

	<i>meeting.</i>	
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Draft
MINUTES
Town of Blowing Rock
Town Council Meeting
March 9, 2021

The Town of Blowing Rock Town Council met for their regular monthly meeting on Tuesday, March 9, 2021 at 6:00 p.m. The meeting took place at Town Hall located at 1036 Main Street Blowing Rock, NC. Present were Mayor Charlie Sellers, Mayor Pro-Tem Sue Sweeting and Council Members Albert Yount, David Harwood, Doug Matheson, Virginia Powell, Town Manager Shane Fox, Town Attorney Allen Moseley, Town Engineer Doug Chapman, Public Works and Utilities Director Matt Blackburn, Planning and Inspections Director Kevin Rothrock, Police Chief Aaron Miller, Parks and Recreation Director Jennifer Brown and Town Clerk Hilari Hubner who recorded the minutes. Others in attendance via Zoom virtual/phone session were Fire Chief Kent Graham, and Finance Officer Nicole Norman.

CALL TO ORDER

Mayor Sellers called the meeting to order at 6:00 p.m. and welcomed everyone. Mayor verified attendance via roll call.

THE PLEDGE OF ALLEGINANCE

MINUTE APPROVAL

Council Member Matheson made a motion to approve the regular session minutes from the February 9, 2021, seconded by Mayor Pro-Tem Sweeting. Unanimously approved.

Council Member Powell made a motion to approve the special meeting minutes from the February 22, 2021 meeting, seconded by Council Member Yount. Unanimously approved.

REGULAR AGENDA ADOPTION

Mayor Pro-Tem Sweeting made a motion to approve the Agenda as presented, seconded by Council Member Powell. Unanimously approved.

CONSENT AGENDA

1. Budget Amendment - #2021-03

To account for various items. **Budget Amendment #2021-03 – Attachment A**

2. New River Sign

On February 2, 2021, the Blowing Rock Appearance Committee (BRAAC) approved and recommended to the Town Council a sign marking the New River to be placed at the Sunset Drive crossing. BRAAC is seeking Town Council approval for the sign to be placed.

3. ETJ Representative – Planning Board/BOA

The Town of Blowing Rock's Planning and Board of Adjustment are required to have an ETJ representative member to represent the ETJ area for each board. The formal process is for the Watauga County Commissioners to make a formal recommendation to the Town of Blowing Rock Town Council for whom they recommend to represent the ETJ. On February 16, 2021, the Board of Commissioners formally recommended Harrison Herbst to both the Planning Board and Board of Adjustment. The Town of Blowing Rock Town Council needs to approve Mr. Herbst to serve on the boards.

4. Delinquent Tax Notice Approval

Approval to advertise 2020 delinquent taxes on April 22, 2021 in the local newspaper.

Mayor Pro-Tem Sweeting made a motion to approve as presented, seconded by Council Member Yount. For the motion: Mayor Pro-Tem Sweeting, Council Members Yount, Matheson and Harwood. Council Member Powell abstained from voting.

SPEAKERS FROM THE FLOOR

Mayor Sellers Read a letter from Adian Waite. **Citizen Letters – Attachment B**

Ms. Pam Lowry, 389 Fairway 11 Court spoke via Zoom and voiced her concern about the traffic on Green Hill Road and concern with the traffic study. Ms. Lowry advised she did not feel the traffic study would truly take into account the everyday factors that play into the dangerous elements of Green Hill Road. She explained people walking their dogs, wildlife, trucks, and speeding traffic keep the road very dangerous and unless you live on that road you do not truly understand the danger and “near misses” that occur on Green Hill. Ms. Lowry advised she didn't know what a traffic study could truly tell about these issues and she was very concerned with what happens next.

PRESENTATION

1. Tree City USA – Approval

During the December 15, 2020 Town Council Meeting, Town Council approved to allow the Blowing Rock Appearance Advisory Commission to apply to become a Tree City USA. Becoming a Tree City USA community means that our community is willing to manage and expand our public trees.

BRAAC applied by the end of December and was notified in February that the Town was approved to become a Tree City USA Community. The Town received a plaque, flag and two signs to hang advertising the Town of Blowing Rock is a Tree City USA community.

BRAAC Chair Melissa Pickett accepted the plaque on BRAAC's behalf and thanked Council for their help making the possible.

2. Audit Presentation

Each year the Town of Blowing Rock has an independent third-party audit firm perform a complete audit on the Town's finances and internal controls. Martin Starnes and

Associates, CPA, P.A. conducted the June 30, 2020 audit. **Audit Power Point – Attachment C**

Ms. Carrie Dunlap gave a presentation of the results of the June 30, 2020 audit.

3. Middle Fork Greenway Update

Wendy Patoprsty, Director of the Middle Fork Greenway gave an update on the Middle Fork Greenway.

PUBLIC HEARING

1. NCGS 160D Ordinance Amendments – Adoption #2021-04

Planning Director Kevin Rothrock advised in 2019, the General Assembly adopted sweeping changes for Land Use Law in North Carolina as a new chapter 160D in the NC General Statutes. Due to the onset of the Coronavirus pandemic, the deadline to adopt changes to local ordinances was extended from January 1, 2021.

Planning Board member Bill McCarter volunteered and provided an update to the entirety of Chapter 16 – Land Use Ordinance. Mr. McCarter also updated Chapter 17, the Town's minimum housing standards, and Chapter 3 of the Town Code. The full ordinance revisions for Chapter 16, 17 and 3 are attached for your review and consideration.

The effective date for these new changes is upon adoption, but not later than July 1, 2021.

Mr. Rothrock advised a few minor changes included:

- Switching all references from Conditional Use Permits (CUP's) to Special Use Permits (SUP's)
- Conflicts of interest clarifications and statements for the Town Council and appointed board membership. With respect to legislative decisions, the governing body members or appointed board members should not participate in voting on map or text amendments if they have a direct financial impact on the member, a member's family, or a member's close personal relationship (Section 16-3.5)

Other Amendments

- Allowing Single-family with accessory apartment uses CB, TC, GB and O-I districts to be permitted with a zoning permit
- Removing the commercial design requirements for single-family uses and two-family uses which was prohibit by General Statutes a few years ago.

Council Member Powell thanked Mr. McCarter for all his help.

Mayor Sellers read a letter from Lee Rocamora with two questions; In section 16-4.13.1, what are the conditions that justify vesting beyond 2 years? As written, the ordinance seems vague. Should those conditions and a specific time limit be stated?

Also in the content, there are still some gender specific references such as “ he shall..” Should these be changed to gender neutral? (16-7.3)

Mr. Rothrock advised they could make the changes to update to he/she references and advised his question about the conditions time frame would be up to Council on a project-by-project basis.

Mayor Pro-Tem Sweeting thanked Mr. McCarter for his work. She asked if page 40 “*Allowing Single-family with accessory apartment uses CB, TC, GB and O-I districts to be permitted with a zoning permit*” was part of the requirement of 160D. Mr. Rothrock advised it wasn’t. Mayor Pro-Tem Sweeting advised she would like to bring to the attention of the Council what is changing is for approval to be done by the Planning Director. She explained what concerns her is the real estate is booming in our Town and for Planning Board and Town Council to lose control she felt Council might not want to put this amendment in and change all of those to a special use permit to maintain control of what is about to happen.

Council discussed in detail the districts and scenarios of single family with accessory apartments and duplexes.

Mayor Pro-Tem Sweeting advised she would like to strike that out. Council discussed further and agreed if it’s not broken why fix it.

Council Member Harwood asked if that could be pulled since it’s not required and keep Council’s focus on the work that needs to be done on 160D. Mr. Rothrock advised it could.

Council Member Harwood made a motion to approve the changes with the removal of number 1 under Other Amendments; *Allowing Single-family with accessory apartment uses CB, TC, GB and O-I districts to be permitted with a zoning permit*, seconded by Mayor Pro-Tem Sweeting. Unanimously approved.

Council Member Yount asked when that could be re-visited. Council agreed it could be re-visited at any time.

Council Member Matheson thanked Mr. McCarter for his hard work. **NCGS 160D Ordinance Amendments – Attachment D**

BUSINESS MATTERS

1. PARTF Grant Discussion – Options and Timeline

Council Member Harwood advised he would like to thank the members of the Parks Strategy Committee for all their hard work in a short amount of time. Those members are Melissa Pickett, Pete Gherini, Manager Fox and Jennifer Brown. Special thanks to Doug Chapman, Mike Norris, Curt Andrews and Nicole Norman for their hard work as well.

Parks and Recreation Director Jennifer Brown advised during the Town Council retreat in January, the Parks Strategy Committee presented a drawing of park improvement needs to Town Council. Town Council encouraged the Parks Strategy Committee to pursue applying for a Parks and Recreation Trust Fund Grant (PARTF). This grant is a matching grant that the Town would match with the current approve bond money.

The Parks Strategy Committee has met several times and has options that they need Town Council to decide which option they would like to pursue for the PARTF Grant.

Ms. Brown and Town Engineer Doug Chapman presented via PowerPoint needs/improvements for Memorial Park and next steps for the PARTF Grant application. The timeline was reviewed.

Council set a special meeting for March 22nd at 5:00 P.M. for review and citizen input.

Council Member Matheson made a motion to approve guidance looking at option two, seconded by Council Member Powell. Unanimously approved.

Council Member Powell thanked the Parks Strategy Committee.

Council Member Matheson advised he wanted to make sure it was known that no tax payer money has been spent to this project.

A 10-minute recess was taken.

2. Green Hill Road Traffic Study

During the Town Council Regular Meeting on February 9th, the Town Council instructed the Town Manager to solicit and receive an updated formal quote, and scope of services for a Green Hill Road traffic study. The Town has received a quote and scope of services from Ramey Kemp Associates, a professional transportation engineering firm located in Raleigh, NC.

Manager Fox reviewed the proposal specifics of the study and advised the study would go Memorial Day to the August time frame. He further advised the cost estimate is \$12,300.

Council Member Yount made a motion to approve, seconded by Mayor Pro-Tem Sweeting. Unanimously approved. Unanimously approved.

3. Blowing Rock Ambulance Update

During the Town Council's Special Meeting held on Monday February 22, 2021, the Town Council asked several follow-up questions to be answered by Mr. Craig Sullivan, Owners of Watauga Medics. Since that time, Mr. Sullivan has been in conversation with the Town Staff regarding those questions and the potential next steps.

Manager Fox advised the updates he had were the questions Council asked are as follows with the answer to the questions.

- Can the Town hire Watauga Medics – Mr. Sullivan believes the Town can, however he has referred back to the County Manager and County Attorney for full clarification.
- Can the Town potentially hire an outside entity to perform those same services
- Do we have a contract to provide back-up services

Manager Fox further advised all the question had been received by the County and are now awaiting the answers back from the County.

OTHER BUSINESS

- Mayor Sellers – Advised vaccines are going well in the county and advised its possible for meetings to go back to normal in April dependent of what the Governors orders are at that time.
- Council Member Yount – Gave an update on the Status of the American Legion post and advised enough members have been reached to keep their charter.
- Council Member Harwood – Advised so much to be thankful for
- Mayor Pro-Tem Sweeting – Thanked Council Member Harwood.
- Council Member Matheson – Gave an League update.
- Council Member Powell – None
- Manager Fox – ABC sales are up \$60,000 or 43% over the last year, January TDA \$95,500 or 30% increase over last year, Staff has been signing up to receive their vaccine, Bass Lake Sidewalk has started and gave an update on the timeline, Sunset Drive landscaping met with Jenkins and 4 Forty Four to start that project back up, Chemical tanks at the Water Plant – work will soon be started and won't take too long to complete.

EXECUTIVE SESSION

At 8:15 p.m. Council Member Harwood made a motion to go into executive session *NCGS 143-318.11. (a)(3) – Attorney/Client update on current litigation*, seconded by Mayor Pro-Tem Sweeting. Unanimously approved.

ADJOURNMENT

With no further business Council Member Powell made a motion to adjourn at 9:30 p.m., seconded by Council Member Yount. Unanimously approved.

MAYOR _____
Charlie Sellers

ATTEST _____
Hilari Hubner, Town Clerk

Attachments

Citizen Letters – Attachments A

Budget Amendment #2021-1 – Attachment B

Audit Power Point – Attachment C

NCGS 160D Ordinance Amendments – Attachment D

Draft
MINUTES
Town of Blowing Rock
Town Council Meeting
March 22, 2021

The Town of Blowing Rock Town Council met for a special meeting on Monday, March 22, 2021 at 5:00 p.m. The purpose of the meeting was to solicit public input on the Memorial Park PARTF Project. The meeting took place at Town Hall located at 1036 Main Street Blowing Rock, NC. Present were Mayor Charlie Sellers, Mayor Pro-Tem Sue Sweeting and Council Members Albert Yount, David Harwood, Doug Matheson, Virginia Powell, Town Manager Shane Fox, Parks and Recreation Director Jennifer Brown and Town Clerk Hilari Hubner who recorded the minutes. Others in attendance were Town Engineer Doug Chapman, BRAAC Chair Melissa Pickett and Corey Osborne from the High Country Council of Government.

Council met to discuss and receive input from the public regarding the Memorial Park PARTF Project. Manager Fox presented via Power Point an overview of the process.

One resident spoke via Zoom, Mr. Ethan Dotson 214 Morris Street advised he was very much in favor of the project as he spends a lot of time enjoying the newly renovated playground with his daughter. Mr. Dotson further advised he grew up and Blowing Rock, left in 2001 and moved back to the area in 2006 after fifteen years. He stated he is proud of our park and proud when friends and family come from Charlotte and Raleigh to vacation and rave about how nice our park and playground is. Mr. Dotson concluded he felt we have the best park around and always takes a lot of pride in knowing how others love it just as much. Mr. Dotson concluded by thanking all whom had been involved in the whole process and advised he hopeful the project will continue to move forward.

Manager Fox and Mayor Sellers read letters submitted by Civic Organizations and/or residents:

Rotary Club of Blowing Rock
The Village Foundation
Curtis Andrews
Emily Roberts
Drew Koehler
Chuck Pickard
Mary Jasmine
Alan Bailey
Michael Moore
Deanne Wesemann
Nicole Higgins
Kelly Morrison
Erica Woolridge

There being no further public comments, Council Member Matheson made a motion to close the public hearing, seconded by Mayor Pro-Tem Sweeting. Unanimously approved.

ADJOURNMENT

There being no further business to discuss, Council Member Matheson made a motion to adjourn at 5:30 p.m., seconded by Council Member Powell.

MAYOR _____
Charlie Sellers

ATTEST _____
Hilari Hubner, Town Clerk

MARTIN STARNES

& ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

March 1, 2021

Nicole Norman, Finance Officer
Town of Blowing Rock
1036 Main Street
Blowing Rock, NC 28605

You have requested that we audit the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Blowing Rock, NC, as of June 30, 2021, and for the year then ended, and the related notes, which collectively comprise the Town of Blowing Rock's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal and State award programs for the period ended June 30, 2021. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal and State award programs.

Accounting principles generally accepted in the United States of America require that certain supplementary information be presented to supplement the 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 required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Retiree Health Benefit Fund and OPEB schedules
- Local Government Employees' Retirement System's schedules

Supplementary information other than RSI will accompany the Town of Blowing Rock's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and individual fund financial statements (if applicable)
- Budget and actual schedules
- Supplemental ad valorem tax schedules
- Schedule of Expenditures of Federal and State Awards

Schedule of Expenditures of Federal and State Awards

We will subject the Schedule of Expenditures of Federal and State Awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the Schedule of Expenditures of Federal and State Awards is presented fairly in all material respects in relation to the financial statements as a whole.

We will make reference to the component unit auditors' audits of the Town of Blowing Rock ABC Board and the Town of Blowing Rock Tourism Development Authority in our report on your financial statements.

Data Collection Form (if applicable)

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, Schedule of Expenditures of Federal and State Awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

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. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and the direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, detected abuse, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Town of Blowing Rock's basic financial statements. Our report will be addressed to the governing body of the Town of Blowing Rock. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the Town of Blowing Rock's major federal and state award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; the Uniform Guidance, and the State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and the State Single Audit Implementation Act and other procedures we consider necessary to enable us to express such an opinion on major federal and state award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the State Single Audit Implementation Act require that we also plan and perform the audit to obtain reasonable assurance about whether the entity has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major federal and state award programs. Our procedures will consist of determining major federal and state programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Single Audit Implementation Act.

Also, as required by the Uniform Guidance and the State Single Audit Implementation Act, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal and state award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal and state award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal and state awards received and expended during the period and the federal and State programs under which they were received, including federal awards and funding increments received prior to December 26, 2014 (if any), and those received in accordance with the Uniform Guidance (generally received after December 26, 2014);
4. For maintaining records that adequately identify the source and application of funds for federal and state funded activities;
5. For preparing the Schedule of Expenditures of Federal and State Awards (including notes and noncash assistance received) in accordance with the Uniform Guidance and State Single Audit Implementation Act;
6. For the design, implementation, and maintenance of internal control over federal and state awards;

7. For establishing and maintaining effective internal control over federal and state awards that provides reasonable assurance that the nonfederal and nonstate entity is managing federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of the federal and state awards;
8. For identifying and ensuring that the entity complies with federal and state statutes, regulations, and the terms and conditions of federal and state award programs and implementing systems designed to achieve compliance with applicable federal and state statutes, regulations and the terms and conditions of federal and state award programs;
9. For disclosing accurately, currently and completely the financial results of each federal and state award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;
12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
14. For submitting the reporting package and data collection form to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
16. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal and state award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
17. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
18. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
19. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
20. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
21. For the accuracy and completeness of all information provided;
22. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
23. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above (including the Schedule of Expenditures of Federal and State Awards), you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information

with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Preparation of auditor portion of Data Collection Form (if applicable)

We will not assume management responsibilities on behalf of the Town of Blowing Rock. However, we will provide advice and recommendations to assist management of the Town of Blowing Rock in performing its responsibilities.

With respect to the nonattest services we perform as listed above, the Town of Blowing Rock's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards.
- This engagement is limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account codings and approving journal entries.

Other

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

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

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

During the course of the engagement, a portal will be in place for information to be shared, but not stored. Our policy is to terminate access to this portal after one year. The Town is responsible for data backup for business continuity and disaster recovery, and our workpaper documentation is not to be used for these purposes.

Provisions of Engagement Administration and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Paula Hodges is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fees for these services are as follows:

Audit Fee	\$ 19,075
Single Audit Fees	1,500
Financial Statement Drafting	3,600
Other Non-Attest Services	-
	<u>\$ 24,175</u>

Our invoices for these fees will be rendered in four installments as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town of Blowing Rock's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous

errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are 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. Our fees for such services range from \$75-\$300 per hour.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or State agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements and compliance over major federal and state award programs, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the Town of Blowing Rock by:

Name: _____

Title: _____

Date: _____

The of and	Governing Board Town Council
	Primary Government Unit (or charter holder) Town of Blowing Rock, NC
	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name Martin Starnes & Associates, CPAs, P.A.
	Auditor Address 730 13th Avenue Dr. SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Audit Report Due Date
	06/30/21	10/31/21

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

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

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.
- If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FEEES FOR AUDIT SERVICES

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

Financial statements were prepared by: Auditor Governmental Unit Third Party

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

Name:	Title and Unit / Company:	Email Address:
Shane Fox	Town Manager, Town of Blowing Rock	manager@townofblowingrocknc.gov

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

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

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

PRIMARY GOVERNMENT FEES

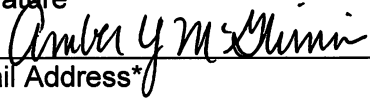
Primary Government Unit	Town of Blowing Rock, NC
Audit Fee	\$ See fee section of engagement letter
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ See fee section of engagement letter
Writing Financial Statements	\$ See fee section of engagement letter
All Other Non-Attest Services	\$ N/A
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 16,500.00

DPCU FEES (if applicable)

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

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)* Amber Y. McGhinnis	Signature* 
Date* 03/01/21	Email Address* amcghinnis@martinstarnes.com

GOVERNMENTAL UNIT

Governmental Unit* Town of Blowing Rock, NC	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* Charlie Sellers, Mayor	Signature*
Date	Email Address csellers@tobr.us

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

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

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

Primary Governmental Unit Finance Officer* (typed or printed) Nicole Norman, Finance Officer	Signature*
Date of Pre-Audit Certificate*	Email Address* finance@townofblowingrocknc.gov

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

DISCRETELY PRESENTED COMPONENT UNIT

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

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

DPCU – PRE-AUDIT CERTIFICATE

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

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

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

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

PRINT



Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates CPAs, P.A. and the
Peer Review Committee, North Carolina Association
Of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates CPAs, P.A. (the firm) in effect for the year ended December 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates CPAs, P.A. in effect for the year ended December 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates CPAs, P.A. has received a peer review rating of pass.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 3, 2018

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619

919 782 9265
919 783 8937 FAX

Durham
3500 Westgate Drive
Suite 203
Durham, North Carolina 27707

919 354 2584
919 489 8183 FAX

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX

Town of Blowing Rock

Request for Council Action

FROM: Jennifer Brown Director of Blowing Rock Parks & Recreation
SUBJECT: 2020 High Country Half Marathon
TO: Town Council
DATE: March 10, 2020
REQUESTED BY: Mary Sheryl Horine, Associate Director, ASU Institute for Health and Human Services
Council Director, Girls on the Run of the High Country

Public Hearing Yes No Will be required
Properly Advertised Yes No Will be required

BACKGROUND:

We have received a request from the High Country Triple Crown, to hold their 10th annual High Country Half Marathon that will begin at Kid Brewer Stadium at ASU and end at Davant Field.

The route through Blowing Rock will go from 221 to Laurel Lane, up Wonderland Trail, back on to Laurel Lane, and end at Davant Field.

They will coordinate activities with Parks & Recreation, Blowing Rock Fire & Rescue, and the Blowing Rock Police Department. A copy of their certificate of insurance will be provided prior to the event.

All Town Departments have reviewed their Special Event Application and have no issues with the request.

ATTACHMENTS:

1. Letter of Request from High Country Triple Crown
2. Special Event Application



3/19/21

The premier running series of the High Country of North Carolina.

August 21, 2021
The Cub- 7 Miler

September 25, 2021
The Knob- 2 miler

October 23, 2021
High Country Half
Marathon

100% of Proceeds
Benefit Youth
Programming in the
High Country

Dear Blowing Rock Town Council,

The High Country Triple Crown has very much appreciated a long relationship with the towns of Boone, Blowing Rock, and the Valle Crucis community. Our series, which consists of 3 races of varying difficulty and terrain, attracts hundreds of runners and their families from all over the southeast. All of the proceeds from the races support kids' programming in the High Country such as Girls on the Run, AppKIDS and Camp Crinkleroot.

Since 2010, High Country Half Marathon participants have started the run in Boone and ended 13.1 miles later in Blowing Rock. With your approval, we would like to again follow this same route to be able to finish at Davant Field, followed by an award's celebration open to the community.

On October 23, 2021, at approximately 8:45am, runners will enter Blowing Rock by taking a left on 221 coming from Shulls Mill Road. The route will take a right onto Laurel Lane, a right on Wonderland Trail, a left back onto Laurel Lane and finally a right turn onto Clark Street to finish in Davant Field. All turns will be staffed by race volunteers who will serve as safety and clean up personnel as well. While we are not requesting any road closures, we would like to request law enforcement presence at the busy intersection of Hwy 221 and Shulls Mill Road just to insure safe traffic flow and participant safety.

Thank you very much for your consideration of our event. We are especially excited about offering this year's race after having to cancel last summer's race. We know our participants are thrilled at the prospect of getting this race into their calendars and the idea of getting to experience the beauty of Blowing Rock once again! We will adhere to all safety guidelines put in place by state health department regulations and local policies. We will happily comply with any additional requests that the Town Council may have and look forward to meeting with you if necessary to discuss this event.

Sincerely,

Mary Sheryl Horine

Mary Sheryl Horine
Director, ASU Institute for Health and Human Services
Council Director, Girls on the Run of the High Country

The High Country Triple Crown

ASU Box 32102
Boone, NC 28608

828.262.7557
horinems@appstate.edu
www.triplecrown.appstate.edu



Town Of Blowing Rock
 PO Box 47
 1036 Main Street
 Blowing Rock, NC
 28605
 Tel 828-295-5200

Town Of Blowing Rock
Special Events/Activities Application
 (Must be submitted to Blowing Rock Parks & Recreation)

The purpose of this application is to provide information about your event or activity in order for various departments and agencies to determine if they need to be involved in the approval and/or permitting process. Depending on the specific event, a permit application and/or fee(s) from individual departments may be required.

The applicant is responsible for providing complete and accurate information on the application, including an attached detailed site plan. The applicant is also responsible for notifying the Parks Department of any changes. Incomplete applications will not be accepted. **A complete application should be submitted at least 90 days prior to the planned event to allow sufficient review time. Town staff may contact you with specific questions. Any official may require a pre-planning meeting.

Applications and events are prioritized based on a first come-first served basis and the Town may approve or disapprove an event's requested date based on availability of resources. Events that occur on an annual basis will receive priority the following year.

Applicant should contact the Parks Department to verify date availability prior to submission of application.


**NO MORE THAN 2 RACES WILL BE ALLOWED IN ANY GIVEN MONTH

****If the event is to be held on public property, approval to use the property must be obtained from Town Council; therefore the application must be submitted 90 days prior to the event.**

APPLICANT INFORMATION

Name of Event: High Country Half Marathon
 Applicant Name & Title: Mary Sheryl Horine, Race Director
 Organization: High Country Triple Crown/ASU
 Mailing (Billing) Address: ASU Bopx 32102
 City / State / Zip: Boone/NC/28608
 Daytime Phone: 828-262-7557 Cell: 828-263-0329 Email: horinems@appstate.edu
 Description of the Event: Competitive 13.1 mile adult running event that starts in Boone and ends in Blowing Rock.
 Does the event have a Twitter, Facebook or other social networking page: Yes
 If yes, please list URL(s): https://www.facebook.com/High-Country-Triple-Crown-325157357076

Event Address: <u>Davant Field, Blowing Rock</u>
Date of Event: <u>October 23, 2021</u>
Event Start Time: <u>9:30am</u> Event End Time: <u>11:30am</u>
Set-Up Begins: <u>8:00am</u> Clean-Up Ends: <u>12:00pm</u>
Preferred Date & Time of Inspection: <u>October 23, 12:00pm</u>
Estimated Attendance: <u>300</u>
The Event is: <input type="checkbox"/> Private (by invitation only) or <input checked="" type="checkbox"/> Open to General Public

APPLICANT'S SIGNATURE  DATE: 3/22/21

A pre-planning meeting may be required and will be scheduled to include the appropriate staff. The event applicant must attend the meeting. The town reserves the right to require others to attend.

TENTS & MEMBRANE STRUCTURES

**** Tent is a structure, enclosure, or shelter, with or without sidewalls or drops ****

Will tent(s) be used for the event? Yes No

Number of Tent(s) planned: 2 (Only if raining)

Size of Tent(s) planned: 10x10 pop up

Percentage of side walls if any to be used for each tent: none

Detail tent location, size, percentage of side walls and spacing for each on required site plan.

**** Membrane structure is an air-inflated or air supported structure ****

Will inflated/air Supported membrane(s) structures be used for the event? Yes No

Number of air inflated/air supported membrane structures planned: one

Size(s) air inflated/air supported membrane structures planned: finish line arch

Detail air inflated/air supported membrane structure location(s), size and spacing for each on required Site plan.

POWER SOURCES

Will you use electric generators? Yes No

If yes, will Power Distribution boxes be used? Yes No

Provide contact information for contractor supplying generator power:

Name: _____ Phone: _____ Email: _____

Will you use electric power from an existing structure? Yes No

If yes, will direct wiring to breakers be required? Yes No

Provide contact information for person responsible for setup of power:

Name: _____ Phone: _____ Email: _____

HAZARDOUS MATERIALS

Will there be any portable heaters?? Yes No

Will there be any deep fat fryers?? Yes No

Will the event have any hazardous materials such as propane, butane, gasoline, diesel tanks, helium cylinders or other upright tanks? Yes No

If yes, all tanks must be secured in a manner to prevent accidentally being knocked over. All helium tanks not being used shall have their caps in place.

Will there be any fireworks, lasers, torches, candles or pyrotechnics? Yes No

If yes, contact the Blowing Rock Fire & Rescue office at 828-548-2800 for more information.

VOICE/MUSIC AMPLIFICATION

Are there any musical entertainment features related to your event? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no proceed to next section)
If yes, state the number of bands and type of music: Number of bands: <u>1</u> Type(s) of music: <u>2-3 musicians playing bluegrass acoustic music or pre-recorded music from small speakers</u>
Will a portable or temporary stage be utilized? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes*, state the number of portable or temporary stages: <u>one</u> Will stage have canopy with frame that supports equipment (lighting, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes* state the size of canopy: _____
Provide contact information for contractor providing stage: Name: <u>Boone Rent All</u> Phone: _____ Email: _____
Will your event use amplified sound? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please indicate times: Start time: <u>9:30am</u> Finish time: <u>11:00am</u>

ALCOHOL

Will alcoholic beverages be served? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If yes, NC ABC permit required)
Will alcoholic beverages be sold? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If yes, NC ABC permit required)
What type of alcohol will be served? <input checked="" type="checkbox"/> Draft Beer <input type="checkbox"/> Can/Bottle Beer <input type="checkbox"/> Wine <input type="checkbox"/> Liquor
Who will be serving the alcohol? <u>Event volunteers over the age of 21</u>
Times for alcohol to be served: <u>10:00 - 11:00 am</u>
Locations within event site where alcohol will be served: <u>From a table on Davant Field</u>
Have you applied for a North Carolina temporary ABC permit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MECHANICAL RIDES

Does the event include mechanical rides, or other similar attractions? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please describe attractions: _____
<i>Applicants contracting with amusement ride companies are required to provide the Town of Blowing Rock with a certificate of insurance, naming applicant and the Town of Blowing Rock (if applicable) as additional insured on general liability.</i>

VENDORS

PLEASE ATTACH COMPLETE LIST OF VENDORS IF ON PUBLIC PROPERTY.

Does the event include food vendors? Yes No

If the event will have food vendors, please check the following that apply:

Served Sold Free Catered Prepared Outdoors

Does the event include food concession and/or cooking areas? Yes No

If yes, please list each vendor and specify cooking method (Gas, Electric, Charcoal, Other)

(Use additional sheet if necessary)

VENDOR	COOKING METHOD	FOOD ITEM

Fire Code requires a fire extinguisher at each cooking location. Event organizers are responsible for arranging health inspections for their events.

EVENT SCHEDULE

Provide a detailed schedule of the event including dates and times for entertainment, activities, hours of event, start time, finish time, etc. If the event requires an extended time frame for set-up, include details with a timeline listing the times and locations where streets or public property will be impacted and when dismantling will be completed. (Use additional sheet of paper if necessary)

DATE	TIME	ACTION	ADDITIONAL NOTES
10/23	8:00am	Set up: timing station, tables, stage	
10/23	9:00am	First runners arrive in BR at intersection of Shulls Mill and Hwy 221	
10/23	9:30am	First runners arrive at Davant Field	
10/23	9:30am	Acoustic music or pre-recorded sound to start	
10/23	10:45am	Award's ceremony	
10/23	11:15am	Clean up and participants leave	
10/23	11:45am	Clean up complete, inspection	

TOWN SERVICES

The Town of Blowing Rock does not provide amenities such as portable washrooms, sound systems, tables, chairs, tents, canopies or other equipment.

TRASH AND RECYCLING PLAN

In order to determine what types of containers are needed for the event, please answer the following questions: Are you requesting trash/recycle bins from the town?(Additional Fee Will Be Required) Yes / No

How many trash bins are you requesting for trash? ^{No} _____

How many recycle bins are you requesting? _____

Date and Time for trash or recycling bins to be emptied\picked up: _____

Delivery Location? _____

_ Applicants are responsible for cleaning and restoring the site after the event. The cost of any employee overtime incurred because of an applicant's failure to clean and/or restore the site following the event will be paid for by the applicant. If you reasonably believe that no litter will be generated during your event, please state this in your plan.

PUBLIC PROPERTY CLEAN-UP

Contracted personnel or volunteers may be used if indicated below. What is the clean-up plan for the event? Volunteers will clean up all areas of event

If town personnel are needed to assist with event site clean-up the applicant will be required to hire off Duty personnel.

If needed, please list preferred Date & Time for clean-up staff to arrive: _____

Will any of the following services be used for the event:

- Water Service Portable Toilet Services
 Wastewater Service Public Restrooms Public Electric Power

SAFETY AND SECURITY (CHECK TYPES OF SECURITY USED)

- Beer/Alcohol Security Stage Security Event Area Security Gate Security
 Road Closure Security Money Handling Security Other _____
 Overnight Security From _____: _____ To _____: _____

Dates & Times security will be on site: _____

Security provided by: _____ Number of Security Personnel: _____

Applicant may be required to hire sworn off-duty Town of Blowing Rock police officers to provide security to insure public safety. The Blowing Rock Police Department will determine the number of security personnel required on site.

WALK, RUN, CYCLE EVENTS ON PUBLIC ROADWAYS

Number of participants expected: 225-300 of participants expected under 18: 3%

*Must be at least 100 participants and no more than 2,000 per route.

Number of volunteers expected: 50 % of volunteers expected under 18: 5%

ADDITIONAL GUIDELINES AND REQUIREMENTS

Please initial all guidelines below and provide the information requested at the time the application is submitted.

Must use a pre-approved route from the Town/NCDOT and/or pre-approved neighborhood route and/or track or one of the options not on roadways that are available at a park. MSH

Must include a certificate of liability insurance for walk, run, and/or cycle event if the start/finish are on public property. MSH

Must include a plan for volunteers for events with an anticipated attendance of 100 participants or more (how many, their duties). MSH

Must include a parking plan for participants and volunteers (can be included in site plan). MSH

The provision of twenty foot (20') minimum emergency access lanes throughout the event site. MSH

Temporary signs may be used to mark a course. No markings of any kind (permanent or temporary) are allowed on roadways, sidewalks, or parking lots. MSH

Any unauthorized traffic control device or other sign or message placed on the highway right-of-way by a private organization or individual constitutes a public nuisance and should be removed. Any violations of this policy will result in disapproval of future event(s). MSH

Do not assume, advertise, or promote your event until you have a signed permit from the Blowing Rock Police Department, along with permission from town staff and Blowing Rock Town Council. Conflicts do arise and changes to the request may be necessary. MSH

Organizers to make sure race starts at the time approved on the application. Any deviated start times shall be requested no later than 30 days prior to the event. A deviated time request cannot be guaranteed approval. MSH

Event organizers to assist in enforcing safe roadway rules. MSH

Event volunteers standing throughout the course to direct as well as instruct participants to stay out of the roadway. MSH

Cancellation of any event must be in writing/email to the permit center no later than 30 days prior to the scheduled date of the event. MSH

A VIOLATION OF ANY GUIDELINE REQUIREMENT COULD RESULT IN THE DENIAL OF FUTURE EVENTS. MSH

SITE PLAN

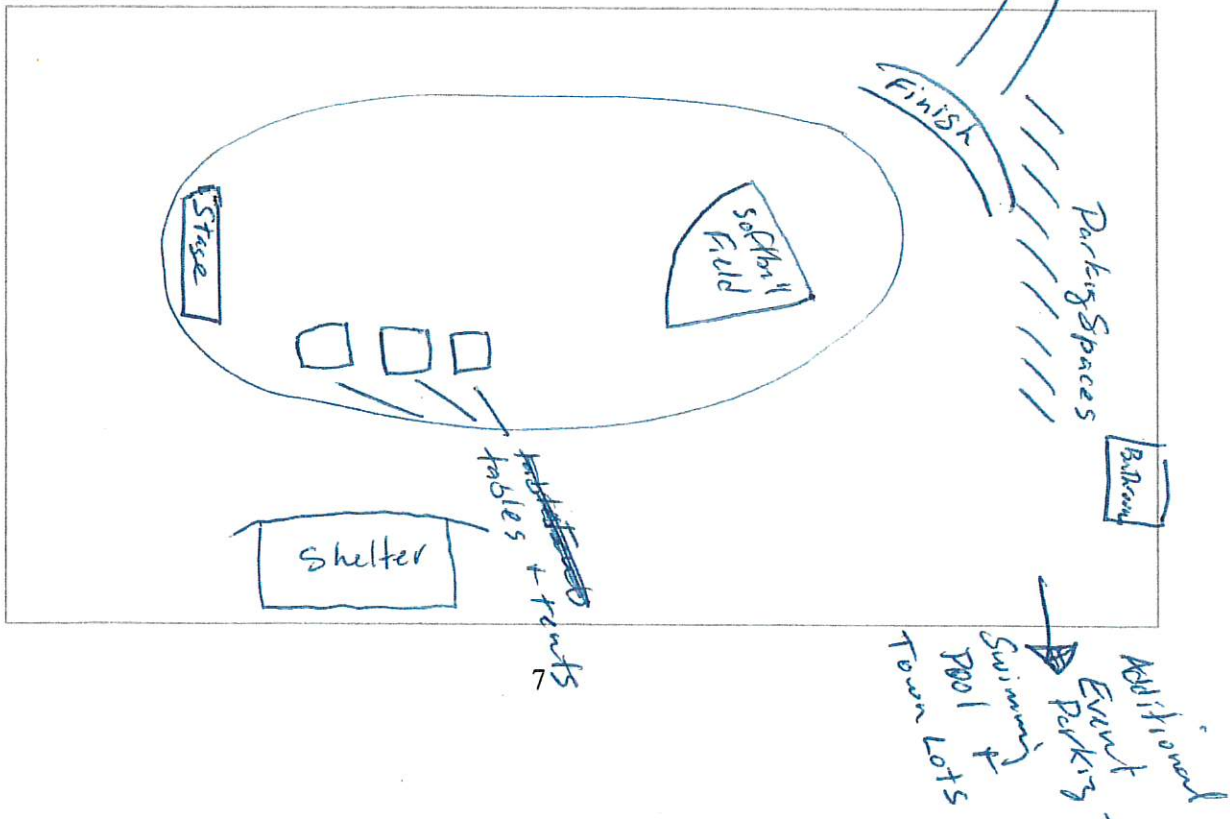
Provide a detailed Site-Plan sketch of the event. Include maps, outline or diagram of the entire event venue including the names of all streets or areas that are part of the venue and the surrounding area. The plan should include the following information (if applicable):

- Location of the event/activity on the property with approximate distances from roads, fire hydrants, existing buildings, etc.
- Location of temporary structures that will be used during the event. Must indicate size of temporary structures, distances between temporary structures and existing buildings.
- Identify how each temporary structure will be used. Example: type of vendor, food preparation, alcohol sales, etc.
- Identify location of all cooking devices and open flames.
- Location of all fencing, barricades, or other restrictions that will impair access to and from the event or property.
- Identify all designated parking areas.
- Identify location of any generators and fuel storage.

SITE PLAN SKETCH

Please provide a site plan and describe details here.

Davant Field



ATTACHMENT CHECKLIST

In addition to the Special Event Application form, the following supporting documents are required to complete your application package and begin the review process:

All Events:

- Site Plan Sketch
- Parking Plan for participants and volunteers (May be included in site plan)
- Volunteer Plan for events with an anticipated attendance of 100 participants or more (how many, their duties)

All Public Property Events:

- Certificate of Insurance listing the Town of Blowing Rock as certificate holder and additional insured.

Public Property Event at a Public Park:

- Email from the Parks and Recreation Director indicating approval of the event date. Parks and Recreation Director may be reached at (828) 295-5222 or jbrown@tobr.us.

Waiver Request:

- I am requesting a waiver from the Section which prohibits animals from special events on town property. I have included the required safety plan with the application.

USE OF PUBLIC PLACES

**** THIS SECTION IS ONLY TO BE COMPLETED IF REQUESTING TO HOLD AN EVENT IN PUBLIC PLACES AND PARKS ****

RULES REGULATING THE USE OF PUBLIC PLACES AND PARKS FOR SPECIAL EVENTS

- The Town Council reserves the right to reject any application as to the use of any area for any special event. If the Town Council learns that the event or vendors participating were misrepresented to the Town Council or that the event in any way fails to comply with the rules regulating the use of public places or fails to comply with any applicable local, state, or federal laws, it reserves the right to rescind any approved application up to and during the course of the event. In the case of a special event being held at a Town-owned facility for which a rental fee is usually charged, the normal rental fee shall be charged to the applicant unless the Town Council waives such rental.
- Application must be filed in the Parks & Recreation Office at least ninety (90) days prior to the time that the applicant desires to first take possession of the area to make preparations for the special event. The applicant for a special event must be a non-profit organization, organized and existing for the purpose of either some charitable or public benefit or for the promotion of business in the area of Blowing Rock. In addition, said non-profit organization may at the request of the Council be required to produce evidence of their non-profit corporation status as defined by state and federal laws. In addition, procedures to be used for selecting participants and vendors must be included with the application.
- The applicant shall provide to the Parks & Recreation Director at least two (2) weeks prior to the beginning of the public participation in the special event a list of all of the vendors or others having booths or display tables during the special event. No other persons may sell merchandise or operate any booth or display tables during the special event, unless the applicant, in writing, requests the Town Manager to amend such list accordingly and permission is granted.
- No motor vehicles or other large equipment or manufactured items or livestock will be permitted within the area unless they are clearly identified and described and the proposed location is stated in the application and specific approval is given.
- The size, type of construction and location of display tables and booths must be described generally in the application; all construction must be safe and self-sustaining; no spikes or other holding devices may be driven into the ground of any street, sidewalk or tied to any tree.
- When food preparation, painting and/or pottery making activities or similar activities are held, appropriate protective materials must be placed over any paved or brick areas for protection.

- No tents may be placed in the area without being described and exhibited to the Fire Prevention Inspectors of the Blowing Rock Fire & Rescue Department and special approval by the Town Council.
- Public address systems can be used only if specifically requested in the application and special permission given, including limitations as to use.
- Sufficient portable toilets shall be provided for the expected number of participants.
- A first-aid station shall be provided, staffed by competent Emergency Medical Technicians, unless a waiver is requested and granted by the Town.
- The applicant shall be responsible for providing trash receptacles of the number and size as the town shall require in order to eliminate litter.
- If the applicant desires to sell alcoholic beverages, it shall specifically so state in its application and shall provide a sketch of the area where the same will be sold and consumed. The area shall be delineated by barricades, with the entrance to be clearly marked and so constructed as to allow ready control of patrons, including viewing of identification to avoid underage persons being within the barricaded area. Signs shall be posted stating that no one shall leave the barricaded area with alcoholic beverages.
- Application must be made to proper State authorities for special permit for sale of alcoholic beverages. Special permit shall be available for inspection by the Town at any time.
- The applicant shall assume full liability for all accidents or claims of accidents as a result of activities taking place at the special event and during the time the area is being readied for the event and while it is being cleaned up following the event. A copy of the insurance policy must be submitted to the Town Manager's office prior to the event. The policy is to be one of comprehensive general liability in the amount of not less than Three Hundred Thousand Dollars (\$300,000.00) for bodily injury per person and One Million Dollars (\$1,000,000.00) per occurrence and not less than One Hundred Thousand Dollars (100,000.00) for property damage per occurrence.
- The applicant will be responsible for the security or protection of any articles, items, merchandise, display tables, booths or other property owned by the applicant or others participating in the special event.
- Applicants must obtain any special use permits required by the Blowing Rock Fire Inspector, must comply with all applicable provisions of the North Carolina Fire Code and must at all times insure that all fire lanes in the area to be used remain unobstructed.
- Applicants must comply with all applicable Health Department regulations pertaining to the scheduled event.
- Applicants must comply with the requirements of the Blowing Rock Sign Ordinance.
- Applications must comply with any and all local, state, and federal laws pertaining to equal opportunity and should make every effort to make events accessible to the disabled public. In addition, applicants shall not deny access or a vendor's booth to any group based on national origin, race, religion, age, sex, or disability.

High Country Triple Crown/ASU

NAME OF NON-PROFIT ORGANIZATION

BRIEFLY DESCRIBE THE PURPOSE OF THE NON-PROFIT ORGANIZATION:

The High Country Triple Crown is the premier competitive running race series in the Blue Ridge Mountains of North Carolina and consists of The Cub, The High Country Half Marathon and The Knob. All proceeds from the High Country Triple Crown race series ar

LIST ORGANIZATIONS OFFICERS:

Mary Sheryl Horine

828-262-7557

TELEPHONE

Carol Cook

828-262-7674

TELEPHONE

Sarah Garvic

336-716-4356

TELEPHONE

CHAIRPERSON OF THE SPECIAL EVENT:

Mary Sheryl Horine

828-262-7557

NAME

TELEPHONE

ASU Box 32102 Boone, NC 28608

ADDRESS

The undersigned Applicant is aware of the rules regulating the use of public places and parks for special events, and will abide with the same; and further understands that the Town of Blowing Rock will not be responsible for the security or protection of any articles, items, merchandise, display tables, booths or other property owned by the applicant or others participating in the special event. The undersigned Applicant agrees to reimburse the Town of Blowing Rock for the additional cost of providing police department and/or fire department personnel to supervise the event, including services rendered both before, during and after the event itself, to ensure the compliance with all laws and ordinance, to direct traffic and to promote the safety and welfare of participants and other citizens.

3/22/21

Date

MSH

President

High Country Triple Crown/ASU

Non-Profit Organization

Approved by:

TOWN MANAGER

DATE

DATE APPROVED BY BLOWING ROCK TOWN COUNCIL:

Pending - needs to be reviewed by ASU Legal Dept. and signed by Chancellor/Provost.

NORTH CAROLINA

RELEASE AND INDEMNITY AGREEMENT

WATAUGA COUNTY

THIS RELEASE AND INDEMNITY AGREEMENT, entered into by **THE TOWN OF BLOWING ROCK**, a North Carolina Municipal Corporation, party of the first part, and the _____, a non-profit organization with its principal place of operation being _____ County, North Carolina, party of the second part:

WITNESSETH

WHEREAS, the party of the first part is desirous of allowing the party of the second part to conduct a special event within the Town Limits of Blowing Rock, North Carolina, pursuant to the Blowing Rock Town Code; and

WHEREAS, the party of the second part is desirous of conducting a special event within the Town Limits of Blowing Rock, North Carolina; and

WHEREAS, to this end, said party of the second part has heretofore filed with the Town of Blowing Rock an application for approval of said event, and wishes to enter into this Release and Indemnity Agreement pursuant to the Blowing Rock Town Code and the administrative rules of the Town of Blowing Rock;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and for other good and sufficient consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. That the party of the second part hereby completely and unequivocally releases the party of the first part, the officials of the party of the first part, and all employees of said party of the first part, and their families, from any and all claims, damages, injuries or rights of action which the party of the second part may incur by reason of the special event being conducted by the party of the second part.
2. That the party of the second part hereby agrees to indemnify and hold harmless the party of the first part for any liability, injury or claim which may arise to the benefit of the party of the second part as a result of the special event being conducted by the party of the second part.
3. That the parties to this Release and Indemnity Agreement stipulate and acknowledge that there exists sufficient consideration for the execution of this instrument.

This the _____ day of _____, 20_____.

President

Witness

Additional Info and Attachments

Parking Plan: Most participants of the High Country Half Marathon will park at the starting line in Boone. We will run continuous shuttles back and forth between Blowing Rock and Boone to get participants back to their cars. We will instruct volunteers to park in any of the town lots.

Volunteer Plan: We will station volunteers at all turns of the race. Other volunteers will be positioned at the following locations at Davant Park:

Race finish – timers, medalers (6 people)

Hospitality – water, nutrition (3 people)

Beer table – check IDs, pour beer (12 oz max/participant) (3 people)

First Aid- roaming and EMS (3 people)

Set Up/Clean Up (10 people)

Awards ceremony – prizes and awards, announcements (4 people)

Public Safety Support: Traditionally public safety officers have been on hand to assist with the flow of traffic at the busy intersection of Shull's Mill Road and Highway 221 (9:00am – 10:00am) when the bulk of the runners are coming into Blowing Rock. We will also station volunteers at this intersection in case of short staffing or other emergencies that may arise.

Public Health Covid Modifications (if necessary): please see attached



High Country Triple Crown Public Health Modifications:

- 1. Start Lines and Timing.** In order to reduce crowding, runners will be sorted into starting groups categorized by estimated time of finish. Faster runners will start in the first group so that they will likely not have to pass other runners. Groups (waves) will be comprised of 25 runners each. Each wave will start five minutes after the previous wave.

Timing adjustments to each runner's clocked finish time will be made following the race.

To further space runners, the starting line will be as wide as possible to be able to spread runners out to the maximum width of the road. Starting locations will be marked on the pavement to ensure that each runner has a dedicated spot within their starting group.

2. Event Areas:

Registration

- No in-person registration will be offered, however online registration will remain open until 7:30am on race day to allow participants to register on their own smartphones.
- Information about race day registration remaining open will be shared on social media to encourage runners to register before they arrive.
- Signage will be posted for online registration instructions to let people know how to register on their phone.
- A dedicated volunteer who is familiar with the process of registering online via phone will be available to answer questions.

Packet Pick-up for Pre-registered Participants

- Packet pick-up (bibs and t-shirts) for pre-registered runners will be self-service -- no interaction with staff. Staff will be available to answer questions during packet pick-up.
- Ground dots will indicate 6 ft. spacing for people waiting in line.
- Additional packet pick-up times will be scheduled to decrease the number of participants having to wait in line.
- Packet pick-up will be held in an outside location.

(Post-race)

Food

- Following the race, participants will be able to “grab and go” pre-packaged granola bars, candy bars and whole fruit with peels.
- Pre-poured water in individual cups will be available.

Awards and Results

- Participants will be emailed as soon as possible following the race with the race results.
- To lessen crowding, results will not be physically posted.
- No award’s ceremony will be held.
- All awards will be mailed or available for pick-up at Levine Hall.

Finish Line Flow

- Runners will be encouraged to keep moving away from the finish line towards water and food which will be staged in a distant location.
- Barriers will be used to widen the finish area into a larger space. Volunteers will encourage participants to keep moving out of the finish area.
- Multiple stations for food and water will limit the gathering of people around one station.
- The race announcer will be distanced from the immediate finish-area.

3. Liability Waiver

Update to the existing liability waiver will include language specifically addressing health guidelines for participating in events. *to be approved by ASU Legal Office*

“As it applies to my participation in this race, I agree to abide by the Center for Disease Control (CDC)'s recommendations for the prevention of the spread of COVID-19 and attest to having read the CDC's guidance at: <https://www.cdc.gov/coronavirus/2019-ncov/prepare/prevention.html>.

I also agree to abide by any COVID-19 distancing and other safety guidelines issued by the state, the community or by this race for my participation in this race.

I attest that I have not been exposed to a person with lab-confirmed SARS-CoV-2 in the last 14 days and that I do not currently have a fever or a upper-respiratory infection. ”

4. Porta-Potties/bathrooms

- The number of porta-potties will be increased to lessen the number of people waiting.
- Each porta-potty will have plenty of hand-sanitizer.
- Volunteers will be assigned to do frequent quick cleanings.

5. On-course Water stops

- Runners will be encouraged to bring their own hydration supplies.
- Course marshals will have supplies of bottled water with them for emergencies.
- There will be three water stops with no attendants.
- Each water stop will have pre-filled cups of water on tables adequately spaced to prevent crowding.

6. Masks, health screenings and vaccination

- Participants will be asked to wear face coverings during any time they are in transition areas before and after their runs.
- Facemasks will be available to hand out to participants, volunteers and spectators.
- Participants will be required to sign the informed consent document attesting that they do not have a fever on race day and that they have not had a known exposure to SARS-CoV-2.
- All registrants will be encouraged to only register if they have received appropriate Covid vaccination(s) following CDC recommendations at the time of the race.

7. Communication

- Communication with registrants will happen as they register to let them know about health guidelines. Individuals who are SARS-CoV-2 positive, or experiencing symptoms, or a close contact of a case, will be told not to come and that their registration fee will be refunded.
- Written guidance will be shared with participants about how to run and train safely during a pandemic. <https://www.rrca.org/news-articles/news-archives/2020/03/15/advice-for-rrca-members-running-coaches-and-club-leaders>
- Reminders will be sent to participants to take responsibility for their own personal safety.



RISK MANAGEMENT DIVISION

Wayne Goodwin | Commission of Insurance

Tim Bradley | Assistant State Fire Marshal

CERTIFICATE OF COVERAGE

CERTIFICATE HOLDER: United States of America

Insurer: State of North Carolina

Authorization: Public Officers & Employee Liability Insurance Commission of North Carolina and the General Statutes of North Carolina, Sections §143-291 to §143-305.

http://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_143/Article_31.html

http://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_143/Article_31A.html

Period: Good until Cancelled (ASU shall notify Certificate Holder of any changes in its' self-insured status)

Coverage: A) Tort Claims against Departments, Agencies
B) Liability for State Employees

Limits A) \$1,000,000 for Tort claims against the State
B) \$1,000,000 for claims against state employees

Description: Appalachian State University – Proposals and permits for High Country Triple Crown and Girls on the Run of the High Country, Institute for Health and Human Services.

Administrator: Department Insurance - Risk Management Division
Public Officers & Employees Liability Insurance Commission
1202 Mail Service Center, Raleigh, NC 27699-1202

Note: This Certificate is for informational purposes only and does not alter any provision of the Tort Claims or Defense of State Employees General Statutes of the State.

Verified By:

Joseph D. Rippard, CPCU
Risk Manager

ASU-High Country Triple Crown

1202 Mail Service Center|Raleigh NC 27699-1202|919/661-5880 x234/ Fax 919/662-4416

TO: Mayor Charlie Sellers and the Blowing Rock Town Council

FROM: Kevin Rothrock, Planning Director

SUBJECT: 321 Visioning – Code Amendments – Phase 1 (Ord No. 2021-05)

DATE: April 6, 2021

In 2019, the Town Council established an Ad Hoc Committee to study Valley Blvd for past development patterns and to work toward a desired vision for the corridor. Benchmark Planning was hired to assist the public involvement process and a Valley Boulevard Study was completed by January 2020. The Study identified 19 Implementation Strategies consisting of 11 Design Modifications (DSR), 2 Procedural Modifications (PM), 1 Permitted Use Modification (PU), and 5 Supplementary Recommendations (SR) to help achieve the Vision for Valley Boulevard.

The Planning Board created a Valley Blvd subcommittee to dig deeper into the implementation strategies and how they could be codified in the Land Use Ordinance if needed to support the Vision.

The entire Planning Board reviewed the proposed updates from the Valley Blvd subcommittee at their December 2020 meeting and forwarded the draft recommendations to Council at the 2021 Retreat. In March, the Planning Board approved the final draft ordinance (Ord No. 2021-05) which is attached for review and consideration.

- The draft ordinance reduces the maximum building height in General Business zoning district from 50 feet to 35 feet with the standard 20-foot street setback and 8-foot side setback. Building height may go up to 50 feet with a 40-foot street setback and 16-foot side setback.
- The draft ordinance removes brick as an available building material but still allows stucco to be used on the sides of buildings not facing a street.
- Some permissive language has been removed from the landscaping section of the commercial design standards.
- Four (4) colors have been removed from the approved colors list.

A clean version of the draft ordinance changes has also been attached for information.

ORDINANCE NO. 2021-05

AN ORDINANCE TO AMEND CHAPTER 16 OF THE TOWN CODE PURSUANT TO THE 321/VALLEY BLVD VISIONING RECOMMENDATIONS

WHEREAS, in 2019, the Town of Blowing Rock created an ad hoc committee to focus on creating a vision for Hwy 321 (Valley Blvd);

WHEREAS, creating a vision for Hwy 321 involved public participation through workshops facilitated by Benchmark Planning consultants; and

WHEREAS, the Valley Boulevard Study was completed in 2020 with several implementation strategies to address land uses, commercial design, setbacks, landscaping and beautification; and

WHEREAS, the Planning Board created a subcommittee for detailed study and analysis of the implementation strategies; and

WHEREAS, the Planning Board subcommittee provided Land Use Code amendments consistent with their review to the property owners along Valley Blvd through individual meetings as requested;

WHEREAS, the Planning Board subcommittee provided Land Use Code amendments consistent with their review to the full Planning Board for review and recommendation on March 18, 2021;

WHEREAS, this proposed ordinance and the amendments herein, are consistent with the 2014 Comprehensive Plan; and

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Blowing Rock, North Carolina, that:

Section 1. Chapter 16, Article XXI of the Town Code is hereby revised to read as follows:

“Section 16-21.4 Exterior Walls and Facades of Commercial Buildings. The exterior walls of commercial buildings shall be designed to reflect, enhance, and promote the desired image of a “mountain village”. Historic structures and other buildings in the Blowing Rock area that provide important examples of the “mountain village” image are contained in Appendix F. The examples that are contained in Appendix F shall be used as a guide for building design.

16-21.4.1 Exterior building materials that are used on each building elevation that is adjacent to a street, whether public or private, shall be natural stone found in the area, or equivalent cultured stone products, ~~brick of a color and texture as manufactured in the southeast United States~~, natural wood siding, or other equivalent materials that are

specifically approved by the Planning Board and/or the Town Council, as the case may be.

16-21.4.2 Exterior building materials that are used on other elevations of the building may include, in addition to the ~~stone, brick, or natural wood siding materials~~ specified in subparagraph 4.1 B above, stucco in warm color tints, architectural or textured block, or other equivalent materials that are specifically approved by the Planning Board and/or the Town Council, as the case may be. ~~In the Town Center and Central Business Districts, stucco and architectural or textured block may not be used to cover or replace old historic brick on existing buildings, and the use of stucco and architectural block shall be minimized on new buildings.~~

16-21.4.3 All elevations of a building's exterior design shall be coordinated with regard to color, materials, architectural form, and detailing. The design of a building must wrap around the sides to present a continuity of design on all exposed sides. No more than ~~two~~ three primary building materials may be used on any building side. The use of different primary materials on the sides of a building from those that are used on the building facade shall be discouraged.

16-21.4.4 Except to the extent prohibited by the State building codes, the wall area on the first floor of a building fronting a street shall have the following percentage of windows and doors:

- a) At least 30 percent windows and doors within the General Business District
- b) At least 50 percent windows and doors within the Town Center and Central Business Districts.

16-21.4.5 The building shall be oriented so that a principal or primary facade faces each street on which the building fronts. The design of the principal or primary facade shall enhance the pedestrian environment by the use of such architectural elements as doorways, dormers, gables, porches, columns, and cornices. Upper story features such as balconies, mezzanines, and atriums, shall be encouraged provided that they are in proportion to the scale of the rest of the building.

16-21.4.6 Special attention shall be given to the design of windows. Reflective glass and band windows are prohibited. Windows shall not be flush with the building facade or shall otherwise add variety to the streetscape."

Section 2. Chapter 16, Article XII of the Town Code is hereby amended to read as follows.

“Section 16-12.6.7 Building Height Limitations. Subject to the remaining provisions of this section, the height of a building or structure in any residential district (R-15, R-10, R-6, or RMH), may not exceed 35 feet. Similarly, the eave height of a building or structure in the R-A district or any non-residential district (GB, HMC, HSG, OI, or PGS) may not exceed 35 feet and the overall height of the building or structure shall not exceed 50 feet.

In the General Business District, the overall height of the building or structure shall not exceed 35 feet if the building meets the standard 20-foot street setback and 8-foot side and rear setbacks. The overall building height may be increased to 50 feet if the building meets a street setback of 40 feet and side and rear setbacks of 16 feet.”

Section 3. Chapter 16, Article XXI of the Town Code is hereby amended to read as follows:

“Section 16-21.9 General Landscaping. ~~Natural appearing landscape forms are strongly encouraged.~~ Landscaping shall be required between a building and the adjacent sidewalk, parking lot, and driveway. The scale of the proposed landscaping shall be in proportion to the building.

16-21.9.1 All pruning ~~should~~ shall be done in accordance with standard horticultural practice to preserve the natural character of the plant.”

Section 4. The Town’s approved commercial color chart shall be amended by removing the following four (4) Benjamin Moore paint colors, and other paint brand equivalent colors from the approved chart:



Section 5. Severability; Conflict of Laws. If this ordinance or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given separate effect and to that end, the provisions of this ordinance are declared to be severable. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

Section 6. Effective Date. This ordinance shall be effective upon adoption.

Adopted this the ____ day of _____, 2021

Charlie Sellers, Mayor

ATTEST: _____
Hilari H. Hubner, Town Clerk

**Final Clean Draft of Proposed Text
321 Visioning Code Amendments – Phase 1**

Building Materials:

Section 16-21.4 Exterior Walls and Facades of Commercial Buildings. The exterior walls of commercial buildings shall be designed to reflect, enhance, and promote the desired image of a “mountain village”. Historic structures and other buildings in the Blowing Rock area that provide important examples of the “mountain village” image are contained in Appendix F. The examples that are contained in Appendix F shall be used as a guide for building design.

16-21.4.1 Exterior building materials that are used on each building elevation that is adjacent to a street, whether public or private, shall be natural stone found in the area, or equivalent cultured stone products, natural wood siding, or other equivalent materials that are specifically approved by the Planning Board and/or the Town Council, as the case may be.

16-21.4.2 Exterior building materials that are used on other elevations of the building may include, in addition to the materials specified in subparagraph 4.1 above, stucco, or other equivalent materials that are specifically approved by the Planning Board and/or the Town Council, as the case may be. Stucco may not be used to cover or replace old historic brick on existing buildings.

16-21.4.3 All elevations of a building’s exterior design shall be coordinated with regard to color, materials, architectural form, and detailing. The design of a building must wrap around the sides to present a continuity of design on all exposed sides. No more than three primary building materials may be used on any building side. The use of different primary materials on the sides of a building from those that are used on the building facade shall be discouraged.

16-21.4.4 Except to the extent prohibited by the State building codes, the wall area on the first floor of a building fronting a street shall have the following percentage of windows and doors:

- a) At least 30 percent windows and doors within the General Business District
- b) At least 50 percent windows and doors within the Town Center and Central Business Districts.

16-21.4.5 The building shall be oriented so that a principal or primary facade faces each street on which the building fronts. The design of the principal or primary facade shall enhance the pedestrian environment by the use of such architectural elements as doorways, dormers, gables, porches, columns, and cornices. Upper story features such as balconies, mezzanines, and atriums, shall be encouraged provided that they are in proportion to the scale of the rest of the building.

16-21.4.6 Special attention shall be given to the design of windows. Reflective glass and band windows are prohibited. Windows shall not be flush with the building facade or shall otherwise add variety to the streetscape.

Building Height and Setbacks for GB:

Section 16-12.6.7 Building Height Limitations. Subject to the remaining provisions of this section, the height of a building or structure in any residential district (R-15, R-10, R-6, or RMH), may not exceed 35 feet. Similarly, the eave height of a building or structure in the R-A district or any non-residential district (HMC, HSG, OI, or PGS) may not exceed 35 feet and the overall height of the building or structure shall not exceed 50 feet.

In the General Business District, the overall height of the building or structure shall not exceed 35 feet if the building meets the standard 20-foot street setback and 8-foot side and rear setbacks. The overall building height may be increased to 50 feet if the building meets a street setback of 40 feet and side and rear setbacks of 16 feet.

General Landscaping:

Section 16-21.9 General Landscaping. Landscaping shall be required between a building and the adjacent sidewalk, parking lot, and driveway. The scale of the proposed landscaping shall be in proportion to the building.

16-21.9.1 All pruning shall be done in accordance with standard horticultural practice to preserve the natural character of the plant.