

Town Hall Council Chambers
30 South Main Street
Weaverville, N.C. 28787

January 23, 2017 at 6:00pm
Town Council Monthly Meeting

- 1. **Call to Order**..... Mayor Sherrill
- 2. **Approval / Adjustments to the Agenda**..... Mayor Sherrill
- 3. **Approval of Minutes**..... Mayor Sherrill
 - A. December 19, 2016 Town Council Workshop Minutes
 - B. January 10, 2017 Town Council Minutes
- 4. **Employee Recognition**..... Town Manager
- 5. **General Public Comments**
- 6. **Consent Agenda**..... Mayor Sherrill
 - Motion to approve the consent agenda*
 - A. Proposed Audit Contract for FY 2016-2017
Recommend approval, of the contract with Gould Killian CPA at \$22,000 for Fiscal Year 2017
 - B. Monthly Tax Report & Tax Releases
Recommend approval of the tax report and the release of \$311.30 in taxes due to duplicate billing
 - C. Quarterly Departmental Reports
Recommend review and approval of Quarterly Departmental Reports from Oct-Dec 2016
- 7. **Discussion & Action Items:**
 - A. FY 2015-2016 Audit Overview..... Travis Keever
 - B. Eller Cove Watershed Easement..... Michelle Pugliese
 - C. Water Treatment Plan Expansion Study..... Keith Webb
 - D. Waive Waiting Period on Rezoning Request and Set Public Hearing for Rezoning Request for Garrison Branch Reserve Investors..... James Eller
- 8. **Closed Session**..... Jennifer Jackson
 - Motion to enter closed session for the following:*
 - N.C.G.S § 143-318.11(a)(3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body and to consider and give instructions to an attorney concerning the handling or settlement of the following judicial action: Mayfair Partners, LLC, Petitioner, versus Town of Weaverville, Michael Watkins, Thomas Plaut and Marian Plaut, James Proffitt and Sharon Proffitt, Thomas Veasey and Sara Veasey, Lake Louise Preservation Association, and Conley Hyer; Buncombe County File 17-CV-246.
 - N.C.G.S § 143-318.11(a)(6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee.
- 9. **Town Manager’s Report**..... Town Manager
- 10. **Adjournment**..... Mayor Sherrill

MINUTES

**TOWN OF WEAVERVILLE
STATE OF NORTH CAROLINA**

**TOWN COUNCIL MEETING
MONDAY, DECEMBER 19, 2016**

The Town of Weaverville Town Council met on Monday, December 19, 2016 beginning at 6:00pm in Council Chambers within Weaverville Town Hall at 30 South Main Street.

Council Present: Mayor Dottie Sherrill, Council Members Doug Dearth, Patrick Fitzsimmons, Doug Jackson and Andrew Nagle.

Staff Present: Town Manager Selena Coffey, Town Attorney Jennifer Jackson, Police Chief Greg Stephens, Public Works Director Tony Laughter, Fire Chief Ted Williams, Town Planner James Eller and Finance Director Tonya Dozier.

1. Call to Order

Mayor Sherrill called the meeting to order at 6:00pm.

2. Approval/Adjustments to the Agenda

Councilman Dearth motioned to approve the agenda as presented. Councilman Nagle seconded and all voted unanimously.

3. Approval of the Minutes

Ms. Jackson proposed a change to language within agenda item 7B of the November minutes.

Councilman Dearth motioned to approve the minutes as amended. Councilman Jackson seconded and all voted unanimously.

4. General Public Comment

No comment was made.

5. Consent Agenda

- A. Adoption of Town Council Meetings, Workshops & Holiday Schedule.
- B. Resolution regarding ABC Board Contact.
- C. Update on Planning and Zoning Board Discussion of Unified Business Developments.
- D. Proclamation Honoring Thermo Fisher Scientific.
- E. Tax Collector Releases and Monthly Report.

Councilman Jackson motioned to approve the consent agenda. Councilman Fitzsimmons seconded and all voted unanimously.

6. Discussion and Action Items

A. Weaverville Business Association Event Recommendation.

Ms. Coffey noted to Council that she and Ms. Jackson have been working on language to allow the proposed event to proceed but it had not been completed for their review. Ms. Coffey asked for Council's consensus for her to continue working with the Business Association.

Councilman Dearth motioned to allow Ms. Coffey to continue working with the business Association. Councilman Nagle seconded and all voted unanimously.

B. Board Appointments.

Mayor Sherrill recommended Peter Stanz as a candidate for the Planning and Zoning Board as an alternate member.

Councilman Fitzsimmons motioned to appoint Mr. Stanz as an alternate member of the Planning and Zoning Board with a term to expire September 2017. Councilman Nagle seconded and all voted unanimously.

C. Award of Bid for Self-Contained Breathing Apparatus.

Ms. Jackson noted to the Board that two bids had been received for the self-contained breathing apparatuses and the lower bid submitted was not in compliance with the specifications required. Therefore Ms. Jackson requested that Council reject the lowest bid due to the nonconformities.

Councilman Dearth moved that due to the safety concerns expressed by the Fire Chief on the equipment specified in the Municipal Emergency Services bid, that in the best interest of the Town the MES bid be rejected and that the SCBA equipment contract be awarded to Rhinehart Fire Services as the lowest responsible and responsive bidder taking into consideration quality performance and time. Councilman Jackson seconded and all voted unanimously.

Councilman Dearth moved to authorize the Mayor to execute a contract with Rhinehart Fire Services consistent with the terms of the contract presented and RFS's bid submissions. Councilman Nagle seconded and all voted unanimously.

D. Lakeside Meadows Street Dedication.

Mr. Laughter noted to Council that construction had been completed within Lakeside Meadows and the roads were constructed to the standards of the Town. Mr. Laughter also requested that Council set a defects guarantee of \$5,000 and permit staff level acceptance of the roads into the municipal system.

Councilman Jackson motioned to permit staff to accept the roads into the municipal system subject to the final approval by the Public Works Director, Town Manager and Town Attorney, recordation of the necessary documents and developer's delivery of an acceptable \$5,000 defects guarantee. Councilman Nagle seconded and all voted unanimously.

E. Maple Trace Phase I Waterline Acceptance.

Mr. Laughter noted to Council that the water line for Phase I of Maple Trace had been completed and requested that a defects guarantee be set at \$5,000.

Councilman Nagle motioned that the water lines for phase I of the Maple Trace subdivision be accepted into the Town's water system subject to final approval of the Public Works Director, Town Manger and Town Attorney, recordation of the necessary documents and developer's delivery of an acceptable \$5,000 defects guarantee. Councilman Fitzsimmons seconded and all vote unanimously.

7. Public Hearing: Annexation / Initial Zoning regarding Weaverville Apartments

Mr. Eller noted to Council that the public hearing had been duly advertised and the application calls for an initial zoning of R-12. The public hearing is to receive public input on both the annexation of the property into the Town's limits and the initial zoning of the property to R-12.

Councilman Jackson motioned to open the Public Hearing. Councilman Fitzsimmons seconded and all voted unanimously.

Ms. Jackson noted that the initial zoning of R-12 was unanimously recommended by the Planning and Zoning Board. Mark Reynolds of Berkley Hall addressed Council regarding the apartment complex.

Councilman Jackson motioned to close the Public Hearing. Councilman Nagle seconded and all voted unanimously.

Councilman Dearth motioned to adopt the ordinance of annexation for the property commonly known as 145 Monticello Road. Councilman Nagle seconded and all voted unanimously.

Councilman Dearth motioned to approve the initial zoning of the aforementioned property as R-12. Councilamnn Fitzsimmons seconded and all voted unanimously.

8. Town Manager's Report

Ms. Coffey noted to Council that the citizen's academy would start on the 3rd Saturday in January, the audit presentation would be before Council in January, the administrative office schedule around the Christmas holiday and the status of the Eller Cove Watershed Easement.

9. Adjournment

Councilman Jackson motioned to adjourn. Councilman Dearth seconded and all voted unanimously.

James W. Eller, Deputy Town Clerk

MINUTES

**TOWN OF WEAVERVILLE
STATE OF NORTH CAROLINA**

**TOWN COUNCIL WORKSHOP
TUESDAY JANUARY 10, 2016**

The Town of Weaverville Town Council met on Tuesday, January 10, 2016 beginning at 5:30pm in the training room within the Weaverville Fire Department at 3 Monticello Road.

Council Present: Mayor Dottie Sherrill, Vice-Mayor John Penley, Council Members Doug Dearth, Patrick Fitzsimmons and Andrew Nagle. Councilman Doug Jackson absent.

Staff Present: Town Manager Selena Coffey, Town Attorney Jennifer Jackson, Fire Chief Ted Williams, Police Chief Greg Stephens, Public Works Director Tony Laughter and Town Planner James Eller.

1. Call to Order

The meeting was slightly delayed due to heavy traffic causing two members of Council to be late. Mayor Sherrill called the meeting to order at 5:45pm.

2. Budget

Town Manger Coffey provided Council with a mid 2016-2017 fiscal year budget review and offered preliminary discussion items for to 2017-2018 fiscal year. Ms. Coffey also requested that Council review the 2017-2018 fiscal year budget calendar presented and noted the dates which corresponded with previously scheduled Council Workshops.

Vice-Mayor Penley motioned to approve the proposed 2017-2018 budget calendar as presented. Councilman Dearth seconded and all voted unanimously.

3. Water Resources Discussion

Public Works Director Laughter presented an overview of the present state of the Town's water supply system. Of particular note was that the previously established threshold of 75% of the system's committed water capacity in the Ivy River Water Treatment Plant had been reached and the North Carolina Department of Environmental Quality recommends that water providers begin the planning process to address future water supply demands whenever 80% of permitted capacity is reached.

With the interconnection of the Town water system with that of the City of Asheville Mr. Laughter demonstrated the cost of producing water through the municipal water system was \$3.40 per 1,000 gallons of production and the cost of purchase from the City was \$3.35 per 1,000 gallons purchased.

Ms. Jackson noted to Council that the performance of the water system had ramifications outside of municipal borders with other jurisdictions such as the City of Asheville, Buncombe County, the Metropolitan Sewerage District, the Town of Woodfin and the Town of Mars Hill due to water system interconnections and sewer infrastructure.

Through both Mr. Laughter and Ms. Jackson, Council was presented with several options for addressing the need of additional water in the future including remaining at current capacity, water plant expansion, bulk water purchase from the City of Asheville, and a possible collaboration with various other water and sewer providers.

Ms. Jackson gave figures to Council illustrating the cost of capital projects of the aforementioned options with an estimated cost of the water plant expansion of \$9 million and improvements made to the system to allow for bulk purchase from the City of Asheville at \$5.25-6 million.

The engineering firm McGill & Associates has put together an estimate of \$25,000-\$30,000 for a study to evaluate the details, permit requirements and estimated costs of the Ivy River Water Treatment Plant and the alternative of purchasing from the City of Asheville.

A consensus was reached to have staff work with McGill & Associates to formalize a proposal for the study and present to Council at their next regularly scheduled meeting.

4. Downtown Parking

Councilman Dearth suggested that the topic not be discussed without new options present for a long standing conversation.

5. Closed Session

Councilman Dearth motioned to enter closed session. Vice-Mayor Penley seconded and all voted unanimously.

[CLOSED SESSION]

Councilman Dearth made the motion to come out of closed session. Councilman Nagle seconded and all voted in favor to return to open session.

6. Adjournment

Councilman Fitzsimmons motioned to adjourn. Councilman Jackson seconded and all voted unanimously.

James W. Eller, Deputy Town Clerk

TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM

Date of Meeting: January 23, 2017
Subject: Approval of FY 2016-2017 Audit Contract
Presenter: Selena Coffey, Town Manager
Attachments: Contract

Description:

Attached you will find the engagement letter and contract between the Town of Weaverville and Gould Killian CPA Group for the Fiscal Year 2016-2017 audit. This is the final year of the three-year audit contract for this auditing firm. You will find that the total fee of \$22,000 has not increased. This \$22,000 includes \$18,500 for the audit and \$3,500 for the completion of the Comprehensive Annual Financial Report. This contract must be executed by the Town in order for the auditors to provide same to the Local Government Commission (LGC).

Council Action Requested:

The Town Manager recommends approval of this contract and direction to execute the document and forward same to Gould Killian CPA Group.

CONTRACT TO AUDIT ACCOUNTS

Town of Weaverville

Of _____

Primary Governmental Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

On this 11th day of January, 2017,

Auditor: Gould Killian CPA Group, P.A. Auditor Mailing Address: 100 Coxe Avenue

Asheville, NC 28801

Hereinafter referred to as The Auditor

and Town Council (Governing Board(s)) of Town of Weaverville

(Primary Government)

and N/A : hereinafter referred to as the Governmental Unit(s), agree as follows:

(Discretely Presented Component Unit)

- 1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2016, and ending June 30, 2017. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB 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 CPA Board).

County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Uniform Guidance for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

- 3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will 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 unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government

Primary Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards 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 State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2017. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent via upload through the current portal address: <http://nctreasurer.slgfd.leapfile.net> Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will 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 Governmental Unit 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 signature pages.**)
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.

Primary Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management’s Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor’s opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC 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 must be sent to the Secretary of the LGC. 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 other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit’s financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

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 LGC.

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

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract needs to be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract, and then must be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload your amended contract is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. **A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit should 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 will control. 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 #25 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.**

Primary Governmental Unit

N/A

Discretely presented component units if applicable

17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2016. These instructions are subject to change. Please check the NC Treasurer’s web site at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx> for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. **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. Contractor hereby certifies that Contractor, and all subcontractors, are not on the Iran Final Divestment List (“List”) created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor shall not utilize any subcontractor that is identified on the List.
25. 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).

SIGNATURE PAGES FOLLOW

Contract to Audit Accounts (cont.)

Town of Weaverville

Primary Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

Town of Weaverville

- FEES

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] NONE

Audit \$18,500

\$3,500

Preparation of the annual financial Statements

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 \$ 16,500

** NA if there is to be no interim billing

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:

Gould Killian CPA Group, P.A.

Name of Audit Firm

By Daniel R. Mullinix

Authorized Audit firm representative name: Type or print

Signature of authorized audit firm representative

Date 1/11/2017

dmullinix@gk-cpa.com

Email Address of Audit Firm

Governmental Unit Signatures:

Name of Primary Government

By Dottie Sherrill, Mayor

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

Chair of Audit Committee - Type or print name

**

Signature of Audit Committee Chairperson

Date

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

Town of Weaverville

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. Additionally, the following date is the date this audit contract was approved by the governing body.

By Tonya Dozier, Finance Director

Primary Governmental Unit Finance Officer:

Type or print name

Primary Government Finance Officer Signature

Date

(Pre-audit Certificate must be dated.)

tdozier@weavervillenc.org

Email Address of Finance Officer

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

Contract to Audit Accounts (cont.) Town of Weaverville
 Primary Governmental Unit
 N/A
 Discretely Presented Component Units (DPCU) if applicable

**** This page to only be completed by Discretely Presented Component Units ****

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

Audit _____

Preparation of the annual financial Statements _____

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 \$ _____

**** NA if there is to be no interim billing**

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

DPCU Governmental Unit Signatures:

 Name of Discretely Presented Component Unit

By _____
DPCU Board Chairperson: Type or print name and title

 Signature of Chairperson of DPCU governing board

Date _____

By _____
 Chair of Audit Committee - 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. Additionally, the following date is the date this audit contract was approved by the governing body.

By _____
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)

Steps to Completing the Audit Contract

1. Complete the Header Information – **NEW: If a DPCU is subject to the audit requirements as 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 issued for the DPCU and is to be included in the Primary Government's audit, the DPCU must be named with the parent government on this Audit contract. The Board chairman of the DPCU also must sign the Audit contract.**
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. <https://www.nctreasurer.com/slgl/Pages/Audit-Forms-and-Resources.aspx>
5. Item No. 9 – **NEW: Please note that the fee section has been moved to the signature pages, Pages 5 & 6.**
6. Item No. 16 – **NEW: It is now expected that an engagement letter will be attached to the contract. Has the engagement letter been attached to the contract submitted to the 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 will control.”*
 - b. Does the engagement letter contain an indemnification clause? **The audit contract will 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 signature pages, 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 will 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.nctreasurer.com/slgl/Pages/Non-Audit-Services-and-Audit-Fees.aspx> - Auditors and Audit Fees.
Please call or email Darrus Cofield at 919-814-4299 darrus.cofield@nctreasurer.com 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?

Discretely Presented Component Units (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: See 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. Send the page(s) that are applicable to your Unit of Government. Make sure all signatures have been obtained, and properly dated. **The contract must be approved by Governing Boards pursuant to G.S. 159-34(a).** NEW - If this contract includes auditing a DPCU that is a Public Authority under the Local Government Budget and Fiscal Control Act it must be named in this Audit contract and the Board chairperson of the DPCU **must also sign** the Audit contract in the area indicated. If the DPCU has a separate Audit, a separate Audit contract is required for the DPCU.
9. Please place the date the Unit'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 applicable signature page(s) of the contract.
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 be submitted for approval into a PDF file. Peer Review Reports should be submitted in a separate PDF file. These documents should be submitted using the most current submission process which can be obtained at the NC Treasurer's web site – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.
13. NEW: If an audit is unable to be completed by the due date, an Amended Contract should be completed and signed by the unit and auditor, using the new "Amended LGC-205" form (Rev. 2015). The written explanation for the delay is now included on the contract itself to complete, and must be signed by the original parties to the contract.



January 11, 2017

Honorable Mayor and Members of Town Council
Town of Weaverville
30 South Main Street
Weaverville, NC 28787

We are pleased to confirm our understanding of the services we are to provide the Town of Weaverville for the year ended June 30, 2017. We will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Weaverville as of and for the year ended June 30, 2017. 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 Town of Weaverville'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 Town of Weaverville'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 generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Required schedules for Law Enforcement Officers' Special Separation Allowance
- 3) Required schedules for Other Post-Employment Benefits
- 4) Required schedules for the Local Government Employees' Retirement System

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Weaverville'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 we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements:

- 1) Individual fund statements, budgetary schedules, and other schedules

2) Schedule of expenditures of federal and state awards (when applicable).

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

1) Introductory Section required for inclusion in the Comprehensive Annual Financial Report.

2) Statistical Section required for inclusion in the Comprehensive Annual Financial Report.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your 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. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Town of Weaverville and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Town of Weaverville's financial statements. Our report will be addressed to Honorable Mayor and Members of Town Council of the Town of Weaverville. 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 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 issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control 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 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 paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Town of Weaverville is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

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 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

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. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to 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 tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; 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 and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

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 and *Government Auditing Standards*.

Audit Procedures—Compliance

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

Other Services

We will also assist in preparing the financial statements and related notes of the Town of Weaverville in conformity with U.S. generally accepted accounting principles 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 the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and 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 and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

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) additional information that we may request for the purpose of the audit, and (3) 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 for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the 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 and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report. 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 other 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.

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

Engagement Administration, Fees, and Other

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

We will provide copies of our reports to the Honorable Mayor and Members of the City Council of the Town of Weaverville; however, management is responsible for distribution of the reports and the 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 Gould Killian CPA Group, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner 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 Gould Killian CPA Group, P.A. 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 the regulatory authorities. If we are aware that a federal awarding agency 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 in August 2017 and to issue our reports no later than October 31, 2017. Daniel R. Mullinix 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 at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$22,000. Our standard 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 each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Town of Weaverville 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.

Very truly yours,



Daniel R. Mullinix

Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of the Town of Weaverville.

Management signature: _____

Title: _____

Date: _____

SHARRARD, MCGEE & CO., P.A.

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

1321 LONG STREET • POST OFFICE BOX 5869 • HIGH POINT, NORTH CAROLINA 27262

(336) 884-0410
FAX (336) 884-1580

OFFICES
HIGH POINT
GREENSBORO

System Review Report

July 16, 2014

To the Owners of
Gould Killian CPA Group, P.A. and the
Peer Review Committee of the North Carolina Association of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Gould Killian CPA Group, P.A. (the firm) in effect for the year ended January 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

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

In our opinion, the system of quality control for the accounting and auditing practice of Gould Killian CPA Group, P.A. in effect for the year ended January 31, 2014, 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*. Gould Killian CPA Group, P.A. has received a peer review rating of *pass*.

Sharrard, McGee & Co., P.A.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: January 23, 2017
SUBJECT: Tax Releases and Monthly Tax Report
PRESENTER: Town Manager
ATTACHMENTS: Tax Releases Requested
Monthly Tax Report through 1/18/17

DESCRIPTION/SUMMARY OF REQUEST:

Town Council is requested to approve the attached tax release based on a request from Buncombe County. This tax release is to correct a duplicate billing.

The Tax Collector's monthly tax report is attached for your information. Council should note that the tax collection rate is at 95.71% as of January 18, 2017.

COUNCIL ACTION REQUESTED:

A motion to approve the attached tax release is requested and would be appropriate at tonight's meeting.

TOWN OF WEAVERVILLE

TAX RELEASES

JANUARY 23RD, 2017

Reid, Thomas W

31 Yost Street

Valuation to be released: 70,750

Levy to be released: \$311.30

Reason: Double Billed

**Town of Weaverville
Monthly Tax Report
FY 2016-2017**

	<u>As of 1/18/2017</u>
Real Property:	558,183,409
Real Property Discoveries:	
Total Real Property:	558,183,409
Personal:	85,123,075
Personal Discoveries:	
Total Personal:	85,123,075
Public Utilities:	5,244,545
Exemption:	(6,925,227)
Releases:	(704,545)
Total Tax Value	640,921,257
Tax Levy (\$0.44 per \$100 Valuation):	
Real Property:	2,456,007.00
Personal Property:	374,411.00
Public Utilities:	23,076.00
Less Under \$5 Adjustment	(44.00)
Total Public Utilities:	23,032.00
Exemption:	(30,471.00)
Releases:	(3,100.00)
Total Levy (Total Billed)	2,832,043.00
Total Current Year Collections	2,710,539.00
% Collected	95.71%
Total Left to be Collected:	121,504.00
Prior Years Paid	4369

Weaverville Fire Department Fourth Quarter 2016 Activites

Fire	Inside City	Property Loss	Outside City	Property Loss
Brush / Woods	2	0	23	0
Vehicle	1	0	0	0
Structure	2	550	7	27,450
Investigation	18	0	34	0
Haz-mat Incident	3	0	1	0
Mutual Aid	0	0	49	0
Fire Alarm Activation	11	0	7	0
Public Assistance	18	0	15	0
TOTAL (Fire)	55	550	136	27,450
Rescue				
MVA \ MCA	18	0	41	0
EMS \ FR \ Rescue	119	0	138	0
Mutual Aid	0	0	2	0
Search	1	0	0	0
TOTAL (Rescue)	138	0	181	0
TOTAL Fire & Rescue	193	550	317	27,450

Remarks: Total Fire\Rescue Alarms: 510
 Total Fire Loss: \$28,000 Total Saved: 805,550
 Total Inspections: 106

Date: 1/9/2017 TW



Weaverville Police Department

Driving Safety Tips

- Reduce speed and allow plenty of space between you and the vehicle in front of you.
- Avoid making sharp turns or braking suddenly, both of which can cause you to lose control of your vehicle.
- If your vehicle begins to skid, gently steer in the direction of the skid to regain control. Resist the urge to jerk the steering wheel in the other direction.

Quarterly Report

October, November & December

2016

Submitted by: Chief Greg Stephens

Prepared by: Administrative Assistant Kim Buckner

WEAVERVILLE POLICE DEPARTMENT

Months of: October, November, December 2016



POLICING ACTIVITY REPORT

<u>Activities</u>	<u>October</u>	<u>November</u>	<u>December</u>
Vehicle crashes	25	25	21
Parking Citations	1	4	4
Written Warnings	55	28	27
Verbal Warnings	20	9	11
Misdemeanor Charges	47	21	38
Felony Charges	5	3	6
Officer Assist	137	93	88
Alarm Response	25	34	24
Disturbances	51	40	42
Escorts / Deliveries	102	119	114
Business Checks	4,311	4,060	4,038
Residential Checks	281	212	221
Unsecured Buildings	24	10	25
Pedestrian Assist	69	57	46
Citizen Checks	101	107	145
Assist Motorist	6	5	6
Suspicious Person/Vehicle	43	26	33
Traffic Safety	65	65	42
Citations Issued	31	15	23
Drug Charges	11	7	12
D.W.I. Charges	2	0	4
Reports Taken	52	54	49
Court Appearance	5	2	5
Investigation Follow-up	59	66	64
Vehicle Stop	102	50	55
C.O.P.P.S. Activities	166	139	148

TOWN OF WEAVERVILLE PUBLIC WORKS ACTIVITY SHEET
4th Quarter 2016

WATER MAINTENANCE:

Water Leaks Repaired	<u>10</u>	
New Water Taps	<u>9</u>	
Water Quality Complaints	<u>0</u>	
Meter Re-Read Service Calls	<u>136</u>	
General Service Calls	<u>314</u>	
Water Door Tags Delivered	<u>53</u>	
Water Line Locate Utility Service Calls	<u>253</u>	
Water Meter Change Outs to Radio Read	<u>18</u>	
Reservoir-Pump Station Site Checks	<u>441</u>	
Water Line Construction Site Supervision/Inspections:	Creekside	Village
	Maple Trace	

WEAVERVILLE WATER PRODUCTION:

1. Water Treatment Plant	<u>49,342,000</u>	GALLONS
2. Water Purchased from Asheville	<u>0</u>	GALLONS
A. TOTAL WATER PRODUCTION (1+2)	<u>49,342,000</u>	GALLONS
B. TOTAL METERED FOR BILLING	<u>39,292,300</u>	GALLONS
C. Metered and Non-Metered/Non-Billed Use	<u>8,328,010</u>	GALLONS
D. Total Accounted For Water (B+C)	<u>45,899,900</u>	GALLONS
E. TOTAL UNACCOUNTED (A-D)	<u>3,442,100</u>	GALLONS

WEAVERVILLE WATER DEPARTMENT CAPACITY VS PRODUCTION:

WATER PLANT DESIGN CAPACITY:	1,500,000	GALLONS PER DAY
NET SALABLE PRODUCTION CAPACITY:	1,300,000	GALLONS PER DAY
NET SALABLE PRODUCTION CAPACITY:	1,300,000	GALLONS PER DAY
QUARTERLY AVG DAILY PRODUCTION:	536,326	GALLONS PER DAY
AVERAGE USE AS A PERCENTAGE OF CAPACITY	<u>41.3</u>	%

UNACCOUNTED FOR RUNNING ANNUAL AVERAGE:

1. Finished Water Pumped to System	<u>200,728,000</u>	GALLONS
2. Unaccounted for Water	<u>17,953,275</u>	GALLONS
3. Unaccounted for Water as a Percentage	<u>8.4</u>	%

STREET MAINTENANCE:

Street Work Orders Completed	<u>16</u>
Paving Projects postponed until spring of 2017 due to the timing of revised contract.	

SANITATION Garbage Collection Points:

Residential Collections Points	<u>22,265</u>
Business Pick Ups	<u>701</u>
Residential Set-Outs	<u>641</u>
TOTAL	23,607
Total Tons to Landfill	<u>310.81</u>
Average Pounds Per Collection Point	<u>26.33</u>
Cubic Yards - Yard Debris	<u>51</u>
Cubic Yards - Brush Chipped	<u>1,380</u>
Cubic Yards - Leaf Collection	<u>2,035</u>

PARKS AND RECREATION FACILITY MAINTENANCE DEPARTMENT:

P&R Projects/Repairs Completed

9



2016 Zoning Permit Applications

Zoning Permits: Total: 87

Single Family, New Construction: 50

Single Family, Addition or Upfit: 29

Commercial, New Construction: 2

Commercial, Addition or Upfit: 6

2015: Residential, 27; Commercial, 4

2014: Residential, 49; Commercial, 4 (with ETJ)

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: January 23, 2017
SUBJECT: Audit Presentation for FY 2015/2016
PRESENTER: Town Finance Director and Auditor
ATTACHMENTS: None

DESCRIPTION/SUMMARY OF REQUEST:

Gould Killian CPA Group, P.A., has completed the audit of the Town's financial records for fiscal year 2015/2016. Travis Keever will be at tonight's Town Council meeting in order to present their findings and an overview of the Audit Report that is currently under review at the Local Government Commission.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: January 23, 2017
SUBJECT: Eller Cove Watershed Conservation Easement
PRESENTER: Town Attorney
ATTACHMENTS: Draft Conservation Easement
Proposed Resolution

DESCRIPTION/SUMMARY OF REQUEST:

The Town of Weaverville has been the fortunate recipient of a Southern Appalachian Highlands Conservancy grant that will be used to protect the Eller Cove Watershed. Through this grant monies from the North Carolina Clean Water Management Trust Fund will be used to purchase from the Town a permanent conservation easement covering approximately 310 of the 314 acres of the Eller Cove Watershed. The purchase price of the easement is dependent on the exact acreage of the easement area and the appraisal of that land; however, the Town stands to receive approximately \$300,000 for this transfer. This transfer will ensure that the Eller Cove Watershed area will be preserved and potentially available for passive recreation such as walking trails and wildlife viewing. This project began in 2014 and the next phase in the process is the Town's approval of the conveyance of the conversation easement and authorization for Mayor and staff to execute the closing documents for the transfer.

The Town Attorney, Town Manager, Public Works Director and Michelle Pugliese of the Southern Appalachian Highlands Conservancy will be at tonight's meeting to discuss the matter with Council and answer any questions that Council may have regarding this exciting project.

COUNCIL ACTION REQUESTED:

Council is requested to adopted the attached resolution which: (1) approves the conveyance of a conservation easement to the Southern Appalachian Highlands Conservancy, (2) authorizes the Mayor, Clerk and Town Attorney to finalize, execute and deliver the documents necessary to effectuate the transfer of the conservation easement, including specifically a conservation easement which is to be in a form substantially similar to the draft that is attached.

**A RESOLUTION APPROVING THE CONVEYANCE OF A
CONSERVATION EASEMENT FOR THE ELLER COVE WATERSHED AREA
TO THE SOUTHERN APPALACHIAN HIGHLANDS CONSERVANCY**

WHEREAS, the Town of Weaverville has been the fortunate recipient of a Southern Appalachian Highlands Conservancy grant that will be used to protect the Eller Cove Watershed; and

WHEREAS, through this grant monies from the North Carolina Clean Water Management Trust Fund will be used to purchase from the Town a permanent conservation easement covering approximately 310 of the 314 acres of the Eller Cove Watershed; and

WHEREAS, this transfer will ensure that the Eller Cove Watershed area will be preserved and potentially available for passive recreation such as walking trails and wildlife viewing and will result in the Town receiving approximately \$300,000; and

WHEREAS, the Town Council wishes to approve the conveyance of the conversation easement in order for the project to proceed;

THEREFORE, BE IT RESOLVED BY THE TOWN OF WEAVERVILLE, NORTH CAROLINA, ACTING THROUGH ITS COUNCIL MEMBERS, THAT:

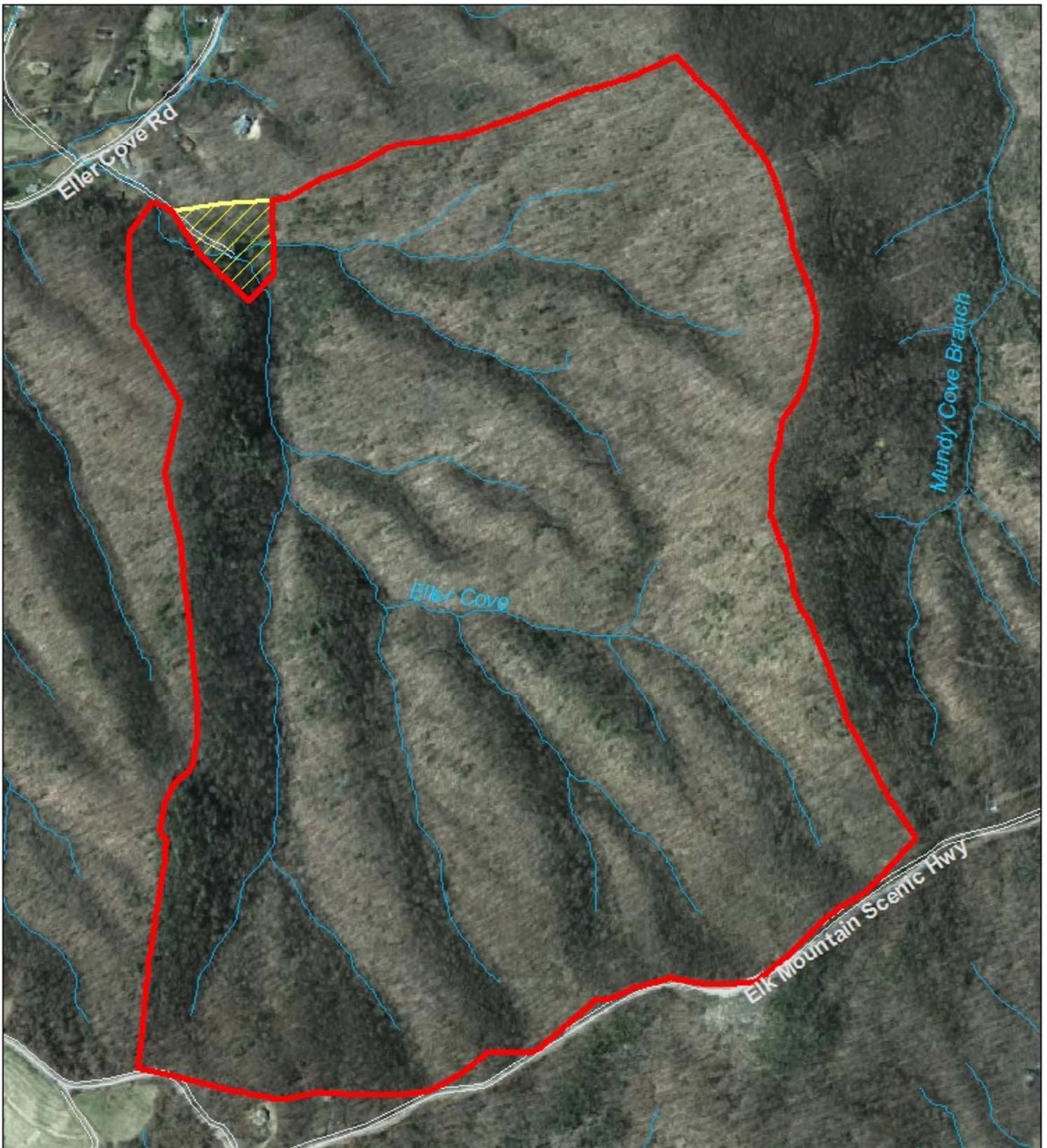
1. The conveyance of a conservation easement encompassing approximately 310 acres of the Eller Cove Watershed to the Southern Appalachian Highlands Conservancy is hereby approved;
2. The Mayor, Town Clerk and Town Attorney are authorized to finalize, execute and deliver all documents necessary to effectuate the transfer of the conservation easement, including specifically a conservation easement which is to be in a form substantially similar to the draft that is attached;
3. That the Town Manager will inform Town Council when the transfer has been completed so that Council can provide direction as to where the sale proceeds should be deposited;
4. This resolution shall become effective immediately upon its adoption.

ADOPTED this ___ day of January, 2017.

Dottie Sherrill, Mayor

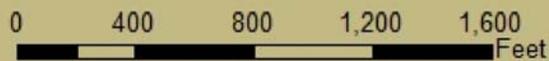
ATTEST:

Selena Coffey, Town Clerk



Weaverville Watershed Conservation Easement Aerial Map

- Conservation Easement Boundary - 310.24 Acres
- Stream Corridors
- Excluded Area - 3.36 Acres
- Roads



CONSERVATION EASEMENT
Weaverville Watershed Property

Prepared by: SOUTHERN APPALACHIAN HIGHLANDS CONSERVANCY and Clean Water Management Trust Fund

After Recording Return to: NC Clean Water Management Trust Fund
Attn: Real Property Counsel
1651 Mail Service Center
Raleigh, NC 27699-1651

NORTH CAROLINA
Tax Parcel No. 9751-76-9307

BUNCOMBE COUNTY
CWMTF No. 2015-072

THIS DEED OF CONSERVATION EASEMENT ("Conservation Easement") is made, given, granted and executed on this the day of _____, 2017 by and between the **TOWN OF WEAVERVILLE** with an address at 30 South Main Street, Weaverville, NC 28787 ("Grantor") and the **SOUTHERN APPALACHIAN HIGHLANDS CONSERVANCY**, a Tennessee nonprofit corporation with an address at 34 Wall Street, Suite 502, Asheville, NC 28801 ("SAHC" or "Grantee," and together with the Grantor, the "Parties").

RECITALS & CONSERVATION PURPOSES

A. Grantor is a local government that owns in fee simple absolute certain real property lying and being in Reems Creek Township, Buncombe County, North Carolina (the "Property"), and more particularly described on the attached "Exhibit A" incorporated by reference as if fully set forth herein. The Parties agree to exclude 3.36 acres of land from the Conservation Easement (the "Excluded Area"), labeled "3.36 Acres Excluded from Conservation Easement" as shown on a plat prepared by McMahan & Associates, P.A., for the NC Clean Water Management Trust Fund dated _____, 2017, duly recorded in the Office of the Register of Deeds for Buncombe County, North Carolina in Plat Book ___ Page ___.

B. Grantee is a non-profit organization whose primary purpose is the conservation, preservation, or restoration of North Carolina's cultural, environmental, or natural resources.

C. The State has enacted the North Carolina Conservation and Historic Preservation Agreements Act (the “Act”), Chapter 121, Article 4 of the North Carolina General Statutes (“N.C.G.S.”), which provides for the enforceability of restrictions, easements, covenants or conditions "appropriate for retaining land or water areas predominantly in their natural, scenic, or open condition"

D. The Clean Water Management Trust Fund is authorized by N.C.G.S. Chapter 143B, Article 2, Part 41 to acquire land and interests in land:

- for riparian buffers for the purposes of providing environmental protection for surface waters and urban drinking water supplies and establishing a network of riparian greenways for environmental, educational, and recreational uses; and
- for the purpose of protecting and conserving surface waters and enhancing drinking water supplies, including the development of water supply reservoirs; and
- to provide buffers around military bases to protect the military mission; and
- that represents the ecological diversity of North Carolina, including natural features such as riverine, montane, coastal, and geologic systems and other natural areas to ensure their preservation and conservation for recreational, scientific, educational, cultural, and aesthetic purposes; and
- that contributes to the development of a balanced State program of historic properties.

E. Grantor and Grantee have agreed to set aside 310.39 acres of the Property (as described in the attached “Exhibit B” incorporated by reference as if fully set forth herein and hereinafter referred to as the “Easement Area”) for the purpose of creating a conservation easement to:

- preserve, enhance, restore, and maintain the natural features and resources of the Easement Area, to provide habitat for native plants and animals, to control runoff of sediment, and to improve and maintain water quality, including providing environmental protection for surface waters of portions of Eller Cove Branch and its tributaries.
- protect and preserve the ecological diversity represented by the Easement Area for recreational, scientific, educational, cultural and aesthetic purposes.

Moreover, Grantor and Grantee recognize that the Easement Area has other conservation values, including fish and wildlife conservation, open space, and scenic values (hereinafter, collectively with the conservation values defined in this Section E of the Recitals and Conservation Purposes of this Agreement, the “Conservation Values”).

F. Grantor grants and conveys unto the Grantee, its successors, assigns and designated representatives, a right of ingress, egress, and regress from a public road across the lands of the Grantor to the Easement Area, for the purpose of gaining uninterrupted access to the Easement Area described herein above.

G. Grantor and Grantee recognize that the Easement Area contains tributaries of Eller Cove Branch and that the Easement Area has been deemed by the State to qualify as a riparian buffer, addressing the protection, including, but not limited to, cleanup and prevention of pollution, of the State’s surface waters, and the establishment of a network of riparian buffers.

H. Grantor and Grantee recognize that the Easement Area represents the ecological diversity of North Carolina, including, but not necessarily limited to, natural features such as Rich Cove Forest, Montane Oak-Hickory Forest, and habitat for migratory and threatened bird species. Grantor and Grantee further recognize that restricting use of the Easement Area in the manner set forth herein will facilitate preservation and conservation of these natural features for recreational, scientific, educational, cultural, and aesthetic purposes.

I. Grantee has received or will receive a grant from the Fund, identified as Grant Contract No. 2015-072 (the “Grant Contract”), entered into between the Grantee and the Fund and effective as of February 8, 2016, in consideration of which the Grantor has agreed to enter into this Conservation Easement (the “Project”). The terms and conditions of said Grant Contract are hereby incorporated by reference. It is on file and available for public inspection in the offices of the Grantee, the Fund, and the North Carolina Department of Natural and Cultural Resources (“NC DNCR”).

J. Grantor and Grantee acknowledge that the Easement Area is currently unimproved except as permitted in Article V of this Conservation Easement. The characteristics of the Easement Area, its current use and state of improvement are described in a Baseline Documentation Report (the “BDR”), as incorporated into the Grant Contract, that is on file in the offices of the Grantee and the Fund and available for public inspection. The Parties acknowledge that the BDR is the appropriate basis for monitoring compliance with the objectives of preserving the conservation and water quality values; and that it is not intended to preclude the use of other evidence (e.g. surveys, appraisals) to establish the present condition of the Easement Area if there is a controversy over such present condition.

NOW, THEREFORE, in consideration of the premises and the mutual benefits recited herein, together with other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Grantor hereby unconditionally and irrevocably gives, grants and conveys forever and in perpetuity to the Grantee, its successors and assigns, and the Grantee hereby accepts, this Conservation Easement of the nature and character and to the extent hereinafter set forth in, over, through and across the Easement Area, together with the right and easement to preserve and protect the Conservation Values.

The purpose(s) of this Conservation Easement is to protect and preserve the Conservation Values as outlined above in Section E of the Recitals and Conservations Purpose(s) and it shall be so held, maintained, and used therefore. Grantor hereby conveys to Grantee all development rights that are now or hereafter allocated to, implied or inherent in the Easement Area, and the Parties agree that such rights are terminated and extinguished, and may not be used on or transmitted to any portion of the Property, as it now or hereafter may be bounded or described, or to any other property. It is the further purpose of this Conservation Easement to prevent any use of the Easement Area that will significantly impair or interfere with the preservation of said Conservation Values. Grantor intends that this Conservation Easement will restrict the use of the Easement Area to such activities as are consistent with the Conservation Values described in the Recitals herein.

ARTICLE I. DURATION OF EASEMENT

This Conservation Easement shall be perpetual. It is an easement in gross, runs with the land, and is enforceable by Grantee against Grantor, its representatives, successors, assigns, lessees, agents and licensees.

ARTICLE II. RIGHTS RESERVED TO GRANTOR

Grantor reserves certain rights accruing from the fee simple ownership of the Property, including the right to engage in or permit others to engage in the uses of the Easement Area that are not inconsistent with the purpose(s) of this Conservation Easement. All rights reserved by the Grantor, are reserved for Grantors, their representatives, successors, and assigns, and are considered to be consistent with the purpose(s) of this Conservation Easement. Except for the specific restrictions and prohibitions made applicable herein to the Easement Area, Grantor shall continue to own and may use the Property in any lawful manner. The Parties acknowledge and agree that they have no right to agree to any activity that would result in the termination of this Conservation Easement.

The Easement Area shall be restricted from any development or usage that would impair or interfere with the purposes of this Conservation Easement. The following uses are reserved as indicated:

A. Passive Recreational Use. Grantor reserves the right to engage in and to permit others to engage in passive recreational uses of the Easement Area, so long as related alterations, construction, improvements, maintenance, activities and uses: (1) require minimal surface alteration of the land; (2) pose no threat to the Conservation Values of the Easement Area; and (3) be pursuant to a Management Plan for the Property (the "Management Plan"), which shall be subject to the terms of this Conservation Easement. The Town shall formally adopt the Plan before the Easement Area is opened to the public for recreational use, subject to approval by the Grantee, SAHC and the Fund. The Town may amend the Plan from time to time, subject to approval by the Grantee and the Fund. By way of illustration, such passive recreational uses may include non-commercial hunting, fishing, hiking, walking, scientific study, animal/plant observation, nature and environmental education, historic tours, photography, and any other purposes consistent with these accepted uses and the maintenance of the Conservation Values, subject to all applicable federal, state and local laws and regulations. All improvements shall be subject to the terms and conditions set forth herein, the Management Plan, and by the aforementioned Grant Contract. Usage of motorized vehicles in the Easement Area is prohibited, except as they are used exclusively for management, maintenance, or stewardship purposes, and any such use of motorized vehicles will be restricted to existing trails, paths or roads.

B. Public Use and Access. Grantor reserves the right to allow public access and use of the Easement Area for the purpose of creating open space with associated passive recreational activities as provided for herein and pursuant to the Management Plan.

C. Hiking and Greenway Trails. Grantor reserves the right to construct and maintain paved and/or unpaved trails on the Easement Area. All new trails shall be pursuant to the Management Plan. All unpaved trails must be located a minimum distance of thirty (30) feet from the top of the bank of Eller Cove Branch and its tributaries, except for creek crossings and unless such locations are physically impracticable. All paved trails must be located a minimum distance of 30 feet from the top of bank of surface waters. All trails, paved and/or unpaved, must be located so as not to impair the Conservation Values as set forth herein. In the

construction of such trails and when required by the terrain, boardwalks, ramps and handrails are permitted herein. The Grantor may also construct and maintain park benches, litter receptacles, and trail/feature signs along the trails. All necessary care shall be taken to complete the construction of such features in a manner so as not to impair any Conservation Values either during or after construction.

D. Pedestrian Foot Bridges. Grantor reserves the right to construct, maintain, and gain access to six (6) pedestrian footbridge(s) to be constructed five (5) to ten (10) feet wide across Eller Cove Branch or its tributaries, provided such bridges are connected to the trails permitted herein and permitted by all applicable regulatory authorities.

E. Observation/Viewing Platform or Covered Pavilion. Grantor reserves the right to construct, maintain, and repair a total of two (2) observation/viewing platform(s) or covered pavilion(s) on the Easement Area with optional bench seating, picnic table(s), roof, handrails, connecting steps and ramp as required by the terrain, so long as Conservation Values are not impaired. Observation/Viewing Platforms or Covered Pavilions may be located on the bank of the tributaries of Eller Cove Branch if allowed and approved by the Grantee, SAHC and the Fund and all applicable regulatory authorities, provided such platform is connected to the trails constructed on the Easement Area. All necessary care shall be taken to complete the construction of such features in a manner so as not to impair any Conservation Values either during or after construction.

F. Vegetation Management. Grantor reserves the right to manage vegetation for the following activities, and as necessary for other activities specifically reserved herein by Grantor: (1) boundary marking, fencing, and signage; (2) selective cutting and prescribed burning and the application of herbicides and pesticides for fire containment, insect and disease control, restoration of hydrology, wetlands enhancement, and or control of invasive exotic plants; and (3) removal of damaged trees and debris caused by storms, disease or fire and posing a threat to life or property.

G. Native Community Restoration, Management, and Maintenance. Grantor reserves the right to perform all activities necessary to restore, manage, and/or maintain the native plant and animal communities on the Easement Area. All necessary care shall be taken to protect all Conservation Values and restoration and managements shall be carried out in a manner so as not to cause or allow harm or degradation to any Conservation Values either during or after restoration activities.

H. Hunting and Fishing. Grantor reserves the right to hunt and fish pursuant to all federal, state, and local rules and regulations.

ARTICLE III. PROHIBITED AND RESTRICTED ACTIVITIES

Any activity on, or use of, the Easement Area inconsistent with the purpose(s) of this Conservation Easement is prohibited. The Easement Area shall be maintained in its natural, scenic, wooded and open condition and restricted from any development or use that would impair or interfere with the purpose(s) of this Conservation Easement.

Except for those rights specifically reserved to Grantor in Article II and without limiting the generality of the foregoing, the following activities and uses are expressly prohibited or restricted.

A. Industrial and Commercial Use. Industrial and commercial activities are prohibited on the Easement Area except for occasional collection of a fee or donation by Grantor from individuals or groups for
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Nonprofit Organization

use of the improvements otherwise allowed by this Conservation Easement, so long as the Conservation Values of the Easement Area are protected.

B. Agricultural, Grazing and Horticultural Use. Agriculture, grazing, horticultural and animal husbandry operations and any rights of passage for such purposes are prohibited on the Easement Area.

C. Disturbance of Natural Features, Plants and Animals. There shall be no cutting or removal of trees, or the disturbance of other natural features within the Easement Area except as noted in Article II.

D. Construction of Buildings and Recreational Use. There shall be no constructing or placing of any building, mobile home, asphalt or concrete pavement, billboard or other advertising display, antenna, utility pole, tower, conduit, line, pier, landing, dock or any other temporary or permanent structure or facility on or above the Easement Area.

E. Signs. Signs are not permitted within the Easement except as follows: no trespassing signs; local, state, or federal traffic or similar information signs; for sale or lease signs; signs identifying the Conservation Values of the Easement; signs identifying the Grantor as owner of the Property; signs identifying the Grantee as holder of the Conservation Easement; and educational and interpretative signs.

F. Mineral Use, Excavation, Dredging. There shall be no filling, excavation, dredging, mining or drilling; no removal of topsoil, sand, gravel, rock, peat, minerals, hydrocarbons, or other materials. There shall be no change in the topography of the land in any manner except as necessary for the purpose of combating erosion or incidental to any conservation management activities otherwise permitted on the Easement Area.

G. Wetlands and Water Quality. Except as set forth in Article II above, there shall be no pollution or alteration of surface waters and no construction or other activities that would be detrimental to water quality or that would alter natural water levels, drainage, sedimentation and/or flow in or over the Easement Area or into any surface waters, or cause soil degradation or erosion, nor any diking, dredging, alteration, draining, filling or removal of wetlands, except activities to restore natural hydrology, wetlands enhancement, or to enhance or improve water quality as permitted by state and any other appropriate authorities, and then only after written approval is granted by the Fund for such activities.

H. Dumping. Dumping of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, or machinery, or other materials on the Easement Area is prohibited.

I. Conveyance and Subdivision. The Easement Area or any underlying property interest within the Easement Area may not be subdivided, partitioned nor conveyed, except in its current configuration as an entity or block of property.

J. Open Space and Development Rights. The Easement Area shall not be used to satisfy open space requirements of any cluster or other development scheme; nor shall the development rights encumbered hereby be transferred to any other land pursuant to a transfer of development rights scheme or cluster development arrangement or otherwise.

K. Mitigation. There shall be no use of the Easement Area or any portion thereof to satisfy compensatory mitigation requirements under 33 USC Section 1344 or NCGS §143-214.11 or any successor or

replacement provision of the foregoing.

ARTICLE IV. ENFORCEMENT AND REMEDIES

A. Enforcement and Remedies. To accomplish the purpose(s) of this Conservation Easement, Grantee is allowed to prevent any activity on or use of the Easement Area that is inconsistent with the purpose(s) of this Conservation Easement, and to require the prompt restoration to the condition required by this Conservation Easement of such areas or features of the Easement Area that may have been damaged by such activity or use. Upon any breach of the terms of this Conservation Easement by Grantor that comes to the attention of the Grantee, the Grantee shall, except as provided below, notify the Grantor in writing of such breach. The Grantor shall have ninety (90) days after receipt of such notice to correct the conditions constituting such breach. If the breach remains uncured after ninety (90) days, the Grantee may enforce this Conservation Easement by appropriate legal proceedings including damages, injunctive and other relief. The Grantee shall also have the power and authority, consistent with its statutory authority: (a) to prevent any impairment of the Easement Area by acts which may be unlawful or in violation of this Conservation Easement; (b) to otherwise preserve or protect its interest in the Easement Area; or (c) to seek damages from any appropriate person or entity. Notwithstanding the foregoing, the Grantee reserves the immediate right, without notice, to obtain a temporary restraining order, injunction or other appropriate relief if the breach of the term of this Conservation Easement is or would irreversibly or otherwise materially impair the benefits to be derived from this Conservation Easement. The Grantor and Grantee acknowledge that under such circumstances damage to the Grantee would be irreparable and remedies at law will be inadequate. The rights and remedies of the Grantee provided hereunder shall be in addition to, and not in lieu of, all other rights and remedies available to Grantee in connection with this Conservation Easement, including, without limitation, those set forth in the Grant Contract under which this Conservation Easement was obtained.

B. Access for Inspection and Right of Entry. Grantee shall have the right, by and through their agents and employees, to enter the Property to inspect the Property for compliance with this Conservation Easement at all reasonable times and with prior notice and, if necessary, cross other lands retained by the Grantor for the purposes of (1) inspecting the Property to determine if the Grantor is complying with the covenants and purpose(s) of this Conservation Easement; (2) enforcing the terms of this Conservation Easement; (3) taking any and all actions with respect to the Property as may be necessary or appropriate with or without order of the Court, to remedy or abate violations hereof; and (4) making scientific and educational observations and studies and taking samples in such a manner as will not disturb the quiet enjoyment of the Property by the Grantor.

C. Termination and Proceeds of Property Rights Created. This Conservation Easement gives rise to a property right that is immediately vested in the Grantee at the time of recordation, with a fair market value that is equal to the proportionate value that the Conservation Easement bears to the value of the Property as a whole on the date of the recording of this Conservation Easement. This proportionate value shall remain constant.

1. **Eminent Domain.** Whenever all or part of the Property is taken by exercise of eminent domain by public, corporate or other authority, or by negotiated sale in lieu of condemnation, so as to abrogate the restrictions imposed by this Conservation Easement, the Grantor shall immediately give notice to Grantee and the Fund, and shall take all appropriate actions at the time of such taking or sale to recover the full value of the taking and all incidental or direct damages resulting from the taking. The Grantee,

its successors and assigns, shall be entitled to a portion of the proceeds of such sale, exchange, involuntary conversion of the Property, or any damage award with respect to any judicial proceeding according to Grantee's proportional interest in the value of the Property as determined under Treasury Regulations §1.170A-14(g)(6)(ii) or any successor regulation. "Proceeds of Sale" shall mean the cash value of all money and property paid, transferred or contributed in consideration for, or as otherwise required as a condition to the sale, exchange or involuntary conversion of the Property, or any damages otherwise awarded as a result of judicial proceeding, *minus* the Grantor's expenses from such transaction or proceeding. As allowed by NCGS §146-30(a), Grantee shall use its share of the Proceeds of Sale in a manner consistent with the purpose(s) of the Conservation Easement as set forth herein. Notwithstanding the foregoing, all Proceeds of Sale shall be distributed among the Parties according to each Party's respective contribution to the purchase price of the Property and this Conservation Easement. For the purposes of determining any distribution of proceeds pursuant to this section, Grantor's proportionate contribution to the purchase price shall be deemed to be [redacted]%, and Grantee's proportionate contribution to the purchase price shall be deemed to be [redacted]%.

2. Changed Conditions. If a subsequent, unexpected change in conditions surrounding the Property makes impossible or impractical the continued use of the Property for the purpose(s) of this Conservation Easement as set forth herein, and the Conservation Easement is extinguished by judicial proceeding, the Grantee, its successor and assigns, shall be entitled to a portion of the proceeds of any sale, exchange, involuntary conversion of the Property, or any damage award with respect to any judicial proceeding according to Grantee's proportional interest in the value of the Property as determined under Treasury Regulations §1.170A-14(g)(6)(ii) or any successor regulation. "Proceeds of Sale" shall mean the cash value of all money and property paid, transferred or contributed in consideration for or as otherwise required as a condition to the sale, exchange or involuntary conversion of the Property, or any damages otherwise awarded as a result of judicial proceeding, *minus* the Grantor's expenses from such transaction or proceeding. As allowed by NCGS §146-30(a), Grantee shall use its share of the Proceeds of Sale in a manner consistent with the purpose(s) of the Conservation Easement as set forth herein. Notwithstanding the foregoing, all Proceeds of Sale shall be distributed among the Parties according to each Party's respective contribution to the purchase price of the Property and this Conservation Easement. For the purposes of determining any distribution of proceeds pursuant to this section, Grantor's proportionate contribution to the purchase price shall be deemed to be [redacted]%, and Grantee's proportionate contribution to the purchase price shall be deemed to be [redacted]%.

D. Acts Beyond Grantor's Control. Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury or change in the Easement Area resulting from the acts of third parties not authorized by Grantor, or from causes beyond the Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken in good faith by the Grantor under emergency conditions to prevent, abate, or mitigate significant injury to life, property damage or harm to the Easement Area resulting from such causes.

E. Costs of Enforcement. Any costs incurred by Grantee in enforcing the terms of this Conservation Easement against Grantor, including, without limitation, any costs of restoration necessitated by Grantor's acts or omissions in violation of the terms of this Conservation Easement, shall be borne by Grantor.

F. No Waiver. Enforcement of this Conservation Easement shall be at the discretion of the Grantee and any forbearance by Grantee to exercise its rights hereunder in the event of any breach of any term set forth

herein shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or of any other term of this Conservation Easement or of Grantee's rights. No delay or omission by Grantee in exercise of any right or remedy shall impair such right or remedy or be construed as a waiver.

ARTICLE V. TITLE

The Grantor covenants and represents and warrants (i) that the Grantor is the sole owner and is seized of the Property and Easement Area in fee simple and has good right to grant and convey the aforesaid Conservation Easement; (ii) that there is legal access to the Property and the Easement Area, (iii) that the Property and Easement Area are free and clear of any and all encumbrances, except those permitted exceptions outlined below, none of which would nullify, impair or limit in any way the terms or effect of this Conservation Easement; (iv) that Grantor shall defend its title against the claims of all persons whomsoever; and (v) that the Grantee, its successors and assigns, shall have the right to monitor and defend the terms of the aforesaid Conservation Easement.

ARTICLE VI. MISCELLANEOUS

A. Stewardship of the Conservation Easement. Pursuant to the terms of the Grant Contract and any contract for stewardship of the Easement Area entered into pursuant to the Grant Contract, the Southern Appalachian Highlands Conservancy will monitor and observe the Easement Area in perpetuity to assure compliance with the purposes and provisions of this Conservation Easement and the provisions of the Grant Contract, and that it will report on the condition of the Easement Area, or provide for such reporting to the State and the Fund no less frequently than once a year; and further will report immediately to the State and the Fund any observed and/or known violations of this Conservation Easement or the Grant Contract. The Parties acknowledge that the associated stewardship monies awarded under the Grant Contract are administered pursuant to NCGS §143B-135.236 which establishes the North Carolina Conservation Easement Endowment Fund, or any successor law, and the internal policies and procedures of the Fund, and that the Southern Appalachian Highlands Conservancy's obligation to monitor the Easement Area at any given time is contingent on the availability of said stewardship funds. Further, the Parties acknowledge that this obligation to monitor the Easement Area is assignable provided such assignment is made with the prior written approval of the Fund and evidenced by a written instrument signed by the Parties thereto and recorded in the Office of the Register of Deeds of Buncombe County. Provided further, that any such assignment of the Southern Appalachian Highlands Conservancy's obligation to monitor the Easement Area shall include a right of entry onto the Property and the Easement Area for the assignee of said monitoring obligation, and shall require the monitoring to be carried out in accordance with and subject to NCGS §143B-135.236 or any successor law, and the Fund's internal stewardship policies and procedures. The Parties specifically acknowledge that neither the Southern Appalachian Highlands Conservancy's obligation to monitor the Easement Area, nor its assignment of said obligation, shall have any effect on the rights and obligations of the Grantee of this Conservation Easement. Further, the Parties covenant that the obligation to provide monitoring of the Easement Area will survive any transfer of Grantor's fee interest in the Property.

B. Subsequent Transfers of the Fee. Grantor agrees for itself, its successors and assigns, that in the event it transfers the Property, or any portion thereof including the Easement Area, to notify the Grantee and the Fund in writing of the names and addresses of any party to whom the Property is to be transferred at or prior to the time said transfer is consummated. Grantor, for itself, its successors and assigns, further agrees to make specific reference to this Conservation Easement in a separate paragraph of any subsequent lease, deed, or other

legal instrument by which any interest in the Property is conveyed. The Property owner shall not convey the Property or any interest therein, and shall not incur, assume, or suffer to exist any lien, upon or with respect to the Property, without disclosing to the prospective buyer the Conservation Easement, the obligations of the Property owner and limitations on use of the Property

C. Subsequent Transfers of the Conservation Easement. The Parties hereto recognize and agree that the benefits of this Conservation Easement are in gross and assignable with any such assignee having all the rights and remedies of Grantee hereunder. The Parties hereby covenant and agree, that in the event this Conservation Easement is transferred or assigned, the transferee or assignee of the Conservation Easement will be a qualified organization as that term is defined in Section 170(h)(3) of the Internal Revenue Code of 1986, as amended, or any successor section, and the regulations promulgated thereunder (the "Code") that is organized or operated primarily for one of the conservation purposes specified in Section 170(h)(4)(A) of the Code, a qualified holder as that term is defined in the Act or any successor statute, and a qualified grant recipient pursuant to N.C.G.S. Chapter 143B, Article 2, Part 41. The Parties further covenant and agree that the terms of the transfer or the assignment will be such that the transferee or assignee will be required to continue to carry out in perpetuity the purpose(s) of the Conservation Easement that the contribution was originally intended to advance as set forth herein, but acknowledge specifically that any transfer or assignment of the Conservation Easement shall have no effect on the Southern Appalachian Highlands Conservancy's obligation to provide stewardship of the Conservation Easement as set forth in this Article VI.

D. Existing Responsibilities of Grantor and Grantee Not Affected. Other than as specified herein, this Conservation Easement is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligation to the Grantor as owner of the Property, which includes the Easement Area. Among other things, this shall apply to:

1. Taxes. The Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Property. If the Grantee is ever required to pay any taxes or assessments on its interest in the Easement Area, the Grantor will reimburse the Grantee for the same.
2. Upkeep and Maintenance. The Grantor shall continue to be solely responsible for the upkeep and maintenance of the Property, including the Easement Area, to the extent it may be required by law. The Grantee shall have no obligation for the upkeep or maintenance of the Easement Area.
3. Liability and Indemnification. If the Grantee is ever required by a court to pay damages resulting from personal injury or property damage that occurs on the Property, including the Easement Area, the Grantor shall indemnify and reimburse the Grantee for these payments, as well as reasonable attorneys' fees and other expenses of defending itself, unless the Grantee has committed a deliberate act that is determined to be the sole cause of the injury or damage.

E. Conservation Purpose. Grantor and Grantee, for itself, its successors and assigns, agree that this Conservation Easement shall be held exclusively for conservation purposes set forth by the Grant Contract, this Conservation Easement and as specified in Section 170(h)(4)(A) of the Code. Further, this Conservation Easement shall be construed to promote the purposes of the Act and such purposes of this Conservation

Easement as are defined in Section 170(h)(4)(A) of the Code.

F. Recording. Grantee shall record this instrument and any amendment hereto in timely fashion in the official records of Buncombe County, North Carolina, and may re-record it at any time as may be required to preserve Grantee's rights.

G. Notices. Any notices shall be sent by registered or certified mail, return receipt requested, to the parties at their addresses shown below:

If to Grantee:
The Southern Appalachian Highlands Conservancy
34 Wall Street, Suite 502
Asheville, NC 28801

If to Owner:
The Town of Weaverville
30 South Main Street
Weaverville, NC 28787

H. Amendments. Grantor and Grantee, or their successors in interest in the Property, are free to jointly amend this Conservation Easement to meet changing conditions, provided that no amendment will be allowed that is inconsistent with the purpose(s) of this Conservation Easement or affects the perpetual duration of this Conservation Easement. Such amendment(s) require the written consent of both Grantor and Grantee and shall be effective upon recording in the public records of Buncombe County, North Carolina.

I. Environmental Condition of the Property. The Grantor warrants, represents and covenants to the Grantee that to the best of its knowledge after appropriate inquiry and investigation: (a) the Property described herein is and at all times hereafter will continue to be in full compliance with all federal, state and local environmental laws and regulations; (b) as of the date hereof there are no hazardous materials, substances, wastes, or environmentally regulated substances (including, without limitation, any materials containing asbestos) located on, in or under the Property or used in connection therewith; (c) that there is no environmental condition existing on the Property or the Easement Area that may prohibit or impede use of the Property or the Easement Area for the purpose(s) set forth herein; and (d) the Grantor will not allow such uses or conditions.

J. Indemnity. The Grantor agrees to the fullest extent permitted by law, to protect, indemnify and hold harmless Grantee from and against all claims, actions, liabilities, damages, fines, penalties, costs and expenses suffered as a direct or indirect result of any violation of any federal, state, or local environmental or land use law or regulation or of the use or presence of hazardous substance, waste or other regulated material in, on or under the Property.

K. Entire Agreement. The Recitals set forth above and the exhibits, if any, attached hereto are incorporated herein by reference. This instrument, including the Grant Contract incorporated by reference herein, sets forth the entire agreement of the Parties with respect to the Project and supersedes all prior discussions, negotiations, understandings or agreements relating to the Project. To the extent that this Conservation Easement is in conflict with the Grant Contract, the terms of the Conservation Easement shall control.

M. Interpretation. This Conservation Easement shall be construed and interpreted under the laws of the State and the United States, and any ambiguities herein shall be resolved so as to give maximum effect to the conservation purposes sought to be protected herein. The normal rule of construction of ambiguities against the drafting party shall not apply in the interpretation of this Conservation Easement. Further, this Conservation

Easement shall be construed to promote the purposes of the Act, which authorizes the creation of conservation agreements for purposes including those set forth herein, and such conservation purposes as are define in Section 170(h) (4) (A) of the Code. If any provision of this Conservation Easement is found to be invalid, the remainder of the provisions of this Conservation Easement, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

N. Parties. Every provision of this Conservation Easement that applies to the Grantor or to the Grantee shall likewise apply to their respective heirs, executors, administrators, successors and assigns.

O. No Extinguishment through Merger. The Parties agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interest in the Property and Easement Area. Further, the Parties agree that should Grantee, or any successor in interest to Grantee, acquire title to all or a portion of the fee interest in the Property subject to this Conservation Easement, (i) said owner shall observe and be bound by the obligations and the restrictions imposed upon the Property by this Conservation Easement, and (ii) this Conservation Easement shall not be extinguished through the doctrine of merger in whole or in part in view of the public interest in its enforcement.

P. Subsequent Liens. No provisions of this Conservation Easement shall be construed as impairing the ability of Grantor to use this Property for collateral for borrowing purposes, provided that any mortgage or lien arising there from shall be subordinated to this Conservation Easement.

Q. Gender. The designations Grantor, Grantee, State and Fund, as used herein shall include the Parties, their heirs, administrators, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as the context may require.

R. Headings. The headings of the various sections of this Conservation Easement have been inserted for convenience only and shall not modify, define, limit or expand the express provisions of this Conservation Easement.

TO HAVE AND TO HOLD unto the State by and through the Fund, its successors and assigns, forever. The covenants agreed to and the terms, conditions, restrictions and purposes imposed as aforesaid shall be binding upon Grantor, Grantor's representatives, successors and assigns, and shall continue as a servitude running in perpetuity with the Property.

[See next page for signatures and notary acknowledgement]

IN WITNESS WHEREOF, Grantor and Grantee, by authority duly given, have hereunto caused these presents to be executed in such form as to be binding, the day and year first above written.

**GRANTOR:
THE TOWN OF WEAVERVILLE**

[Corporate Seal]

BY: _____
NAME: Dottie Sherrill
TITLE: Mayor

ATTEST:

Selena Coffey, Town Clerk

**NORTH CAROLINA
BUNCOMBE COUNTY**

I, the undersigned Notary Public, do hereby certify that Dottie Sherrill personally came before me this date and acknowledged that she is the Mayor of the Town of Weaverville, a local municipality, and that by authority duly given and as the act of the corporation, the foregoing document was signed in its name by Dottie Sherrill, its Mayor, sealed with its corporate seal and attested by herself as its Mayor. Witness my hand and official stamp or seal, this the [redacted] day of [redacted], 2017.

[redacted], Notary Public

Print Name: [redacted]

My Commission Expires: [redacted]

STAMP/SEAL

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Being all that tract of land containing 313.75 acres, more or less, located in Reems Creek Township, Buncombe County, North Carolina, as shown on a plat entitled "Survey of a Conservation Easement for the Southern Appalachian Highlands Conservancy and the NC Clean Water Management Trust Fund" prepared by McMahan & Associates, P.A., dated _____, 2017, duly recorded in the Office of the Register of Deeds for Buncombe County, North Carolina in Plat Book ____ Page ____, reference to which said plat is hereby made for a more particular description of the property shown thereon, and being the same property described in Deed Book 204 at Page 5, Buncombe County Registry.

EXHIBIT B

LEGAL DESCRIPTION OF EASEMENT AREA

Being that tract of land containing 310.39 acres, more or less, located in Reems Creek Township, Buncombe County, North Carolina, labeled "310.39 Acre Conservation Easement Area" as shown on a plat entitled "Survey of a Conservation Easement for Southern Appalachian Highlands Conservancy and the NC Clean Water Management Trust Fund" prepared by McMahan & Associates, P.A., for the NC Clean Water Management Trust Fund dated _____, 2017, duly recorded in the Office of the Register of Deeds for Buncombe County, North Carolina in Plat Book ___ Page ___, reference to which said plat is hereby made for a more particular description of the property shown thereon.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: January 23, 2017
SUBJECT: Water Treatment Plant Expansion Study
PRESENTER: Public Works Director/Town Attorney
ATTACHMENTS: Engineering Services Proposal dated 1/18/2017
Draft Resolution

DESCRIPTION/SUMMARY OF REQUEST:

Town Council held its regularly scheduled workshop on January 10, 2017. Much of the discussion at such meeting was on water capacity within the Town's water system. One of the next steps in evaluating options for expanding water availability within the Town is to have an engineering study done which evaluates the details, permit requirements and estimated project costs for the expansion of the Ivy River Water Treatment Plant. Council indicated that it wishes to proceed with such a study and McGill Associates has provided a proposal in which they would perform that study on behalf of the Town.

North Carolina law typically requires that municipal jurisdictions announce and seek proposals on engineering services of this nature. However, NCGS 143-64.32 allows exemption for projects that are under \$50,000. McGill's proposal is a lump sum fee of \$30,000 for its work to accomplish the services outlined in the proposal. McGill Associates was the engineer for the Ivy River Water Treatment Plant so McGill has an intimate knowledge of how the plant was designed and is operating. McGill also has extensive knowledge of the regional water and sewer systems and the potential interconnectivity of those regional systems. It is therefore expected that McGill Associates is in the best position to provide the Town with competent, professional engineering services in this matter. This engineering study qualifies for the exemption and, for the reasons stated above, staff believes that there is ample justification for exempting this engineering study from a qualification-based selection process. If Council agrees, that exemption must be made in writing and a draft resolution has been provided for that purpose.

Keith Webb from McGill Associates and staff will be at tonight's meeting to discuss the proposal and answer questions that Council may have regarding this next step.

The Town Manager requests that monies be moved from the Town's Water Fund into the General Fund in order to pay for the \$30,000 fee as stated in the proposal.

COUNCIL ACTION REQUESTED:

Council is requested to adopted the attached draft resolution which (1) exempts this engineering study from a qualifications-based selection process as allowed by NCGS 143-64.32, (2) approves McGill's proposal and authorizes them to proceed with the study as outlined in the proposal, and (3) approves a budget amendment to transfer \$30,000 from the Water Fund Balance to the General Fund in order to pay for this engineering study.



January 18, 2017

Tony Laughter, Director of Public works
Town of Weaverville
Post Office Box 338
Weaverville, North Carolina 28787

Re: Engineering Services Proposal
Water Treatment Plant Expansion Study

Dear Mr. Laughter:

McGill Associates is pleased to submit this proposal to provide professional engineering services for the completion of a study to evaluate the details, permit requirements and estimated project costs for the expansion of the Ivy River Water Treatment Plant. An alternative for purchasing additional finished water from the City of Asheville is not included in the scope of this phase of the project.

From our recent conversations I understand that there has been a recent renewed interest for water service in the Weaverville area to serve proposed new developments as a part of the improved economic conditions. The request approved by Weaverville to date when added to the current usage result in a projected water demand that approaches 75% of the water treatment plant's 1.50 MGD (million gallons per day) permitted design capacity. Rules governing Public Water Supply in North Carolina recommend that water systems begin the planning process to address future water supply demands whenever the demand on the current system is at 80% of the permitted capacity.

Therefore, Weaverville is quickly approaching the point where such a study of the potential expansion of the water treatment plant is necessary.

I understand also from our conversations that the summation of the recent request for water service and the associated demands when combined with the current system demands is approximately the projected year 2030 demands from the town's most recent Water Supply Plan filed with the Division of Water Resources. Certainly an updated evaluation of projected future water demands for the current and potential expanded water service area are warranted.

WATER STUDY EVALUATION SCOPE OF SERVICES

McGill Associates proposes to complete the following associated task as a part of the Water Treatment Plant Expansion Study.

1. Meet with town staff and the water treatment plant operational staff to review current operations and production records for the past 18 month period and to obtain a list of approved water extension request and any other unapproved request for water service.
2. The original study that resulted in the construction of the Ivy River plant estimated that the “safe yield” of the Ivy River was approximately 7.0 MGD. Historically the “safe yield” for run-of-the-river type water systems has been limited to 20% of the 7Q10 flow. 7Q10 flow is defined as the lowest average daily flow that occurs over a 7 day period with a recurrence interval of once every 10 years. With the drought conditions experienced in North Carolina between 2000 and 2009 and again this past year the Division of Water Resources and the US Army Corps of Engineers have re-evaluated the 7Q10 flows for most streams, and in some cases the 7Q10 flow has been reduced.

McGill Associates proposes to obtain a new, updated 7Q10 flow from the US Army Corps of Engineers for the Ivy River at the location of the existing intake. For the purpose of this proposal it is assumed that the US Army Corps of Engineers will provide the updated 7Q10 estimated flow at no cost, or as a minimum a cost of less than \$500.00. Any cost to obtain the 7Q10 estimated flow in excess of \$500.00 will be considered additional services.

3. Project future water supply demands for the Town of Weaverville through the year 2070 planning period. These projections will be developed utilizing population growth projections for the town available from the State of North Carolina and discussions with you and your staff as to the future service area of the Town of Weaverville water system.
4. Evaluate at a conceptual level the expansion of the water treatment plant to a design capacity of both 3.0 MGD and 4.5 MGD. The expansion of the water plant will include, but not be limited to enlargement and expansion of the raw water intake including new pumps, a second Claricone pretreatment unit, new sedimentation basins, new filters, new finished water clearwell, new high service pumps and possible pump station, and the possible expansion/upgrade of the alum sludge holding and treatment system.
5. Develop estimated project cost for the water treatment plant improvements and expansion identified in task 4.
6. Identify permit requirements for the expansion of the water treatment plant as described in task 4. This task will include discussions with the Public Water Supply Section of the Division of Water Resources, North Carolina Department of Environmental Quality and the US Army Corps of Engineers related to increasing the withdrawal of water from the Ivy River.

7. Complete a preliminary evaluation of the Town of Weaverville water distribution system from the point near North Buncombe High School and North Wendy Ridge School to the Hamburg Mountain storage tank to determine if system improvements are required to convey future system demands into the system from the water treatment plant from the point where the 20-inch finished water line reduces in size. It should be noted that this evaluation will not include the development of a hydraulic model and that sizing will be based upon sound engineering theory for water distribution systems and the demands projected for the Weaverville system.
8. Provide an overview of the previous MSD sewer study for the North Buncombe County area and identify those areas where the extension of sewer may be advantageous in conjunction with expanded public water service.
9. Prepare letter type summary report that summarizes the findings and conclusions of the study.
10. Present the final study to the Weaverville Town Council (one presentation). Any other requested presentations will be considered additional services.

SCHEDULE

The schedule will be as mutually agreed upon by McGill Associates and the Town.

FEES

McGill Associates, P.A. will provide the services outlined in this proposal for a lump sum fee of **\$30,000.00**. McGill Associates will bill monthly during the course of the project. Our invoice payment terms are Net 30 days.

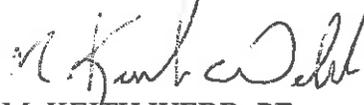
OTHER ADDITIONAL SERVICES

Any item not contained in Project Understanding or Scope of Basic Services will be deemed as other additional services. If requested by the City, we will provide other additional services per our Basic Fee Schedule, attached.

We appreciate this opportunity to continue our long-term relationship with the Town of Weaverville and the Ivy River Water Plant and your distribution system. Please do not hesitate to give me a call if you have any questions or need additional information.

Sincerely,

McGILL ASSOCIATES, P.A.

A handwritten signature in black ink, appearing to read "M. Keith Webb". The signature is written in a cursive style with a large, prominent "M" and "W".

M. KEITH WEBB, PE

Vice President

Keith/Weaverville/ivy river wtp/tl17jan17

**A RESOLUTION CONCERNING AN ENGINEERING SERVICES PROPOSAL
FOR THE STUDY OF AN EXPANSION OF THE IVY RIVER WATER TREATMENT PLANT**

WHEREAS, the Town of Weaverville wishes to engage an engineering firm to conduct a study which evaluates the details, permit requirements and estimated project costs for the expansion of its Ivy River Water Treatment Plant; and

WHEREAS, under North Carolina General Statute § 143-64.32 the Town may exempt an engineering services contract from a qualification-based selection process if the cost of the services is expected to be under \$50,000; and

WHEREAS, McGill Associates has provided an engineering services proposal dated January 18, 2017, a copy of which is attached hereto, in which it proposes to conduct the study outlined by the Town for a fee of \$30,000; and

WHEREAS, Council finds that McGill Associates is in the best position to provide competent, professional engineering services in this matter since McGill Associates was the engineer of the Ivy River Water Treatment Plant, has intimate knowledge of how the plant was designed and is operating, and has extensive knowledge of the regional water and sewer systems and the potential for interconnectivity of those system; and

THEREFORE, BE IT RESOLVED BY THE TOWN OF WEAVERVILLE, NORTH CAROLINA, ACTING THROUGH ITS COUNCIL MEMBERS, THAT:

1. The engineering study which evaluates the details, permit requirements and estimated project costs for the expansion of the Ivy River Water Treatment Plant is exempt from a qualifications-based selection process as allowed by NCGS § 143-64.32;
2. The engineering services proposal submitted by McGill Associates and dated January 18, 2017, is hereby approved and McGill Associates is authorized to proceed as outlined in such proposal;
3. A budget amendment in which \$30,000 is transferred from the Water Fund Balance to the General Fund in order to pay for this engineering study is hereby approved;
4. This resolution shall become effective immediately upon its adoption.

ADOPTED this ____ day of January, 2017.

Dottie Sherrill, Mayor

ATTEST:

Selena Coffey, Town Clerk

TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM

Date of Meeting: Monday, January 23, 2017

Subject: Rezoning, Waiting Period for Subsequent Applications / Setting a Date for a Public Hearing on Property in the Vicinity of 30 Garrison Branch Road.

Presenter: Town Planner

Attachments: Sec. 36-364. – Waiting period for subsequent applications, an Application for a Zoning Map Amendment for 30 Garrison Branch Road and the Recommendation of the Planning and Zoning Board.

Description:

We are in receipt of an application from Garrison Branch Reserve Investors, LLC to rezone a portion of a tract presently zoned R-12 to C-2 in order to increase the land available for commercial purposes.

Staff believes it is in the best interest of the Town to consider the proposed rezoning from R-12 as the applicant sees the uses permitted within the C-2 zoning district as being the highest and best use of the property. Additionally, the proposal will vacate two apartment building consisting of 48 dwelling units previously approved by Buncombe County and municipal water allocated for same. Finally, the proposed rezoning would bring additional property completely under the purview of the Town's Zoning Ordinance from that previously recognized as a vested right.

The proposed rezoning has been reviewed and unanimously recommended to Council by the Planning and Zoning Board.

Action Requested:

Staff is seeking a waiver of the waiting period for subsequent application for rezoning as per Sec. 36-364 (b) which may be accomplished by a three fourths vote of Council and setting a date for a Public Hearing on the aforementioned application for rezoning for Monday, February 27, 2017 at 6:00.



**Town of Weaverville
Planning and Zoning Board**

On Tuesday, January 3, 2017 the Planning and Zoning Board reviewed and unanimously recommended to Town Council the attached proposed rezoning of portions of 30 Garrison Branch Road from R-12 to C-2.

It has been found that the proposed rezoning is consistent with the Town's Comprehensive Plan and Chapter 36 – Zoning. The Planning and Zoning Board considers approval both reasonable and in the public interest due to uses present within the zoning district and on adjacent properties.

A handwritten signature in cursive script, reading "Doug Theroux", written over a horizontal line.

**Doug Theroux
Chairman, Planning and Zoning Board**

Sec. 36-364. - Waiting period for subsequent applications.

- (a) *Waiting period—General.* When an application for a zoning amendment has been approved or denied by the Town Council, no rezoning application covering the same property shall be accepted or considered within 12 months after the date of the approval or denial. This restriction shall apply regardless of whether or not the new application is for a zoning classification different from the original application.
- (b) *Waiting period—Waiver.* The waiting period required by this section may be waived by a three-fourths vote of town council if it determines that there have been substantial changes in conditions or circumstances which may relate to the request.

(Ord. of 1-24-2011, § 1)

**TOWN OF WEAVERVILLE APPLICATION FOR
A ZONING MAP OR TEXT AMENDMENT**

Planning and Zoning Department, 30 South Main Street, P.O. Box 338, Weaverville, NC 28787
(828) 484-7013 --- fax (828) 645-4776 --- tgupton@weavervillenc.org

OWNER/APPLICANT NAME: *Scott Austin*

APPLICATION DATE: *11/30/16*

PHONE NUMBER: *828-707-2796*

MAILING ADDRESS: *Austin Development PO 9175
Greensboro, NC 27408*

Application is made to the Town Council of Weaverville to amend:

- The Zoning Map
 The text of the Zoning Ordinance (Ch 36 of Code of Ordinances)

APPLICATION TO AMEND ZONING MAP

PROPERTY ADDRESS: 30 Garrison Branch Rd

PIN: Zoning portion of: 973362693300000
07514

LOT AREA (acres): +/- 2.43 ac of +/- 8.49 ac

CURRENT ZONING DISTRICT: R-12

PROPOSED ZONING DISTRICT: C-2

APPLICATION IS NOT COMPLETE WITHOUT A BOUNDARY SURVEY DEPICITING:

- Total acreage
 Current owner(s) and date of survey
 Property location relative to streets
 North arrow
 Existing easements, rights of way, or other restrictions on the property
 Areas located within the floodplain
 Natural terrain of 15% or greater grade
 Adjoining property owners, addresses, and Buncombe County PINs

APPLICATION TO AMEND TEXT

SECTION(S) OF CHAPTER 36 TO AMEND:

PROPOSED CHANGE TO TEXT (attach additional documentation if necessary):

JUSTIFICATION OF PROPOSED AMENDMENT(S):

**TOWN OF WEAVERVILLE APPLICATION FOR
A ZONING MAP OR TEXT AMENDMENT**

Planning and Zoning Department, 30 South Main Street, P.O. Box 338, Weaverville, NC 28787
(828) 484-7013--- fax (828) 645-4776 --- tgupton@weavervillenc.org

I certify that the above information is accurate and true and that I am the owner or a duly appointed agent of the owner.

William Wilder Woodford, Mgr. WW Management LLC, Mgr. Garrison Beach Investments LLC
 SIGNATURE OF APPLICANT _____ DATE *6/3/17*

It is the applicant's responsibility to obtain a copy of the Town of Weaverville Zoning Ordinance and to be fully aware of the regulations detailed therein.

REZONING FEE SCHEDULE:

1 Lot < 1 acre	\$350.00
2-4 Lots or 1-3 acres	\$450.00
4-9 acres	\$550.00
10-25 acres	\$750.00
25+ acres	\$900.00

OFFICE USE ONLY

FEE: \$	DATE PAID:	CHECK	CASH
DATE OF INTIAL COUNCIL MEETING:		ACTION TAKEN:	
DATE OF PLANNING BOARD MEETING:		ACTION TAKEN:	
DATE OF PUBLIC HEARING & COUNCIL DECISION:		FINAL ACTION:	

