if applicable)
and	Auditor
	Mauldin & Jenkins, PLLC

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

	Fiscal Year Ending		Audit Report Due Date
for	06/30/18	and originally due on	10/31/18

hereby agree that it is now necessary that the contract be modified as follows.

	Original due date	Modified due date
Modification to due date:	10/31/18	12/31/18
Modification to fee:	Original fee	Modified fee

EXPLANATION OF MODIFIED CONTRACT TERMS

Please provide an explanation for the modification of terms. If the amendment is submitted to extend the due date, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years.

The City of New Bern was hit by Hurricane Florence in mid-September and City staff has been working on recovery efforts since that time. The City is also in the middle of an ERP conversion and is working with FEMA. The City did not lose any records; however, the Hurricane and ERP conversion have prevented city staff from finalizing schedules to complete the audit.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

SIGNATURE PAGE

AUDIT FIRM

Audit Firm	
Mauldin & Jenkins, PLLC	
Authorized Firm Representative (typed or printed)	Signature
Adam M. Fraley	
Date	Email Address
	afraley@mjcpa.com

GOVERNMENTAL UNIT

Governmental Unit	
City of New Bern	
Date Primary Government Unit Governing Board	d Approved Audit Contract (Ref: G.S. 159-34(a) or G.S. 115C-447(a))
Mayor/Chairperson (typed or printed)	Signature
Dana E. Outlaw	
Date	Email Address
	OutlawD@newbernnc.gov

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE *ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT*

(Pre-audit certificate not required for charter schools or hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

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	Signature
Date of Pre-Audit Certificate	Email Address

SIGNATURE PAGE – DPCU (complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU		
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 *ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT*

(Pre-audit certificate not required for charter schools or hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

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
LGC-205 (Rev. 2018)

CONTRACT TO AUDIT ACCOUNTS

Of City of New Bern

n/a		
Discret	ely Presented Component Unit (E	OPCU) if applicable
On this 23rd	day of April	, 2018 ,
Auditor: Mauldin & Jenkins, PLLC	Auditor Mailing Address: 200 Galleria Parkway	
Atlanta, Georgia 30339		Hereinafter referred to as The Auditor
and Board of Aldermen	(Governing Board(s)) of <u>City of New Bern</u>
and Na	: hereinafter referred	(Primary Government) to as the Governmental Unit(s), agree as follows:

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

Primary Government Unit

n/a

Discretely Presented Component Unit (DPCU) if applicable

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

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

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

Primary Government Unit	
n/a	

Discretely Presented Component Unit (DPCU) if applicable

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

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

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

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

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

Primary Government Unit
n/a
Discretely Presented Component Unit (DPCU) if applicable

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

Number 22, because Auditor does not have 25 or more employees in the State of North Carolina.

SIGNATURE PAGES FOLLOW FEES PAGE

City of New Bern

Contract to Audit Accounts (cont.) Primary Government Unit

n/a

Discretely Presented Component Unit (DPCU) if applicable

FEES – PRIMARY GOVERNMENT

AUDIT: \$ 36,000

WRITING FINANCIAL STATEMENTS: \$______

ALL OTHER NON-ATTEST SERVICES: \$

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

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. The 75% cap for interim invoice approval for this audit contract is \$ 27,000 ** NA if there is to be no interim billing

FEES - DPCU (IF APPLICABLE)

AUDIT: \$ -

WRITING FINANCIAL STATEMENTS: \$

ALL OTHER NON-ATTEST SERVICES: \$

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

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

Primary Government Unit

n/a

Discretely Presented Component Unit (DPCU) if applicable

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

Mauldin & Jenkins, PLLC

Name of Audit Firm

By Adam M. Fraley

Authorized Audit firm representative name: Type or print

authorized audit for representative Signature of Date

afraley@mjcpa.com Email Address of Audit Firm

Governmental Unit Signatures: <u>City of New Bern</u> Name of Primary Government By Dane F Outlaw, Mayor Mayor / Chairperson Type or print fame and title Mayor / Chairperson Type or print fame and title Signature of Mayor/Chairperson of governing board

Date May 8, 2018

By <u>N/A</u> Chair of Audit <u>Committee</u> - Type or print name

Signature of Audit Committee Chairperson

Date

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

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

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

By Joseph R. Sabatelli, Director of Finance Primary Government Unit Finance Officer: Type or print name

Primary Government Finance Officer Signature

Date May 8, 2018 (Pre-audit Certificate must be dated.)

sabatellij@newbern-nc.org Email Address of Finance Officer

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

May 8, 2018

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

Page 6 of 9

Primary Government Unit

ted Component Unit (DPCU) if applicable				
** This page to only be completed by Discretely Presented Component Units If Applicable **				
PRE-AUDIT CERTIFICATE: Required by G.S. 159-28				
(a)				
This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal				
Control Act or by the School Budget and Fiscal Control Act.				
Ву				
DPCU Finance Officer:				
Type or print name				
DPCU Finance Officer Signature				
Date				
(Pre-audit Certificate must be dated.)				
Email Address of Finance Officer				
Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)				
L'ANTHONT ('N 160 74(A)				

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

Primary	Government	Unit

n/a

Discretely Presented Component Unit (DPCU) if applicable

Steps to Completing the Audit Contract

- Complete the header information If a DPCU is subject to the audit requirements found in the Local Government Budget and Fiscal Control Act and a separate report is being issued for that DPCU, a separate audit contract for the DPCU is required. If a separate report is not being issued for the DPCU – it is being included in the Primary Government's audit – the DPCU shall be named with the Primary Government on the audit contract for the Primary Government. The Board Chairperson of the DPCU shall sign the audit contract in addition to the elected leader of the Primary Government.
- 2. Item No. 1 -Complete the period covered by the audit
- 3. Item No. 6 Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
- 4. Item No. 8 If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. <u>https://www.netreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx</u>
- 5. Item No. 9 Please note that the new fee section has been moved to page 5.
- 6. Item No. 16 Has the engagement letter been attached to the contract that is being submitted to SLGFD?
 - a. Do the terms and fees specified in the engagement letter agree with the Audit 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."
 - b. Does the engagement letter contain an indemnification clause? The audit contract shall not be approved if there is an indemnification clause refer to LGC Memo # 986.
- 7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the fees page; please note:
 - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we shall compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: https://www.netreasurer.com/slg/lfm/audit_acct/Pages/default.aspx select "audit fees"

Please call or email Lorna Hodge at 919-814-4299 <u>lorna.hodge@nctreasurer.com</u> if you have any questions about the fees on this list.

• For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

ony officer bein	
Primary Government Unit	
not applicable	

Discretely Presented Component Unit (DPCU) if applicable

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: Sec previous bullet point regarding variable fees.)
- If there is to be no interim billing, please indicate N/A instead of leaving the line blank.
- 8. Signature Area There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Plcase only send the page(s) that are applicable to your Unit of Government and do not include the instructions pages. Make sure all signatures have been obtained, and properly dated. The contract shall be approved by Governing Boards pursuant to <u>G.S. 159-34(a)</u>. If this contract includes the audit for a DPCU that is a Public Authority that falls under the Local Government Budget and Fiscal Control Act, it shall be named in this contract and the Board Chairperson of the DPCU also shall sign the contract in the area indicated. If the DPCU is filing a separate audit, a separate audit contract is required for that DPCU.
- 9. Please place the date the Primary Government's Governing Board and the DPCU's Governing Board (if applicable) approved the audit contract in the space provided.
 - a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
 - b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?
 - c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
- 10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the fees page.
- 11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once not multiple times.
- 12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to PDF. When submitting for approval send the documents as one PDF file to include the Audit contract, any applicable addendums, the engagement letter and Peer Review Report. Submit these documents using the most current submission process which can be obtained at the NC Treasurer's web site

https://www.nctreasurer.com/slg/Audit%20Forms%20and%20Resources/Instructions%20for%20Contract%20Su bmission.pdf

13. If an audit cannot be completed by the due date, the Auditor or Governmental Unit shall file an Amended Contract form (Amended LGC-205). This form shall be signed by the Governmental Unit representative and the Auditor. The explanation for the delay in completing the audit is part of this contract amendment form and shall be provided. The parties that signed the original audit contract shall sign the amended contract form as well. If the signing representatives are unable to sign the amended contract, please include an explanation for this in the submitted amended contract form.



Report on the Firm's System of Quality Control

To the Shareholders of Mauldin & Jenkins, LLC and the National Peer Review Committee:

We have reviewed the system of quality control for the accounting and auditing practice of Mauldin & Jenkins, LLC (the firm), applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Pccr 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, and examinations of service organization's SOC 1 and SOC 2 engagements.

As 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.

PBMares, LLP | 725 Jackson Street, Suite 210 | Fredericksburg, VA 22401 | P 540.371.3566 | 1.800.296.3710 | F 540.371.3598

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Mauldin & Jenkins, LLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2017, 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*. Mauldin & Jenkins, LLC has received a peer review rating of pass.

PBMares, LLP

PBMares, LLP October 30, 2017



April 23, 2018

Honorable Mayor and Members of the Board of Aldermen City of New Bern, North Carolina 300 Pollock Street New Bern, North Carolina 28563

Attn: Mr. JR Sabatelli, Director of Finance and Mr. Mark Stephens, City Manager

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

- 1. Management's Discussion and Analysis (MD&A).
- 2. Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress.
- 3. Local Government Employees' Retirement System Schedule of the City's Proportionate Share of the Net Pension Liability.
- 4. Local Government Employees' Retirement System Schedule of City Contributions.
- 5. Other Post-employment Benefits Schedule of Changes in the Net OPEB Liability and Related Ratios.
- 6. Other Post-employment Benefits Schedule of City Contributions.

200 GALLERIA PARKWAY S.E., SUITE 1700 • ATLANTA, GA 30339-5946 • 770-955-8600 • 800-277-0080 • FAX 770-980-4489 • www.mjcpa.com Members of The American Institute of Certified Public Accountants • RSM International

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

- 1. Schedule of expenditures of federal awards.
- 2. Combining and individual fund statements.
- 3. Supplemental ad valorem tax schedules.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, we have no responsibility for determining whether such other information is properly stated, and our auditor's report will not provide an opinion or any assurance on that other information:

- 1. Introductory section
- 2. Statistical section

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on -

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts and award 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 federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on cach 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).

The Government Auditing Standards report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that 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 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. 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; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996: and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Members of the Board of Aldermen for the City of New Bern, North Carolina. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein.

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 management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal 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. Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also 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 you are 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, (3) additional information that we may request for the purpose of

the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

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

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 government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is 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 to prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review subsequent to the start of fieldwork.

You are 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 awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal 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 awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (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 schedule of expenditures of federal awards.

You are also responsible for the preparation of the other 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.

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

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, 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 awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. You agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or

governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include 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 awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

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

As required by the Uniform Guidance, 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.

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 management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

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

The Uniform Guidance 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 of New Bern's major programs. The purpose of these procedures will be to express an opinion on the City of New Bern's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

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

Audit Administration, Fees, and Other

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically 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 federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form



and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copics of our reports to the City of New Bern, North Carolina; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mauldin & Jenkins and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mauldin & Jenkins personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

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

We expect to begin our audit on approximately August 27, 2018 and to issue our reports no later than October 31, 2018. Adam Fraley is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be \$36,000 for the year ended June 30, 2018. Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests we will observe the confidentiality requirements of our profession and will notify you promptly of the request.



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

Sincerely.

MAULDIN & JENKINS, LLC

Adam M. Fraley

RESPONSE:

This letter correctly sets forth the understanding of the City of New Bern, North Carolina.

HAVE Director of Finance By: ____ Title:

AGENDA ITEM COVER SHEET

Agenda Item Title:

Consider Adopting an Ordinance to Amend the Fiscal Year 2019 Operating Funds

Date of Meeting 12/11/18	Ward # if applicable N/A
Department Finance	Person Submitting Item: JR Sabatelli, CPA, Dir of Finance
Call for Public Hearing 🗌 Yes 🗹 No	Date of Public Hearing

Explanation of Item:

The budget amendment appropriates \$266,460 to the Police Department in the General Fund for upgrades to the New World CAD system, to be paid with debt proceeds. The amendment also appropriates \$66,000 for an upgrade to the 911 call recording system in the Emergency Telephone System Fund to be funded through appropriated fund balance.

Actions Needed by Board:

Adopt Ordinance

Is	item	time	sensitive?		lYes	No
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Will there be advocates/opponents at the meeting? Yes VNO

Backup Attached:

Memo, Ordinance

Cost of Agenda Item:

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : \Box Yes \Box No

Additional notes:



TO: City Manager, Honorable Mayor and Members of the Board of Aldermen

FROM: Joseph R. Sabatelli, CPA - Director of Finance

DATE: November 30, 2018

RE: Amendments to the FY2018-19 Operating Budget

Background Information

This budget ordinance amends the Fiscal Year 2018-19 General Fund and Emergency Telephone System Fund noted in the presentations by the New Bern Police Department as follows:

General Fund: This amendment appropriates \$266,460 to the Police Department for upgrades to the New World Computer Aided Dispatch Software. \$60,000 has already been appropriated in the Emergency Telephone System Fund for a total estimated project cost of \$326,460. The costs include licenses, implementation and other required services, and a new server. The \$266,460 will be paid by an increase in debt proceeds.

Emergency Telephone System Fund: This amendment appropriates \$66,000 to E-911 for the upgrade of the 911 call recording system and will be offset by an increase in Fund Balance Appropriated.

Requested Action

The Board considers adopting the enclosed budget amendment at its meeting on December 11, 2018.

CITY OF NEW BERN, NORTH CAROLINA REQUESTED AMENDMENT TO Fiscal Year 2018-2019

FROM Joseph R. Sabatelli, CPA, Director of Finance MEETING DATE: <u>Dec. 11, 2018</u> EXPLANATION: This ordinance will amend the fiscal year 2018-19 General Fund Budget to acknowledge \$266,460 to provide for additional funds needed to upgrade the Computer Aided Dispatch System in the Police Department to be paid for with debt service. This ordinance also amends the Emergency Telephone Fund budget by \$66,000 for the cost to upgrade the recording system, to be paid from the Fund Balance of this fund.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN THAT THE 2018-2019 Annual Budget ORDINANCE IS AMENDED AS FOLLOWS

Section 1 – Appropriations

Schedule A – Ger	neral Fund	
Increase:	Police	<u>\$266,460</u>
<u>Schedule H – Em</u> Increase:	ergency Telephone System Fund E-911	<u>\$ 66,000</u>
	Section 2 – Estimated Revenues	
<u>Schedule A – Ge</u>	neral Fund	
Increase:	Proceeds from Borrowing	<u>\$266,460</u>
Schedule H – Em	hergency Telephone System Fund	
Increase:	Fund Balance Appropriated	<u>\$ 66,000</u>
NATURE OF TR		
<u> </u>	ONAL REVENUE AVAILABLE FOR APPROPRIATION	

_____TRANSFER WITH ACCOUNTS OF SAME FUND

X_OTHER: Appropriated Fund Balance

APPROVED BY THE BOARD OF ALDERMEN AND ENTERED ON MINUTES DATED ______ AGENDA ITEM NUMBER_____

BRENDA E. BLANCO, CITY CLERK

AGENDA ITEM COVER SHEET

Agenda Item Title:

Consider Adopting Resolution Approving Declaration of Intent to Reimburse for FY2018-19 Capital Purchases

Date of Meeting 12/11/18	Ward # if applicable N/A
Department Finance	Person Submitting Item: Joseph R. Sabatelli
Call for Public Hearing 🗌 Yes 🖌 No	Date of Public Hearing
Explanation of Item:	
The adoption of the Declaration of Off the ability to reimburse FY2018-19 ca	ficial Intent to Reimburse certain expenditures will provide pital purchases paid for prior to obtaining financing.
Actions Needed by Board:	
Adopt the resolution for Declarat	tion of Official Intent to Reimburse
Is item time sensitive? Yes	0
Will there be advocates/opponents a	at the meeting? Yes 🗹 No
Backup Attached:	
Memo, List of items to be financed,	Resolution, Declaration of Official Intent to Reimburse

Cost of Agenda Item:

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : \checkmark Yes \square No

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Additional notes:



TO: City Manager, Honorable Mayor and Members of the Board of Aldermen

FROM: JR Sabatelli, CPA - Director of Finance

DATE: November 30, 2018

RE: Declaration of Official Intent to Reimburse for FY 2018-19 Capital Purchases

Background

On June 12, 2018 the Board of Aldermen adopted the Fiscal Year 2018-19 operating budget and on July 10, 2018 approved a resolution adopting a Declaration of Official Intent to Reimburse. In this budget and Declaration the City anticipated incurring certain expenditures designated as being financed in an amount not exceeding \$1,149,075; however, as noted in the previous amendment, the amount has increased by \$266,460 to \$1,415,535. According to IRS regulations, the Declaration needs to be adopted prior to or within sixty (60) days of payment of the expenditures to be reimbursed for items paid prior to obtaining financing agreements. The attached Declaration approves the increased expected financing.

Requested Action

It is recommended that the Board adopt the Resolution and Declaration of Official Intent to Reimburse at its December 11, 2018 meeting.

RESOLUTION

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. That the document entitled "Declaration of Official Intent to Reimburse", a copy of which is attached hereto and incorporated herein by reference, be and the same is hereby approved, and the Mayor is hereby authorized and directed to execute said Declaration for and on behalf of the City of New Bern.

ADOPTED THIS 11TH DAY OF DECEMBER, 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK

DECLARATION OF OFFICIAL INTENT TO REIMBURSE

THIS DECLARATION ("Declaration") is made pursuant to the requirements of United States Treasury Regulations §1.103-18 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations section.

THE UNDERSIGNED, DANA E. OUTLAW, Mayor of the City of New Bern, North Carolina, is authorized to declare the official intent of the City of New Bern ("Issuer") with respect to the matters contained herein.

1. EXPENDITURES TO BE INCURRED. The Issuer anticipates incurring expenditures ("Expenditures") for Fiscal Year 2018-19 to purchase capital equipment and improvements for its general governmental and enterprise operations ("Program"). The Program includes the following:

<u>General Fund</u> Police Vehicles & Accessories Asphalt Truck Nine (9) Service Vehicles Two (2) Generators Chlorine Generator Computer Aided Dispatch System Upgrades and related hardware

2. PLAN OF FINANCE. The Issuer intends to finance the cost of the Program described above with the proceeds of debt to be issued by the Issuer ("Obligations").

3. MAXIMUM PRINCIPAL AMOUNT OF DEBT TO BE ISSUED. The maximum principal of Obligations to be issued by the Issuer to finance the Programs is \$1,415,535.

4. DECLARATION OF OFFICIAL INTENT TO REIMBURSE. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Obligations for any of the eligible Expenditures incurred by it prior to the issuance of the Obligations.

THIS 11th DAY OF DECEMBER, 2018.

CITY OF NEW BERN

Ву ___

Dana E. Outlaw, Mayor

AGENDA ITEM COVER SHEET

Agenda Item Title:

Consider Adopting an Ordinance to Amend the Hurricane Florence Grants Fund

Date of Meeting 12/11/18	Ward # if applicable N/A
Department Finance	Person Submitting Item: JR Sabatelli, CPA, Dir of Finance
Call for Public Hearing 🗌 Yes 🗹 No	Date of Public Hearing

Explanation of Item:

The City established the Hurricane Florence grant fund on October 9, 2018. As noted at the time, the initial fund was to begin restoration efforts and additional funding would be necessary. The attached amendment increases the budget by \$3.6 million to continue recovery efforts.

Actions Needed by Board:

Adopt Ordinance

Is item time sensitive? Yes Vo

Will there be advocates/opponents at the meeting? Yes Vo

Backup Attached:

Memo, Ordinance

Cost of Agenda Item:

If this item requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director : $\Box Yes \Box No$

Additional notes:



Office of the Director of Finance

TO: City Manager, Honorable Mayor and Members of the Board of Aldermen

- FROM: Joseph R. Sabatelli, CPA Director of Finance
- DATE: November 30, 2018
- RE: Amend the Hurricane Florence Fund

Background

Hurricane Florence came through our area on September 12th through the 14th and as a result, the City of New Bern is eligible for reimbursements through our insurance The City experienced extensive damages throughout its provider and FEMA. properties, and as a result, has and will incur substantially large costs for emergency services, utility restoration, debris removal, repairs and replacement of property and equipment, mitigation efforts, mutual aid and other related expenses. The Board of Aldermen established the Hurricane Florence Fund and an initial budget of \$4.4 million. The Hurricane Florence Fund aids in the accounting of revenues and expenses related to this event. Future budget amendments were and are expected as recovery efforts, repairs, replacements and mitigation costs are identified. The attached amendment of \$3.6 million will allow recovery efforts to continue, including items of note for contract and mutual aid debris removal, mold mitigation, and temporary facilities for the Fire training. Please note that a future budget amendment will be necessary to transfer the cost of staff salaries and benefits related to the storm from the operating funds to the Hurricane Florence Fund in the near future.

Requested Action

It is requested that the Board adopt the ordinance to amend the grant fund at its meeting to be held on December 11, 2018.

AN ORDINANCE TO AMEND THE GRANT PROJECT ORDINANCE Hurricane Florence Fund

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. That Section 4 of the Ordinance adopted on October 9, 2018 is hereby amended for additional estimated revenues:

Increase: Grant Revenues

\$3,600,000

Section 2. That Section 5 of the Ordinance adopted on October 9, 2018 is hereby amended for additional appropriations:

Increase: Hurricane Florence

- <u>\$3,600,000</u>
- Section 3. This amendment shall become effective upon adoption.

ADOPTED THIS 11TH DAY OF DECEMBER, 2018.

DANA E. OUTLAW, MAYOR

BRENDA E. BLANCO, CITY CLERK

DECLARATION OF OFFICIAL INTENT TO REIMBURSE

THIS DECLARATION ("Declaration") is made pursuant to the requirements of United States Treasury Regulations §1.103-18 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations section.

THE UNDERSIGNED, DANA E. OUTLAW, Mayor of the City of New Bern, North Carolina, is authorized to declare the official intent of the City of New Bern ("Issuer") with respect to the matters contained herein.

1. EXPENDITURES TO BE INCURRED. The Issuer anticipates incurring expenditures ("Expenditures") for Fiscal Year 2018-19 to purchase capital equipment and improvements for its general governmental and enterprise operations ("Program"). The Program includes the following:

General Fund

Police Vehicles & Accessories Asphalt Truck Nine (9) Service Vehicles Two (2) Generators Chlorine Generator Computer Aided Dispatch System Upgrades and related hardware

2. PLAN OF FINANCE. The Issuer intends to finance the cost of the Program described above with the proceeds of debt to be issued by the Issuer ("Obligations").

3. MAXIMUM PRINCIPAL AMOUNT OF DEBT TO BE ISSUED. The maximum principal of Obligations to be issued by the Issuer to finance the Programs is \$1,415,535.

4. DECLARATION OF OFFICIAL INTENT TO REIMBURSE. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Obligations for any of the eligible Expenditures incurred by it prior to the issuance of the Obligations.

THIS 11th DAY OF DECEMBER, 2018.

CITY OF NEW BERN

By _____ Dana E. Outlaw, Mayor

Aldermen

Sabrina Bengel Jameesha Harris Robert V. Aster Johnnie Ray Kinsey Barbara J. Best Jeffrey T. Odham



CITY OF NEW BERN

Dana E. Outlaw Mayor

Mark A. Stephens City Manager

300 Pollock Street, P.O. Box 1129 New Bern, NC 28563-1129 (252) 6364000

MEMO TO:	Mayor and Board of Aldermen
FROM:	Brenda Blanco, City Clerk BRanco
DATE:	December 6, 2018

SUBJECT: Appointment to New Bern-Craven County Public Library Board of Trustees

Esther Hardin's term on the New Bern-Craven County Public Library Board of Trustees expired on December 1, 2018. Ms. Hardin has moved out of the area and is not interested in reappointment. An appointment is needed to fill this vacant seat. The appointee will serve a six-year term. Meetings are held on the first Tuesday of alternate months (February, April, June, August, October, and December) at 7:30 p.m. at the library. Any trustee who misses three consecutive meetings in a year will be removed from the seat.

A nomination for this appointment can be made by any member of the Governing Board.

/beb