



**May 13, 2024**  
 Stallings Government Center  
 321 Stallings Road  
 Stallings, NC 28104  
 704-821-8557  
[www.stallingsnc.org](http://www.stallingsnc.org)

## Town Council Agenda

	Time	Item	Presenter	Action Requested/Next Step
	7:00 p.m.	<b>Invocation</b> <b>Pledge of Allegiance</b> <b>Call the Meeting to Order</b>	Wyatt Dunn, Mayor	NA
	7:05 p.m.	<b>Public Comment</b>	Wyatt Dunn, Mayor	NA
1.	7:15 p.m.	<b>Consent Agenda</b> <b>A. Minutes from the following meetings:</b> (1) 04-08-2024 (2) 04-22-2024 <b>B. FY25 Audit Contract</b> <b>C. Amended Budget Ordinances</b> (1) #15 – PD Back to School Bash (2) #16 –GASB 96 <b>D. Historical Markers Wording</b> (1) Stallings Municipal Park (2) Sustar School	Wyatt Dunn, Mayor	Approve Consent Agenda
2.	7:17 p.m.	<b>Reports</b> <b>A. Report from Mayor</b> <b>B. Report from Council Members/Town Committees</b> <b>C. Report from Town Manager/Town Departments</b>	Council and Staff	NA
3.	7:45 p.m.	<b>Agenda Approval</b>	Wyatt Dunn, Mayor	Approve agenda as written
4.	7:50 p.m.	<b>TX24.03.01 (Continuation from 04-22-2024)</b> <b>A. Text Amendment request for Production of Novel Oral Nicotine Delivery Products as a listed use (L) in Table 8.1 – Table of Uses in the Development Ordinance.</b> (1) Re-Open Public Hearing (2) Information from Staff (3) Public Hearing (4) Close Public Hearing (5) Council Vote <b>B. Statement of Consistency and Reasonableness</b>	Max Hsiang, Planning Director	Approve/Deny text amendment
5.	8:00 p.m.	<b>Pavement Preservation Contract</b>	Kevin Parker, Engineering Dir.	Approve/Deny contract

6.	8:10 p.m.	<b>Engineering Items</b> <b>A. Landscaping Contracts</b> <b>(1) Public Works</b> <b>(2) Parks and Recreation</b> <b>B. Town Bidding Policy vs. State Statute Bidding Requirements</b>	Kevin Parker, Engineering Dir.  Eunice Donnelly, Parks & Rec. Dir.	Approve/Deny contract  Discussion and possible action on bidding policy
7.	8:20 p.m.	<b>Coffee with the Council (<i>Scholl</i>)</b>	David Scholl, Mayor Pro Tem	Discussion and possible action
8.	8:30 p.m.	<b>Closed Session Pursuant to 143-318.11(a)(6)</b>	Wyatt Dunn, Mayor	Recess into closed session
9.	8:50 p.m.	<b>Adjournment</b>	Wyatt Dunn, Mayor	Motion to adjourn

**MINUTES OF TOWN COUNCIL MEETING  
OF THE  
TOWN OF STALLINGS, NORTH CAROLINA**

The Town Council of the Town of Stallings met for its regular meeting on April 8, 2024, at 7:00 p.m. at the Stallings Government Center, 321 Stallings Road, Stallings, North Carolina.

Those present were: Mayor Wyatt Dunn; Mayor Pro Tempore David Scholl; Council Members Steven Ayers, Graham Hall, Brad Richardson and Laurie Wojtowicz.

Those absent were: Council Member Taylor-Rae Drake.

Staff present were: Alex Sewell, Town Manager; Erinn Nichols, Assistant Town Manager/Town Clerk; Chief Dennis Franks; Max Hsiang, Planning Director; Kevin Parker, Town Engineer; Jessica Williams, Finance Officer; and Melanie Cox, Town Attorney.

Invocation, Pledge of Allegiance and meeting called to order

Mayor Wyatt Dunn welcomed everyone to the meeting and Council Member Richardson delivered the invocation. Mayor Dunn then led the Pledge of Allegiance and called the meeting to order.

Public Comments

No one was present who wished to give public comment.

1. Consent Agenda

A. Minutes from the following meetings:

- (1) 02-26-2024
- (2) 03-11-2024 – special
- (3) 03-11-2024
- (4) 03-11-2024 – closed
- (5) 03-25-2024
- (6) Stallings District S – 03-25-2024

Council Member Scholl made the motion to approve the Consent Agenda as presented. The motion was seconded by Council Member Hall and passed unanimously by Council.

2. Reports

Mayor Dunn reported that he attended the historical marker unveiling at the Divide Golf Course earlier that evening.

Council Members Hall and Wojtowicz had no reports.

Council Member Ayers reported that WUMA would be in Stallings for the April meeting.

Council Members Scholl and Richardson had no reports.

Town Manager Sewell reported on the following:

- Chief Franks reported that the CALEA assessor would be onsite April 22-24.
- Engineering Director Parker updated the Council on the Town's sanitary sewer capacity options. The Town was hoping to obtain capacity through Charlotte Water and would plan on applying for that capacity in August 2024 when there would be more accurate information in regard to capacity needed.
- The Council was introduced to Jessie Williams, Finance Officer, who started with the Town that day.
- Potter/Pleasant Plains Intersection was on schedule and the contractor would be available to start June 1, 2024.

### 3. Agenda Approval

Council Member Richardson requested adding Agenda Item 3.A., *LOI for 2725 Old Monroe Road*.

Council Member Richardson made the motion to approve the Agenda with the changes above. The motion was seconded by Council Wojtowicz and passed unanimously.

Town Manager Sewell requested adding Agenda Item 6.A., *Powder Coating for Traffic Signals*.

Council Member Richardson made the motion to add Agenda Item 6.A., *Powder Coating for Traffic Signals* to the Agenda. The motion passed unanimously by Council after a second from Council Member Ayers.

### 3.A. Letters of Intent (LOI) for 2725 Old Monroe Road

Council Member Richardson recapped that the Town had received two LOIs – one from Hope Baptist Church and one from Armored Cow Brewery. The broker had made suggested changes.

Council Member Richardson made the motion to return the edited version of the LOIs back to the interested tenants for feedback. The motion was passed unanimously by the Council after the second from Council Member Scholl.

### 4. NCLM Voting Delegate Appointment

Council Member Richardson made a motion to appointment Council Member Scholl as the 2024 NCLM Voting Delegate. The motion was passed unanimously by Council after second from Council Member Hall.

### 5. Wesley Chapel Fire District

Town Manager Sewell explained Union County was requesting integration of three different fire service districts into one district. Stallings was involved because there was a tiny sliver of the proposed



one district in Stallings. The County was requesting the Town's approval for this integration. There would be no changes to rates or fees as the request was just for administrative purposes.

Council Member Wojtowicz made the motion to approve the *Resolution Consenting to Inclusion in the Wesley Chapel Fire and Rescue Service District*. Council unanimously passed the motion after a second from Council Member Hall. The *Resolution Consenting to Inclusion in the Wesley Chapel Fire and Rescue Service District* is attached to these minutes and therefore incorporated herein.

6. Lawyers Road Roundabout - Landscaping Addition (Hall)

Council Member Hall would like Town staff to speak with NCDOT about including vegetation in the Lawyers Road Roundabout and then allow the Town to maintain the landscaping. However, staff confirmed that the roundabout was a concrete roundabout.

6.A. Powder Coating for Traffic Signals

Town Engineer Kevin Parker reminded Council that it would cost \$3500 to powder coat all the mast arms for the Old Monroe/Stallings Potters Road intersection from NCDOT with current prices. A good estimate to use for future CIP increases was \$7000 on this project.

Council Member Scholl made the motion to approve the powder coating on the mast arms for the Old Monroe/Stallings Potters Road intersection for the amount of \$7000 and to have staff inform NCDOT that the Town would like to incorporate that into the bid package. Council Member Wojtowicz seconded the motion. The motion passed by a 4 to 1 vote with Council Member Hall opposing.

7. Adjournment

Council Member Richardson moved to adjourn the meeting, seconded by Council Member Hall, and the motion received unanimous support. The meeting was adjourned at 7:35 p.m.

Approved on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Wyatt Dunn, Mayor

\_\_\_\_\_  
Erinn E. Nichols, Town Clerk

Approved as to form:

\_\_\_\_\_  
Cox Law Firm, PLLC

**MINUTES OF TOWN COUNCIL MEETING  
OF THE  
TOWN OF STALLINGS, NORTH CAROLINA**

The Town Council of the Town of Stallings met for its regular meeting on April 22, 2024, at 7:00 p.m. at the Stallings Government Center, 321 Stallings Road, Stallings, North Carolina.

Those present were: Mayor Pro Tempore David Scholl; Council Members Steven Ayers, Taylor-Rae Drake, Graham Hall, Brad Richardson and Laurie Wojtowicz.

Those absent were: Mayor Wyatt Dunn.

Staff present were: Alex Sewell, Town Manager; Erinn Nichols, Assistant Town Manager/Town Clerk; Chief Dennis Franks; Max Hsiang, Planning Director; Kevin Parker, Town Engineer; Jessie Williams, Finance Officer; Karen Reid, Human Resources Officer; and Melanie Cox, Town Attorney.

Invocation, Pledge of Allegiance and meeting called to order

Mayor Pro Tem Scholl welcomed everyone to the meeting and Council Member Richardson delivered the invocation. Mayor Pro Tem Scholl then led the Pledge of Allegiance and called the meeting to order.

Public Comments

No one was present who wished to give public comments.

1. Consent Agenda

A. ARPA Quarterly Documents

Council Member Ayers made a motion to approve the Consent Agenda Items as presented. The motion was received unanimously by Council after a second by Council Member Richardson. The Amended Grant Project Ordinance for the Town of Stallings American Rescue Plan Act of 2021: Coronavirus State and Local Fiscal Recovery Funds – March 2023 is attached to these minutes and therefore incorporated herein.

2. Agenda Approval

Town Manager Sewell requested adding Agenda Item 5.A., *Potential Budget Sessions*, and Council Member Wojtowicz requested adding Agenda Item 5.B., *Closed Session Pursuant to NCGS 143-318.11(a)(3) and (6)*.

Council Member Richardson made the motion to approve the Agenda with the additions above. The motion was seconded by Council Member Hall and passed unanimously.

### 3. TX24.03.01

#### A. The Pouch Factory requests a text amendment to amended Article 8 – Table of Uses to allow Nicotine Delivery Products Production as a listed use in Industrial Zoning

Planning Director Hsiang explained that this was a request from the Pouch Factory, a nicotine delivery product producer, for a text amendment to add in Article 8 Table 8.1 Table of Uses for Nicotine Delivery Products Production as a listed use (L) in Industrial (IND) zoning district.

Mayor Pro Tem Scholl opened the public hearing.

John Snider, Government Relations for Pouch Factory, provided information to the Council about the company, the product it would be producing, and how the production would work. Mr. Snider also fielded questions from the Council and confirmed that the product does not have cancer-causing agents. Consumers must be 21 years of age to purchase.

Mayor Pro Tem Scholl made the motion to recess the public hearing until the next Council Meeting on Monday, May 13. Council Member Wojtowicz seconded the motion to which Council approved unanimously.

#### B. Statement of Consistency and Reasonableness

*This item was not needed due to the public hearing recess.*

### 4. Blair Mill Park Greenway Surplus Funds Options

Parks and Recreation Director Donnelly explained the Parks and Recreation Department had completed the construction of the Stallings Greenway Segment at Vickery and had opened the segment to the public. Throughout diligently managed budgeting, there was \$160,959.58 remaining in the project budget allocated for the '23-'24 fiscal year. The surplus could be used to further enhance our Parks and Recreational facilities. The following options were presented totaling \$105,000:

- Tennis Court Resurfacing (\$27,000)
- Fencing (\$31,000): Removing, replacing, and upgrading fencing around the perimeter of Stallings Municipal Park to ensure security and delineate boundaries effectively
- Signage (\$17,000): Installation of signage throughout our Parks and Recreational areas to enhance the visitor experience and coincide with our Greenway Master Plan
- Connect Parks and Recreation Greenway Master Plan Amendment for Blair Mill Park (\$30,000)

Council discussed its options. Council held consensus to delay a discussion on this item until it could be discussed as a part of budget discussions as well as fencing options for the Blair Mill Greenway entrance and playground at Blair Mill Park.

5. Stallings 50th Anniversary Update

Assistant Town Manager Nichols and Parks and Recreation Director Donnelly presented the Council with the 50th Anniversary Logo options and a tentative schedule of events for the 50th Anniversary.

Council held consensus to approve the logo and the tentative schedule of events that was presented so that staff could begin its planning efforts.

5.A. Potential Budget Sessions

Town Manager Sewell requested direction from the Council on holding the special budget meetings moving forward.

Consensus held to advertise all of the special budget meetings, having the ones prior to a regular Council Meeting beginning at 5:30 p.m. and those that did not beginning at 6:00 p.m.

5.B. Closed Session Pursuant to NCGS 143-318.11(a)(3) and (6) (Wojtowicz)

Council Member Richardson made the motion to go into closed session pursuant to NCGS 143-318.11(a)(3) and (6) inviting Karen Reid, Human Resources Director, and Chief Dennis Franks, seconded by Council Member Hall. The motion was passed unanimously by Council.

*Council went into closed session at 8:45 p.m. and reconvened into open session at 9:00 p.m.*

6. Adjournment

Council Member Richardson moved to adjourn the meeting, seconded by Council Member Hall, and the motion received unanimous support. The meeting was adjourned at 9:00 p.m.

Approved on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Wyatt Dunn, Mayor

\_\_\_\_\_  
Erinn E. Nichols, Town Clerk

Approved as to form:

\_\_\_\_\_  
Cox Law Firm, PLLC  
15931

April 22, 2024



# MEMO

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To: Mayor Dunn and Stallings Town Council  
Via: Alex Sewell, Town Manager  
From: Jessie Williams, Finance Officer  
Date: May 8, 2024  
RE: **Contract for FY 2024 Audit**

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## **Background:**

The Town of Stallings is required to have an annual audit performed by a qualified independent auditor approved by the North Carolina Local Government Commission (LGC) and in conformity with generally accepted auditing standards. Prior to the start of the audit process, an audit contract must be approved by both the Town Council and LGC.

The attached audit contract covers the audit for the year ending June 30, 2024. The total fee is \$43,000 and funding is included in the FY 2025 proposed budget.

## **Requested Action:**

Staff requests approval of the audit contract with Potter & Company, P.A. for the FY2024 audit.

The	Governing Board Town Council
of	Primary Government Unit Town of Stallings
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name Potter & Company, P.A.
	Auditor Address 114 N. Church Street, Monroe, NC 28112

*Hereinafter referred to as Auditor*

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24
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*Must be within four months of FYE*

hereby agree as follows:

- The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.
- At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. 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 in accordance with 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).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then

the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

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 Auditing 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 the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change 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.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit 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. 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 and/or the compliance section, 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 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.

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 30 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 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 *Government 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. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. 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>

32. 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.

33. 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 *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by:  Auditor  Governmental Unit  Third Party

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

<b>Name:</b>	<b>Title and Unit / Company:</b>	<b>Email Address:</b>
Jessica Williams	Finance Officer/Town of Stallings	jwilliams@stallingsnc.org

OR Not Applicable  (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits 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. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. 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).

<b>Primary Government Unit</b>	Town of Stallings
Audit Fee (financial and compliance if applicable)	\$ 33,000
Fee per Major Program (if not included above)	\$ N/A
<b>Additional Fees Not Included Above (if applicable):</b>	
Financial Statement Preparation (incl. notes and RSI)	\$ 10,000
All Other Non-Attest Services	\$ N/A
<b>TOTAL AMOUNT NOT TO EXCEED</b>	<b>\$ 43,000</b>

<b>Discretely Presented Component Unit</b>	N/A
Audit Fee (financial and compliance if applicable)	\$ N/A
Fee per Major Program (if not included above)	\$ N/A
<b>Additional Fees Not Included Above (if applicable):</b>	
Financial Statement Preparation (incl. notes and RSI)	\$ N/A
All Other Non-Attest Services	\$ N/A
<b>TOTAL AMOUNT NOT TO EXCEED</b>	<b>\$</b>

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Potter & Company, P.A.	
Authorized Firm Representative (typed or printed)* Emily H. Mills, CPA	Signature* <i>Emily H. Mills, CPA</i>
Date* 4/17/2024	Email Address* emills@gotopotter.com

GOVERNMENTAL UNIT

Governmental Unit* Town of Stallings	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)* Wyatt Dunn	Signature*
Date	Email Address* wdunn@stallingsnc.org

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

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.*

Sum Obligated by This Transaction:	\$ 43,000
Primary Governmental Unit Finance Officer* (typed or printed) Jessica Williams	Signature*
Date of Pre-Audit Certificate*	Email Address* jwilliams@stallingsnc.org

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

**DISCRETELY PRESENTED COMPONENT UNIT**

DPCU* N/A	
Date DPCU Governing Board Approved Audit Contract* <b>(Enter date in box to right)</b>	
DPCU Chairperson (typed or printed)* N/A	Signature*
Date*	Email Address* N/A

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

**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.*

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)* N/A	Signature*
Date of Pre-Audit Certificate*	Email Address* N/A

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

**PRINT**





April 17, 2024

Town of Stallings  
315 Stallings Road  
Stallings, North Carolina 28104

We are pleased to confirm our understanding of the services we are to provide for the Town of Stallings for the year ended June 30, 2024.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the Town of Stallings as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town of Stallings' basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Town of Stallings' RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of the Proportionate Share of the Net Pension Liability (Asset) – LGERS
3. Schedule of Contributions – LGERS
4. Schedule of Changes in Total Pension Liability – LEOSSA
5. Schedule of Total Pension Liability as a Percentage of Covered Payroll – LEOSSA

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Stallings' financial statements. We will subject the following

supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements.

1. Combining and Individual Fund Statements and Schedules
2. Individual fund budgetary schedules
3. Ad Valorem taxes schedules
4. Schedule of Expenditures and Federal and State Awards

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1. Statistical Section

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements. The objectives also include reporting on:

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



## **Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from 1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

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

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

### **Audit Procedures – Internal Control**

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

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

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures – Compliance**

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

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal and state awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Town of Stallings' major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Town of Stallings' compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Responsibilities of Management for the Financial Statements and Single Audit**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for 1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and state awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; 2) following laws and regulations; 3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and 4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and state awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal and state awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purposes of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal and state awards; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

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

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

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that 1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance; 2) you believe the schedule of expenditures of federal and state awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; 3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and 4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that 1) you are responsible for presentation of the supplementary information in accordance with GAAP; 2) you believe the supplementary information, including its form and content, is fairly presented in accordance



with GAAP; 3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and 4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

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

### **Other Services**

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

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

### **Engagement Administration, Fees, and Other**

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditors' report, and corrective action plan) along with the Data Collection Form to the Federal Audit

Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

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

The audit documentation for this engagement is the property of Potter & Company, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a Cognizant or Oversight Agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Potter & Company, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

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

Emily Mills is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in May 2024 and to issue our reports no later than October 31, 2024.

Our fee for these services will be \$43,000. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary for other audit procedures not anticipated, procedures of a bookkeeping nature, preparation of schedules or reconciliations for the audit, including adjusting journal entries or fixed asset reconciliations, we will discuss these procedures with management before we incur the additional costs. Our fees for these services will be submitted to the Local Government Commission as work progresses and will be payable upon approval by the Commission.

## **Reporting**

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the town council of the Town of Stallings. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter-paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that 1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the government's internal control or on compliance, and 2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the government's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Assisting you with your compliance with the Corporate Transparency Act (CTA), including beneficial ownership information (BOI) reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with the CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

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

Sincerely,

Handwritten signature of Emily H. Mills, CPA in black ink.

Potter & Company, P.A.  
Certified Public Accountants

RESPONSE:

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

\_\_\_\_\_  
Management Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governance Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date





# MEMO

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To: Mayor Dunn and Stallings Town Council  
Via: Alex Sewell, Town Manager  
From: Jessie Williams, Finance Officer  
Date: May 1, 2024  
RE: **Amended Budget Ordinances No. 15 & 16**

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## **Background:**

During a review of the FY2024 budget, a couple items came to the Finance Department's attention that needed some additional recordkeeping changes in preparation for year-end. These items have been discussed and approved in previous meetings with Council and the attached budget amendments are needed to formalize these actions.

The first is Amended Budget Ordinance 15 which relates to the fundraising efforts by the Police Department (PD) for the Back to School Bash and other PD events. The revenue was recorded and event expenses were paid within the contributed amounts but the budget was not changed to reflect the amount collected. The requested amendment adds \$6,175 to the PD fundraising revenue and the same amount to the fundraising expense.

Second, Amended Budget Ordinance 16 relates to the Town's implementation of GASB 96 Subscription-based information technology arrangements (SBITAs) last fiscal year which was not budgeted in FY2024. This does not require any net change to fund balance, it is only an accounting change to record the amortization of software licensing. This ordinance recognizes both the source of SBITA revenue and expense and a portion reclassifies software expense as financing.

Attached are copies of both Amended Budget Ordinances for your review.

## **Requested Action:**

Adoption of attached Amended Budget Ordinances

**AMENDED BUDGET ORDINANCE – NO. 15**

**TOWN OF STALLINGS, NORTH CAROLINA**

**FISCAL YEAR 2023-2024**

BE IT ORDAINED by the Town Council of the Town of Stallings, North Carolina, that the estimated expenditures for the fiscal year 2023-2024 are hereby amended as set forth below:

Category	Account Number	Budgeted Amount	Amend to the Following	Net Increase or (Decrease)
<b><u>General Fund:</u></b>				
<b><u>Revenue Budget: Police Department</u></b>				
Fundraising Revenue	10-10-3839-440	\$ 3,100.00	\$ 9,275.00	\$ 6,175.00
<b><u>Expense Budget: Police Department</u></b>				
Fundraising Expense	10-10-4310-047	\$ 3,100.00	\$ 9,275.00	\$ 6,175.00

Explanation: To recognize and appropriate the fundraising revenue and related expense in the Police Department within the General Fund related to the the department's fundraising event efforts and to adopt the amended budget ordinance accordingly.

This Amendment to the Budget Ordinance shall be effective upon adoption.

The said Budget Ordinance, except as amended, shall remain in full force and effect.

ADOPTED this the 13th day of May 2024.

\_\_\_\_\_  
Wyatt Dunn, Mayor

\_\_\_\_\_  
Erinn Nichols, Deputy Town Manager/Town Clerk

Approved as to form:

\_\_\_\_\_  
Melanie Cox, Town Attorney, Cox Law Firm, PLLC

**AMENDED BUDGET ORDINANCE – NO. 16**

**TOWN OF STALLINGS, NORTH CAROLINA**

**FISCAL YEAR 2023-2024**

BE IT ORDAINED by the Town Council of the Town of Stallings, North Carolina, that the estimated expenditures for the fiscal year 2023-2024 are hereby amended as set forth below:

Category	Account Number	Budgeted Amount	Amend to the Following	Net Increase or (Decrease)
<b><u>General Fund:</u></b>				
<b><u>Revenue Budget:</u></b>				
Proceeds/Other Financing Sources (SBITA GASB96)	10-00-3920-900	\$ -	\$ 25,000.00	\$ 25,000.00
<b><u>Expense Budget:</u></b>				
PD SBITA (GASB96) Software	10-10-4310-051	\$ -	\$ 25,000.00	\$ 25,000.00
PD Debt Service - SBITA (GASB96)	10-10-9110-074	\$ -	\$ 11,200.00	\$ 11,200.00
PD Computer and Related	10-10-4310-030	\$ 25,446	\$ 14,246.00	\$ (11,200.00)

Explanation: To amend the FY24 Budget Ordinance to comply with the necessary GASB 96 entries relating to the amortization of software subscriptions. The amendment recognizes the source of revenue and related expenses and amends the FY24 budget ordinance accordingly.

This Amendment to the Budget Ordinance shall be effective upon adoption.

The said Budget Ordinance, except as amended, shall remain in full force and effect.

ADOPTED this the 13th day of May 2024.

\_\_\_\_\_  
Wyatt Dunn, Mayor

\_\_\_\_\_  
Erinn Nichols, Deputy Town Manager/Town Clerk

Approved as to form:

\_\_\_\_\_  
Melanie Cox, Town Attorney, Cox Law Firm, PLLC



# MEMO

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To: Mayor and Council Members  
From: Stallings Historical Committee  
Via: Alex Sewell-Town Manager  
Date: May 2, 2024  
RE: **Proposed Text for New Historical Markers**

---

Budgeted in the 2023-2024 budget are funds for two additional historical markers. Below is proposed text for the new historical markers. The first, for the park, would be placed in Stallings Municipal Park and the second marker, for the Sustar School, would be placed at Blair Mill Park across from where the Sustar School once stood. We would like to get these ordered so that the marker for the park could be dedicated and in place in the first half of 2025 to coincide with the Town's Golden Jubilee.

Please let us know if you have any suggested revisions or questions about the information below.

## **Proposed Text for new Historical Markers**

Stallings Municipal Park  
Est. 1981

Established in 1981 with the Town's purchase of an acre of land located on Stallings Road across from the Town Hall. In the early 1900's, M.T. Stallings started the tradition of gathering together which later became Stallings Family Night in the Park and then Stallingsfest.

Sustar School  
Circa 1904 – 1930

Built in the early 1900's on land originally owned by J.E. Sustar. J. Beasley Benton served as the first schoolteacher. By 1920, the school had an enrollment of 55 pupils.



# Text Amendment Application TX24.03.01

05-13-2024

Staff Report | Town Council



# Request

## □ Zoning Request

The Pouch Factory submitted a Text Amendment request for Production of Novel Oral Nicotine Delivery Products as a listed use (L) in Table 8.1 – Table of Uses in the Development Ordinance.





# Staff Recommendation

- Staff recommends approval of TX24.03.01.
- Staff sees the potential to increase economic opportunities within the Industrial Zoning District, which aligns with the Council-approved Economic Development Plan. The use also integrates with the overall vision outlined in the Town's adopted Future Land Use Plan for Industrial Zoning.
- Staff recommends amending the Use Table item to say “Non-Tobacco Nicotine (NTN) & Stimulant Delivery/Production”.
  - This wording helps keep tobacco out of the production and delivery of this use as well as allows stimulants like caffeine.



# Nicotine Regulations

## Compliance

- FDA Regulates Non-Tobacco Nicotine (NTN)
- Manufacturers must comply with the FD&C Act, including age restrictions and marketing limitations.

## Waste

- Over-the-counter nicotine replacement therapies (excluding liquids) are no longer hazardous waste.

## Land Use

- Text amendment is needed for Industrial Zoning due to the lack of a similar use category.

## Enforcement

- The town enforces local ordinances while the FDA oversees NTN manufacturing.

## FDA

- The Pouch Factory is Registered with FDA and is subject to their regulations for NTN.



# Vote and Statement of Consistency & Reasonableness



## □ Step 1 - Motion

- Motion to recommend [Approval/Denial](#) for CZ24.03.01.

## □ Step 2 - Statement of Consistency and Reasonableness

- With a statement of consistency that the proposal is [Consistent/Inconsistent](#) and [Reasonable/Not Reasonable](#) with the Comprehensive Land Use Plan.

## □ Step 3 - Reasoning

- Staff suggested reasoning:
  - Aligns with the adopted Stallings Economic Development Plan.
  - Consistent with the description of Industrial in the adopted Comprehensive Land Use Plan.



**PLANNING  
& ZONING**  
TOWN of STALLINGS

Questions?



## Statement of Consistency and Reasonableness

**ZONING AMENDMENT:** TX24.03.01

**REQUEST:** To amend Article 8 Table 8.1 Table of Uses of the Stallings Development Ordinance to add Non-Tobacco Nicotine (NTN) & Stimulant Delivery/Production as a listed use (L) in Industrial (IND) zoning district.

**WHEREAS**, The Town of Stallings Town Council, hereafter referred to as the “Town Council”, adopted the Stallings Comprehensive Land Use Plan on November 27, 2017; and

**WHEREAS**, the Town Council finds it necessary to adopt a new land development ordinance to maintain consistency with the Comprehensive Land Use Plan; and

**WHEREAS**, the Town Council finds it necessary to revise the Unified Development Ordinance to comply with state law found in NCGS § 160D.

**THEREFORE**, The Town Council hereby recommends that the proposed text amendment is consistent and reasonable with the Comprehensive Land Use Plan adopted on November 27, 2017, based on the goals and objectives set forth in the document of promoting quality development and consistency with all state-mandated land-use regulations established through NCGS § 160D. The Town Council recommends to **APPROVE** the proposed amendment and stated that the Town Council finds and determines that the text amendment is consistent and reasonable with the key guiding principles, goals, and objectives of the Comprehensive Land Use Plan for the following reasons:

1. This text amendment meets the Economic Development Plan, Initiative 2, of attracting new jobs and investment in Stallings.
2. The Comprehensive Land Use Plan expresses the desire for light manufacturing and assembly in current and future industrial zoning districts.

**Recommended** this the \_\_ day of \_\_\_\_\_, 2024.

---

Mayor

Attest:

---

Clerk



# MEMO

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To: **Mayor and Town Council**  
From: Kevin Parker, P.E., Town Engineer  
Date: May 13, 2024  
RE: Contract Execution Concurrence  
FY2024 Pavement Preservation Program

---

In accordance with the Stallings Bid Policy and NCGS §143-129 for road construction/repair, staff advertised the project manual for the FY 2024 Pavement Preservation Program contract with formal bidding procedures on March 22, 2024. The original submittal deadline was April 4, 2024, at 2:00 p.m., however, only one bid was received, and the project was advertised for an additional 7 days. The final bid opening was on April 11, 2024, at 2:00 p.m. and one bid was received.

The bid was reviewed by staff for clarity, completeness, errors, and omissions. The sole and lowest responsible bidder for the contract was Slurry Pavers, Inc. at \$334,220.40.

**Key Contract Items:**

- August 1, 2024, Project Completion Deadline
- \$500/day liquid damages
- Performance bond retained through warranty period.
- Individual mailers, website and social media notifications will be posted.
- Prior to performing work, a representative from Slurry Pavers will attend a Council meeting.
  - The Council meeting will be specifically advertised to the communities affected by this work.
  - Slurry Pavers will provide information on the scope of work and allow for a Q&A discussion.

**Action Requested:**

Staff requests Council to authorize the Town Manager to execute the FY Pavement Preservation Program Contract with Slurry Pavers, Inc. for \$334,220.40.

**Bid Set No.** \_\_\_\_\_

**Bidder** \_\_\_\_\_



**PROJECT MANUAL**

**FOR**

**FY 2024 TOWN OF STALLINGS**

**PAVEMENT PRESERVATION & REPAIR PROGRAM  
(Formal Bid Process)**

Town Council: David Scholl, Mayor Pro-Tempore  
Graham Hall  
Traylor-Rae Drake  
Steven Ayers  
Laurie Wojtowicz  
Brad Richardson

Mayor: Wyatt Dunn  
Town Manager: Alex Sewell

Date: 01/26/2024

**SOLICITATION FOR BIDS**

**January 26, 2024**

The Town of Stallings invites qualified construction contractors to submit bids for the Town of Stallings' FY 2024 Pavement Preservation and Repair Program to complete micro surfacing on several roadways located in the Town of Stallings.

Bids are due **no later than 2:00 P.M. local time on Thursday, February 15, 2024**, to the following address:

FY 2024 Pavement Preservation and Repair Program Bid Package c/o Kevin Parker, Engineering Director Town of Stallings Engineering Department 315 Stallings Road Stallings, NC 28104
--

The bid opening will occur on Thursday, February 15, 2024, at 2:05p.m. at the following address:

Second Floor of Stallings Town Hall  
315 Stallings Road  
Stallings, NC, 28104

If three bids are not received by the Thursday, February 15, 2024, deadline, the Town will re-advertise for bids beginning on Friday, February 16, 2024, with a submission deadline of Thursday, February 22, 2024, at 2:00 p.m. The contractor(s) may choose to leave their unopened bid(s) with the Town to hold until the second and final bid opening that will occur on Thursday, February 22, 2024, at 2:05 p.m.

Upon verification of each bid's accuracy and completeness, the lowest bidder shall be awarded the contract.

For any questions related to the bid package please contact:

Kevin Parker, Engineering Director

[kparker@stallingsnc.org](mailto:kparker@stallingsnc.org)

704-821-0309

***The following Contract Special Provisions contains the formatting, content, and other requirements for a bid. Any bids received after the date and time listed above will be rejected and returned unopened***

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**CONTRACT SPECIAL PROVISIONS**  
**FY 2024 Town of Stallings**  
**Pavement Repair and Resurfacing Project (Formal Bid Process)**

If there is any conflict between the special provision and any standard specifications the special provisions shall take precedence.

**CONTRACT PERIOD**

The Contract period will begin upon the issuance of the Notice to Proceed, and the project must be completed by August 1, 2024.

**CONTRACT TIME EXTENSION**

(Contract Time Extensions and Apportionment of Liquidated Damages NCDOT section 108-12)

The Contractor's attention is directed to article 108-10 through 108-13 in the NCDOT standard specifications in respect to completion time, liquidated damages, and termination of contract. The completion date may be extended at the written approval of the Town Engineer, due to extreme weather conditions or any delay to utility repairs.

**GUARANTEE**

The Contractor shall guarantee all materials and workmanship for a period of one (1) year from the date of acceptance by the Town and shall replace any portions that fail because of faulty materials or workmanship at no additional cost to the Town. A six (6) month and eleven (11) month inspection will be held during the warranty period. The Contractor shall immediately repair all defective items upon notification. Items repaired under the provisions shall have an extended warranty period of twelve (12) months from the date of accepted repair of the item.

The performance bond will be held as the guarantee for the one (1) year period following the completion of the project.

**LIQUIDATED DAMAGES**

Bidder hereby agrees to commence work under this contract on a date to be specified in written "Notice to Proceed" by the Town of Stallings and agrees to complete the work within the time as stipulated in the specifications. Bidder further agrees to pay Liquidated Damages, in the sum of five hundred dollars (\$500.00) for each consecutive calendar day after the established or extended date as established by the extension provision of this contract. The completion of the project within the contract period shall include the correction of all deficiencies provided by the Town on punch lists during the inspections of the project.

**CONTRACT BONDS (NCDOT Section 103-7 and 103-9)**

The successful bidder, within 14 calendar days after the notice of award is received by him, shall provide the Town with a contract payment bond and a contract performance bond each in an amount equal to 100% of the amount of the contract pursuant to NCGS §44A-26. All bonds shall be in conformance with NCGS § 44A-33. The corporate surety furnishing the bonds shall be authorized to do business in the State of North Carolina.

The successful bidder's failure to file acceptable bonds within 14 calendar days after the notice of award is received by him shall be just cause for the forfeiture of the bid bond or bid deposit and rescinding the award of the contract. Award may then be made to the next lowest responsible bidder, or the work may be readvertised and constructed under contract or otherwise, as the Town may decide.

## **DEFINITION OF TERMS**

Whenever the following terms are used in the Standard Specifications, in any of the Contract Documents, or in the plans, the intended meaning of such terms shall be as follows:

“State or Department” shall be replaced by the words Town of Stallings.

“Sampling and Testing by Department” shall be replaced by the words sampling and testing by Town or its approved testing agency.

“Inspection by Department” shall be replaced by the words inspection by the Town or its duly authorized representative.

“Owner” shall be replaced by the words Town of Stallings with whom the Contractor has entered into the Agreement and for whom the Work is to be provided.

“Town Standards” shall refer to the latest edition of Stallings Land Development Standards Manual or NCDOT Standards.

## **INDEMNIFICATION**

- a. To the fullest extent allowed by law, the Contractor shall indemnify and hold harmless the Town, its officers, officials, employees, agents, or indemnities (collectively called “Indemnified Parties”) from and against those losses, liabilities, damages, and costs proximately caused by, arising out of, or resulting from the negligence of the Contractor, the Contractor’s agents, or the Contractor’s employees.
- b. In matters other than those covered by subsection (a) above, and to the fullest extent allowed by law, the Contractor shall indemnify and hold harmless the Indemnified Parties from and against those losses, liabilities, damages, and costs caused by, arising out of, resulting from, or in connection with the execution of the work provided for in this contract when the fault of the Contractor or its derivative parties is a proximate cause of the loss, liability, damage, or expense indemnified.
- c. Costs and expenses shall include attorneys’ fees, litigation or arbitration expenses, or court costs actually incurred by the Indemnified Parties to defend against third-party claims alleged in any court, tribunal, or alternative dispute resolution procedure required of any of the Indemnified Parties by law or by contract, only if the fault of the Contractor or its derivative parties is a proximate cause of the attorney’s fees, litigation or arbitration expenses, or court costs to be indemnified.
- d. Only to the extent provided pursuant to a policy of insurance, the Contractor shall defend the Indemnified Parties against claims alleged in any court, tribunal, or alternative dispute resolution procedure if the fault of the Contractor or its derivative parties is a proximate cause of such claims.
- e. The Contractor’s duty to indemnify, defend, and hold harmless described hereinabove shall survive the termination or expiration of this Contract.
- f. Definitions:
  - i. For the purposes of this Section, the term “Fault” shall mean any breach of contract; negligent, reckless, or intentional act or omission constituting a tort under applicable statutes or common law; or violation of applicable statutes or regulations.
  - ii. For the purposes of this Section, the term “Loss” or “Losses” shall include, but not be limited to, fines, penalties, and/or judgments issued or levied by any local, state, or federal governmental entity.
  - iii. For the purposes of this Section, the term “Derivative Parties” shall mean any of the Contractor’s subcontractors, agents, employees, or other persons or entities for which the Contractor may be liable or responsible as a result of any statutory,

tort, or contractual duty.

## **INSURANCE REQUIREMENTS**

**Contractor's Liability and Other Insurance:** The Contractor shall purchase and maintain with a company acceptable to the Town and authorized to do business in the State of North Carolina, such insurance as will protect him from claims under workers' compensation laws, disability benefit laws or other similar employee benefit laws; from claims of damages because of bodily injury, occupational sickness or disease, or death of his employees; from claims for damages because of bodily injury and personal injury; and from claims for damage and destruction of tangible property, including loss of use resulting there-from; any or all of which may arise out of or result from the Contractor's operations under the Contract Documents, whether such operations be by himself or any subcontractor or anyone directly or indirectly employed by any of them or for whose acts any of them may be legally liable.

The Contractor shall maintain umbrella liability insurance with policy limits of not less than \$2,000,000 each occurrence and \$2,000,000 in the aggregate. The insurance shall be written for not less than the limits of liability specified below.

**Automobile:** Bodily injury and property liability covering all owned, non-owned and hired automobiles for limits of not less than \$1,000,000 bodily injury each person, each accident and \$1,000,000 property damage, or \$1,000,000 combined single limit – bodily injury and property damage combined.

**Commercial General Liability:** Bodily injury and property damage liability as shall protect the Contractor and any subcontractor performing work under this Contract from claims of bodily injury or property damage which arise from operations of this Contracts, whether such operations are performed by the Contractor, any subcontractor, or anyone directly or indirectly employed by either. The amounts of such insurance shall not be less than \$1,000,000 bodily injury each occurrence/aggregate and \$1,000,000 property damage each occurrence/aggregate or \$1,000,000 bodily injury and property damage combined single limits each occurrence/aggregate. This insurance shall include coverage for products/completed operations, personal injury liability and contractual liability assumed under the indemnity provision of this Contract and broad form property damage, explosion, collapse and underground property damage (XC&U). The coverage shall be on an occurrence basis.

**Workers' Compensation and Employers' Liability:** Shall meet the statutory requirement of the State of North Carolina, in an amount of \$100,000 each accident and disease – each employee and \$500,000 disease policy limit providing coverage for employees and owners.

The Town shall be named as an additional insured under the commercial liability insurance for operations or services rendered under this Contract.

At the time of execution of the Contract, the Contractor shall provide the Town with insurance certificates certifying that the foregoing insurance is in force; and such insurance certificates shall include provisions that the insurance shall not be cancelled, allowed to expire, or be materially changed without giving the Town thirty (30) days advance written notice by registered mail.

The Contractor is advised that if any part of the work under this Contract is sublet, he shall require the subcontractor(s) to carry insurance as required above. However, this will in no way relieve the Contractor from providing full insurance coverage on all phases of the Project, including any that is sublet.

When certain work is performed inside rights-of-way owned by railroads, North Carolina Department of Transportation or other agencies, both the Contractor and any subcontractors may be required to furnish individual insurance certificates made in favor by the controlling agency, with limits established by that agency.

## **E-VERIFY**

Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, should Contractor utilize a subcontractor, Contractor shall require the subcontractor(s) to comply with the requirements of Article 2, Chapter 64 of the General Statutes.

## **TERMINATION BY THE TOWN FOR CAUSE**

1. The Town may terminate the Contract if the Contractor:
  - a. Persistently or repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
  - b. Fails to make payment to subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the subcontractors;
  - c. Persistently disregards laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction; or
  - d. Otherwise is guilty of substantial breach of a provision of the Contract Documents.
2. When any of the above reasons exist, the Town, upon certification by the Engineer that sufficient cause exists to justify such action, may without prejudice to any other rights or remedies of the Town and after giving the Contractor and the Contractor's surety, if any, seven days written notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:
  - a. Take possession of the site and all materials, equipment, tools and construction equipment and machinery thereon owned by the Contractor;
  - b. Accept assignment of subcontracts; and
  - c. Finish the work by whatever reasonable method the Town may deem expedient. Upon request of the Contractor, the Town shall furnish the Contractor a detailed accounting of the costs incurred
3. When the Town terminates the Contract for one of the reasons stated above, the Contractor shall not be entitled to receive further payment until the work is finished.
  - a. The Town Manager shall have authority to terminate the Contract without additional authorization by Town Council.
  - b. If the unpaid balance of the Contract Sum exceeds the costs of finishing the work, including compensation for the Engineer's services and expenses made necessary thereby, and other damages incurred by the Town and not expressly waived, such expenses shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor shall pay the difference to the Town. The amount paid to the Contractor or the Town, as the case may be, shall be certified by the Engineer, upon application, and this obligation for payment shall survive the termination of the Contract.

## **TERMINATION BY THE TOWN FOR CONVENIENCE**

1. The Town may, at any time, terminate the Contract for the Town's convenience and without cause. Upon written notice from the Town of such termination for the Town's convenience, the Contractor shall:
  - a. Cease operations as directed by the Town in the notice;
  - b. Take actions necessary, or that the Town may direct, for the protection and preservation of the work; and
  - c. Except for the work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
2. The Town Council shall have authority to terminate the Contract. In case of such termination for the Town's convenience, the Contractor shall be entitled to receive payment for work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit for the completed work.

## **NOTICE TO PROCEED**

A Notice to Proceed will be issued to the Contractor upon receipt of a fully executed contract, bonds, insurance certificates, receipt of approval by other governmental agencies (if required) and any other documentation required by the Town. After the notice to proceed is given, the contractor will provide a time and resource driven schedule that shows how the contractor will meet the contract period. This schedule must be submitted and approved by the Town of Stallings prior to commencing work.

## **PRE-CONSTRUCTION CONFERENCE**

An on-site pre-construction conference will be scheduled at least 24 hours prior to start of any work and as soon as practical after the award of the Contract to verify work areas. The Contractor shall attend the conference along with the prospective job superintendent, any anticipated major subcontractors and major material suppliers. A proposed progress schedule in a form satisfactory to the Engineer and a statement of the anticipated monthly progress payments showing the percent of progress each month shall be submitted.

The Contractor shall also provide at least two (2) local telephone numbers that may be used to contact the Contractor or his authorized representative in the event of an emergency after normal business hours. Upon receipt of the required documentation, a Notice to Proceed will be issued by the Town.

The Contractor shall provide the name and contact information of the Contractor's on-site Quality Control personnel representative who is responsible for inspection of Contractor and Sub-Contractors' performance and materials.

The Contractor shall provide a resource loaded construction schedule for approval to the Town Engineer. The Contractor shall provide a construction status update on a bi-weekly basis for the duration of the work. The Town Engineer will state how the update shall be communicated.

## **COMMUNITY NOTICE**

Prior to any construction, the Contractor will attend a Stallings Town Council meeting, which will be advertised to the residents along the affected communities/roadways shown in Exhibit A below, to provide information regarding the scope of work and answer any questions the council and residents may have.

Additionally, the Contractor shall notify the residents along the affected roadways shown in Exhibit A,

below, 48 hours in advance of construction beginning. Notifications may include, but are not limited to, door hangers, mailers, etc....

### **ADDITIONAL OR EXTRA WORK**

The Town may require the Contractor to furnish materials and to do additional or extra work not provided in the contract or in the specifications, but which may be found necessary to the proper protection and completion of the work embraced in this contract, at price to be fixed by the prices named in the Proposal. But no other work than that included in the contract shall be done, and no additional material shall be furnished by the Contractor without a written order from the Engineer. In the absence of such written order from the Engineer, the Contractor shall not be entitled to payment for such additional or extra work. Bills for additional or extra work shall be filed with the Town within three (3) days after such additional or extra work is completed, in order that the Engineer may establish the accuracy of the additional or extra work bills.

Any increase to the Contract Sum shall be approved and documented by a written change order with the appropriate authorized signature(s).

### **CARE OF WORK**

The Contractor shall be responsible for all damages to persons or property that occur as a result of his fault, omission or negligence in connection with the prosecution of the work and shall be responsible for the proper care and protection of all work performed here under until completion and final acceptance, whether or not the same has been covered in whole or in part by payments made by the Town.

### **CLEANING UP**

Before acceptance of the project, or as directed by the Engineer, borrow sources, waste areas, and all ground occupied by the Contractor within the project limits in connection with the work shall be cleaned of all rubbish, excess material, temporary structures and equipment.

### **OSHA REQUIREMENTS**

The Contractor shall comply with OSHA 29 CFR Part 1926, Subpart P – Excavations, 29 CFR Part 1910.146, Permit-required confined spaces and all other applicable regulations.

### **HAZARDOUS MATERIALS**

If the Contractor encounters any materials considered or suspected of being hazardous, he shall immediately secure the area and contact the Union County Environmental Health Division for further instructions.

### **MATERIALS AND EQUIPMENT STORAGE**

The Contractor shall be responsible for locating and providing storage areas for construction materials and equipment. The material and equipment storage shall comply with all local and state ordinances throughout the construction period. The Contractor shall restore the storage area to its original condition upon completion of the Project or upon such time as directed by the Engineer. Such restoration shall be at no additional cost to the Town.

The Contractor shall be responsible for the safeguarding of materials and equipment against fire, theft and vandalism and shall not hold the Town responsible in any way for the occurrences of same. The Contractor shall furnish and erect, at no additional cost, whatever works may be necessary for the

protection of the public, including but not limited to barricades, fences, etc. Prior to final payment being made, the Contractor shall obtain a release from the property owner of the storage area utilized for the Project.

### **METHOD AND MATERIAL**

All work covered in this special provision shall be in accordance with and all material shall conform to the requirements of the North Carolina Department of Transportation Standard Specifications for Road and Structures (latest edition).

### **PERIODIC PAYMENTS**

The Town will make periodic payments based on the work progress approved by the Engineer and the payment request shall be submitted by the Contractor on a monthly schedule or other agreement by the Town. Payment will be made within twenty (20) calendar days after receipt of a correct payment request.

The Contractor shall have a copy of his current payment request on the job site so that it may be viewed by subcontractors upon request.

### **PROJECT CLOSEOUT DOCUMENTS**

The Contractor shall provide the following documents with the final pay request:

1. Contractor's Affidavit Release and Waiver of Claim
2. State/County Sales/Use Tax Statement
3. Consent of Surety to Final Payment (contracts equal to or exceeding \$100,000) (AIA Document G707)

No final payment will be authorized until these documents have been properly completed and submitted by the Contractor.

### **TAX STATEMENT SUBMITTAL**

1. All tax statement bodies, and all signatures must be original. Photocopies of blank forms may be used, provided the document containing the information is original.
2. All tax statements must be signed by the Contractor/subcontractor's company officer submitting the statement and certified by a Notary Public. All tax statements must list in detail taxes paid by individual invoice. No lump sum, running total, or copies of previously reported statements will be accepted. Tax statements shall show North Carolina and County taxes paid.
3. A tax statement showing detailed amounts with "amounts previously reported" noted on the face will be accepted if they are original. This is the equivalent of a statement indicating "no taxes paid this period." All subcontractors for whom tax statements are included must be certified as such on the face of the Contractor's tax statement.
4. Tax statements (the State/County Sales/Use Tax Statement form) must always accompany a payment request for the related project. All final construction payment requests must have a final tax statement regardless of whether any taxes have been paid during the period in question. If no taxes have been paid, the detail page should simply state "0", "None", or "No taxes paid this period."



## **TAXES AND LICENSES**

North Carolina sales and/or use taxes are applicable to purchases of building materials and other tangible personal property by Contractors for use in performing Town contracts (see Tax Statement Submittal section of this contract). Use tax is also due on construction equipment brought into North Carolina for use in the performance of City contracts (N.C. Revenue Laws, G.S. 105-164.4 and G.S. 105-164.6). Contractors are liable for payment of applicable franchise, corporate income, license, and withholding taxes (N.C. Revenue Laws, G.S. 105-122, G.S. 105-123, G.S. 105-163.2).

## **SUBLETTING**

The Town Engineer reserves the right to waive the subcontracting limits set forth in Article 108-6 of the Standard Specifications whenever it is deemed to be in the interest of the Town. The limits can only be waived upon written approval of the Town Engineer.

## **SPECIAL CONTRACT PROVISIONS**

The North Carolina Department of Transportation, Standard Specifications for Roads and Structures (latest edition) and the Town of Stallings Land Development Standards Manual (latest edition), hereinafter referred to as the "Standard Specifications" shall apply to all portions of the project unless otherwise specified herein.

## **ASPHALT PRESERVATION**

### **Executive Summary**

This specification covers the materials, equipment, and application procedures for furnishing and placing micro-surfacing material for rut filling and/or surfacing of existing paved surfaces in accordance with the contract. The micro-surfacing system shall be a mixture of cationic latex modified asphalt emulsion, crushed mineral aggregate, mineral filler, water, and other additives, properly proportioned, mixed and spread on the paved surface in accordance with this specification and as directed by the Town. The mix shall be capable of being spread in variable thickness cross-sections (wedges, ruts, scratch courses and surfaces) which, after curing and initial traffic consolidation, resists compaction throughout the entire design tolerance range of asphalt binder content and variable thickness to be encountered. The end product shall maintain a skid-resistant surface in variable thick sections throughout the service life of the micro surfacing. The mix shall be a quick-traffic system that will be able to accept straight rolling traffic one hour after application.

#### 1. Materials

##### a. Latex Modified Emulsified Asphalt

The emulsified asphalt shall be a cationic type CSS-1h or CQS-1h and shall conform to AASHTO M208 or ASTM D2397. In general, 3% polymer solids, based on asphalt weight, is considered minimum. The ring and ball softening point of the residue shall be a minimum of 140°F. It shall show no separation after mixing. The cement mixing test is waived for the latex modified CSS-1h and CQS-1h.

At any time during application, the Town may sample and test all subsequent loads of emulsified asphalt delivered to the project to verify and determine compliance with specification requirements. Where these tests identify material outside specification requirements, the Town may require the supplier to cease shipment of that pre-tested product. Further shipment of that pre-tested product to the owning agency's projects will remain suspended until the cause of the problem is evaluated and corrected by the supplier to the satisfaction of the Town. Proper sampling and handling techniques are required, and the testing shall be completed within seven days of the sample being taken.

##### b. Mineral Aggregate

Use an aggregate consisting of 100% crushed stone. The aggregate shall be a crushed

stone such as granite, slag, limestone, chat or other high-quality aggregate or combination thereof. The mineral aggregate used shall be compatible with the Latex Modified Emulsified Asphalt and able to produce a good skid resistant surface.

The gradation of the aggregate shall be in accordance with the following:

Table 1 - Aggregate Gradation

Screen Size	Type II (% passing)	Type III (% passing)	Stockpile Tolerance
3/8"	100	100	N.A.
#4	90 - 100	70 - 90	± 5
#8	65 - 90	45 - 70	± 5
#16	45 - 70	28 - 50	± 5
#30	30 - 50	19 - 34	± 5
#50	18 - 30	12 - 25	± 4
#100	10 - 21	7 - 18	± 3
#200	5 - 15	5 - 15	± 2

The gradation of the aggregate stockpile shall not vary by more than the stockpile tolerance from the mix design gradation (indicated in the table above) while also remaining within the specification gradation band. The percentage of aggregate passing any 2 successive sieves shall not change from one end of the specified range to the other end.

The Contractor shall provide for the acceptance certification of the gradation of the aggregate to be used in the mix. The gradation testing shall be performed by a certified lab after the aggregate has been delivered to the job site stockpile location and the certification provided to the Town. This testing can be done by the Contractor if the Contractor has a laboratory certified for this type of testing.

The aggregate will be accepted at the job location stockpile based on 5 gradation tests sampled according to AASHTO T 2. If the average of the 5 tests is within the stockpile tolerance from the mix design gradation, the material will be accepted. If the average of those test results is out of specification or tolerance, the Contractor will be given the choice to either remove the material or blend additional aggregate with the stockpile material to bring it into compliance. Materials used in blending shall meet the required aggregate quality test specifications in the NCDOT 2024 Standard Specifications before blending and shall be blended in a manner to produce a consistent gradation. Aggregate blending may require a new mix design. Screening shall be required at the stockpile if there are any problems created by oversized materials in the mix.

Upon request by the Town, the Contractor may be required to arrange additional testing by an independent certified laboratory no more than once every seven calendar days for the duration of the project to ensure the aggregate continues to meet the requirements of this specification. Samples for gradation will be taken from aggregate stockpiles designated by the Contractor for use. This testing will be provided at no additional cost to the Town.

Mineral aggregate shall be obtained from an NCDOT approved supplier and shall be weighed by means of a scale approved by the Town before delivery to the job site.

Precautions shall be taken to ensure that stockpiles do not become contaminated.

c. Mineral Filler

Mineral filler shall be any recognized brand of non-air entrained Portland cement that is free of lumps or hydrated lime meeting the requirements of ASTM D242. It may be accepted upon visual inspection. Precautions shall be taken to ensure that stockpiles do not become contaminated.

d. Water

The water shall be potable and shall be free of harmful soluble salts in accordance with the NCDOT 2024 Standard Specifications.

e. Latex Modifier

A latex-based modifier, certified from an approved source, along with special emulsifiers shall be milled into the asphalt emulsion by an NCDOT approved emulsion manufacturer. The latex modified emulsified asphalt shall be so formulated that when the paving mixture is applied at a thickness of one inch it will cure sufficiently so that rolling traffic can be allowed back on the pavement in one hour with no damage to the surface.

f. Additives

Additives may be added to the mixture or any of the component materials to provide control of quick-trafficking properties. The additives to be used should be indicated on the mix design and be compatible with the other components of the mix.

2. Mix Design

At least two weeks prior to the beginning of work, the Contractor shall submit a mix design certified by the latex modified emulsion manufacturer and present certified test results for the Town's approval. The mix design must clearly show the proportions of aggregate, emulsified asphalt, mineral filler, water and additive usage and shall conform to the International Slurry Surfacing Association's ISSA A143, Section 5.2. The Contractor shall provide for the acceptance certification at no additional cost to the Town. This testing can be done by the Contractor if the Contractor has a laboratory certified for this type of testing.

Compatibility of the aggregate and latex modified CSS-1h or CQS-1h shall be certified and the certification provided to the Town. The job mix formula shall provide a minimum Marshall stability of 1,800 pounds and a flow of 6 to 16 units when tested according to modified ASTM procedures. Aggregate used in the job mix formula shall be of the material proposed by the Contractor for use on the project and meet the requirements in the Materials section of this specification.

Samples for asphalt content shall be taken from the completed mix. Samples of aggregate and filler will be taken at the job site. The frequency of sampling and testing will be established by the Town based upon the Town's acceptance program. The asphalt content will be determined by AASHTO T 308 modified.

3. Equipment

a. General

The Contractor shall use equipment that meets ISSA A143 Section 6. All equipment, including hand tools, shall be designed or suitable for the application of micro-surfacing and in good working condition.

Each mixing unit to be used in performance of the work shall be calibrated in the presence of the Town before beginning the work. Calibration documentation shall be submitted to the Town prior to the beginning of work. Any equipment replacement affecting material proportioning requires that the machine be recalibrated. No machine will be allowed to work on the project until the calibration has been accepted.

b. Mixing Equipment

Mixing equipment shall produce the asphalt mixture in a self-propelled, front feed,

continuous loading, and mixing machine. The unit shall deliver and proportion the aggregate, emulsion, mineral filler, control setting additive and water to a revolving multiblade shafted mixer and discharge the mixture on a continuous and uniform basis. A mobile unit (Truck Mount) will be permitted on areas less than 15,000 square yards provided a sufficient number of units are used to promote an efficient continuous type operation which minimizes disruption to traffic and provided the units are equipped with a twin shaft mixer capable of an operational speed of 60 feet per minute and have a capacity to store and mix components to produce a minimum of 5 tons of mix. All equipment shall be capable of delivering a continuous, uniform, properly proportioned, and homogenous mixture to the spreading unit.

Individual volume or weight controls for proportioning each material shall be provided and meters or counters shall be such that the Town may readily and accurately determine the amount of each material used at any time.

The mixing machine shall be equipped with a water pressure system and nozzle type spray bar to provide a water spray immediately ahead of and outside the spreader box when required.

- c. Equipment Calibration  
Equipment calibration documentation shall be provided by the Contractor stating the current year data for each mixing unit using materials from the same sources as those to be used on the project. Data for each unit shall be in the form of a graphic scale indicating the proportioning controls settings required to obtain the residual asphalt content as determined in the mix design. Such data shall be maintained with each unit.
  - d. Spreading Equipment  
Spreading equipment shall uniformly spread the paving mixture by means of a mechanical type of spreader box attached to the mixer and equipped to agitate and spread the materials throughout the box. The box shall be designed and operated so all the mixed material will be kept homogenous and moving with no evidence of premature breaking during laydown. A front seal shall be provided to ensure no loss of the mixture at the road contact surface. The rear flexible seal shall act as a final strike off and shall be adjustable. The spreader shall be maintained to prevent the loss of the paving mixture in the surfacing super-elevated curves. The spreader box and rear strike-off shall be so designed and operated that a uniform consistency is achieved and produces a free flow of material to the rear strike-off without causing skips, lumps, ripples or tears in the finished surface. A secondary strike-off may be used to improve surface texture.
  - e. Rut Filling  
Rut filling, when required, shall be accomplished by means of a box specifically designed for that purpose. The box shall be of one-half lane width and have a dual chamber with an inner v configuration of augers to channel the large aggregate to the center of the rut and the fines to the edges of the rut fill pass. The box shall be equipped with dual steel strike-off to control both the width and depth of the rut fill.
4. Construction Methods
- a. Weather Limitations  
The material shall be placed only when the surface is dry and the atmospheric and surface temperature is at least 45°F and rising and there is no chance of temperatures below 32°F within 24 hours from the time the material is applied.
  - b. Surface Preparation  
Immediately prior to applying the paving mixture the surface shall be thoroughly cleaned of all vegetation, loose materials, dirt, mud, and other deleterious materials. If water is used, cracks shall be allowed to dry thoroughly before applying micro-surfacing. Manholes, valve boxes, drop inlets and other service entrances shall be protected from the micro-surfacing by a suitable method. Remove all Thermoplastic and plastic tape traffic markings, symbols, and characters.

c. Tack Coat for Micro-surfacing

Prior to paving, an asphalt tack coat shall be applied. The emulsified asphalt used for tack coat shall be CSS, CQS, CRS or the micro-surfacing emulsion diluted to one-part emulsified asphalt to two (2) or three (3) parts water, as approved by the City. Consult with the micro-surfacing emulsion supplier to determine dilution stability. The distributor shall be capable of applying the diluted tack coat evenly at a rate of 0.08 to 0.15 gallons per square yard. The tack coat shall be allowed to cure sufficiently before the application of micro-surfacing.

In areas of rut filling, leveling or a double application of micro-surfacing there is no need for tack coat prior to second coat of micro surfacing.

d. Application

When rutting or deformation is less than 0.5 inch, a full width scratch course may be applied with the spreader box using a metal or stiff rubber strike-off. Apply at a sufficient rate to level the pavement surface. The mixture shall be spread to fill minor cracks, minor surface irregularities, and shallow potholes and leave a uniform high-skid resistant application of aggregate and asphalt on the surface. Approved squeegees shall be used to spread the mixture in areas inaccessible to the spreader box and other areas hand spreading may be required.

Ruts that are greater than 0.5-inch depth shall be filled independently by means of a box specifically designed for that purpose. The box shall be 5 to 6 feet in width and have a dual chamber with an inner "V" configuration of augers to channel the large aggregate to the center of the rut and the fines to the edges of the rut fill pass. The box shall be equipped with dual steel strike-off to control both the width and depth of the rut fill. All rut filling and leveling material should cure under traffic for at least 24 hours before additional material is placed.

A sufficient amount of surface sealer shall be carried to all parts of the spreader box at all times so that complete coverage is obtained. Water in very limited quantity may be sprayed into the spreader box to prevent build-up on the blades to facilitate spreading without harming the mix. No lumping, balling, or unmixed aggregate shall be permitted in the finished surface. Any oversized aggregate or foreign materials shall be screened from the aggregate prior to delivery to the mixing machine. Micro-surfacing for the final surface course shall be placed at an application rate of 18 to 22 pounds per square yard for Type II and 22 to 26 pounds per square yard for Type III.

In restricted areas where hand spreading is necessary, slight adjustments to the mix formula may be required to slow setting time. The paving mixture shall be poured into a small windrow along one edge of the surface to be covered. The mixture then shall be spread uniformly by a hand squeegee or lute.

The seam where two passes join shall be neat in appearance and uniform. Longitudinal joints shall not overlap more than four inches except on irregular roadway widths when approved by the City.

All excess material shall be removed from ends of each run immediately on surface course.

e. Curing

Adequate means shall be provided to protect the micro-surfacing from damage by traffic until the mixture has cured sufficiently so that it will not adhere to or be picked up by the tire of vehicles. Normally, micro-surfacing accepts straight rolling traffic on a 0.5-inch-thick surface within one hour after placement. Stopping and starting traffic may require additional curing time. All rut-filling and level-up material and first lift in two lift areas should cure under traffic for at least 24 hours before additional material is placed. During

the curing time, the temperature cannot drop below 32°F. If temperatures drop below 32°F, this time does not count towards the curing requirements.

Any damage done by traffic to the micro-surfacing shall be repaired by the Contractor.

- f. Test Strip  
A test strip shall be placed with job site materials and approved by the City. The weather and time of day, day or night, during the test strip shall be similar to expected conditions during construction. Upon completion of the test strip the City will approve the mixture for proper curing and placement.
5. Measurement
    - a. Latex Modified Micro-surfacing  
Latex Modified Micro-Surfacing Type II and Type III will be measured along the top surface of the completed work, placed and accepted as specified herein. Payment will be made at the contract unit price per square yard for the type specified, which price will be full compensation for all materials including modifiers and additives, emulsion, aggregate, tack coat, labor, tools, equipment, and all other incidentals necessary to complete the work.
    - b. Rut Filling  
Rut filling will be measured and paid at the contract unit price per square yard for Latex Micro-surfacing Type II. Payment will be full compensation for all materials including modifiers and additives, tack coat, mineral filler, labor, tools, equipment, maintenance of Any rut filling or leveling should be accomplished using Type III aggregate. Fair way to pay for those activities traffic, and all other incidentals necessary to complete the work.
    - c. Removal of Pavement Markings  
When the contract includes the item of Removal of Pavement Marking Lines, Symbols & Characters, the work of removing pavement marking lines, symbols and characters will be paid at the contract lump sum price for this item.

### **TRAFFIC**

Completed sections of the roadways may be opened when necessary to lightweight local traffic, provided the roadway has cured sufficiently to prevent marring or distorting of the surface, and provided the curing is not impaired.

### **MAINTENANCE**

Maintain the base in an acceptable condition until final acceptance of the project. Including immediate repair of any defects of damage that may occur in any maintenance operation. Perform this maintenance at no cost to the Owner and repeat as often as may be necessary to keep the base in an acceptable condition. Perform repairs to the base by replacing the base for its full depth.

### **ADJUSTMENT OF STRUCTURES**

All structures such as manholes/valves to be raised prior to overlay. Raise or lower all existing manholes/valves within the limits of the project to match the finished grade to within ¼". Adjustments shall be made using an approved rapid-set grout, mortar, or concrete that will take full set and become load bearing within sixty minutes.

### **REBUILD SHOULDERS**

The rebuilding of the roadway shoulders on ditch type road cross section shall consist of reconstructing the areas adjacent to disturbed pavement sections to conform to the line, grades and typical section shown on the plans. This constitutes stripping all existing vegetation from the ground surface wherever shaping of the roadway is to be done, as necessary, adding any additional soil, and seeding and mulching the

disturbed area to provide stabilization.

### **LOAD LIMITS**

So as not to further damage existing roads being repaired, the total weight of a truck and material cannot exceed 70,000 lbs. Any deviation from this load limit needs prior approval from the Engineer. Rollers will be limited to 15 tons or 30,000 pounds.

### **TRAFFIC CONTROL**

During daily construction work hours, the Contractor will maintain at least one lane of traffic. During periods of construction inactivity all lanes of traffic will be open unless otherwise approved by the Town Manager.

The Contractor shall use flagger control in accordance with NCDOT Standards. The Contractor shall not work on both sides of the road simultaneously within same area.

The Contractor will be required to maintain ingress and egress to all business and dwellings and shall always provide clear access to fire hydrants.

The Contractor shall paint edges of all structures to be raised prior to repair or resurfacing, in the event the completion of the pavement is not completed within the working day, in a florescent orange marking paint.

It shall be the responsibility of The Contractor to ensure vehicles do not drive through/across/traverse active work zones. If a vehicle owner claims the resurfacing caused damage to their vehicle and/or other property, then The Contractor shall coordinate a resolution with the vehicle owner at no cost to the Town.

All necessary traffic control for this Project shall be included within the pricing for the work provided. No separate payment shall be provided for this work.

### **MOBILIZATION**

Work covered by the provision shall consist of preparatory work and operations which must be performed or for costs incurred prior to the beginning of work on this Project. The payment for the entire lump sum price for this item will be made with the first pay request paid on this contract. The bid price shall not exceed 5% of the total bid for the various items in this contract. The Town will not pay to remobilize due to any delay.

### **QUALITY CONTROL**

The Contractor shall provide an on-site quality control inspector who will be responsible for the quality of the workmanship of the Contractor and all subcontractors on the project. The Town may provide an inspector to review the construction and protect the Town's interests in the quality of the workmanship and materials. Due to the Town's limited staff, any personnel conflicts between the Contractor, Subcontractors or his assigned staff and the Town staff resulting in the delay of progress will be the Contractor's responsibility to resolve the issue by whatever means necessary.

### **LOCATION OF PROJECT**

The project shall consist of repairing the street segments identified in the attached EXHIBIT A. It is the responsibility of the Contractor to be familiar with the portions of these streets as paint-marked, for the individual areas of repair and resurfacing.



**BID SCHEDULE**

**NOTES**

1. Bid shall include sales tax and all other applicable taxes and fees. Include tax listing for materials in payment request.
2. Town of Stallings, NC reserves the right to increase or decrease the work by 25 percent without affecting any change in unit bid prices.
3. Bidders must bid on all items in a section for a Complete Bid. Failure to do so may result in rejection of the bid.
4. All items shall be bid as constructed, complete, in-place and ready for use by the Town of Stallings upon acceptance of work by the Engineer and the Town of Stallings.

**Bid Items**

<b>FY2024 TOWN OF STALLINGS PAVEMENT PRESERVATION PROJECT</b>					
<b>NO.</b>	<b>DESCRIPTION</b>	<b>EST. QTY.</b>	<b>UNITS</b>	<b>UNIT PRICE</b>	<b>COST</b>
<b>TOWN OF STALLINGS ROADWAYS</b>					
1	Micro-Surfacing, Type II, Single Course	40,000	SY		
2	Crack Sealing (NCDOT Spec 657)	10,000	LB		
3	Maintenance of Traffic	1	LS		
4	Stop Bar Striping	20	EA		
5	Mobilization	1	LS		
6	Contingency (20%)	1	LS		
<b>SUB-TOTAL</b>					
<b>TOTAL BID AMOUNT</b>					

N.C. License No.- \_\_\_\_\_

Telephone No: \_\_\_\_\_

Fax No: \_\_\_\_\_

E-mail: \_\_\_\_\_

SEAL: (If Bid by Corporation)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

# **BONDS AND CERTIFIED POWER OF ATTORNEY**

**(Attach Bond and Power of Attorney to this sheet)**

# **INSURANCE CERTIFICATE**

**(Attach Certificate to this sheet)**

# CONTRACTOR'S AFFIDAVIT RELEASE AND WAIVER OF CLAIM

STATE OF: \_\_\_\_\_ COUNTY OF: \_\_\_\_\_

\_\_\_\_\_,  
(Name) (Title) of,

\_\_\_\_\_, being first duly sworn, deposes and says that: (Contractor)

The undersigned is authorized to execute this Affidavit, Release and Waiver of Claim on behalf of the Contractor and that he has personal knowledge of all facts set forth herein;

This Affidavit, Release and Waiver of Claim are made concerning the construction of the following;  
Project: \_\_\_\_\_ Project No.: \_\_\_\_\_

All payrolls, material bills, sales tax, social security tax, state and federal unemployment insurance, and all other liabilities and taxes owed by the Contractor and arising in any manner from the above-described project have been paid in full;

No claim or lien exists in favor of any supplier of materials or labor or in favor of any subcontractor furnishing materials or labor on the above-described project;

Notwithstanding the foregoing, if the Town of Stallings, or property of the Town of Stallings, is subject to any claim or lien that arises in any manner from the failure of the Contractor to pay any liability described above, the Contractor will indemnify and hold the Town of Stallings harmless for any amount that the Town of Stallings is required to pay to discharge such lien or settle such claim and, further, will pay the Town of Stallings expenses, costs, and attorney fees incurred in connection

therewith;

All claims, suits, and proceedings of every name, description, or nature arising out of the above project against the Town of Stallings, its officers, employees, and agents have been settled;

The Contractor releases and waives any and all claims of every type and description that the Contractor may have against the Town of Stallings arising in any manner from the construction of the above-described project.

By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_

## STATE/COUNTY SALES & USE TAX STATEMENT

**PROJECT:** \_\_\_\_\_

**CONTRACTOR/SUBCONTRACTOR:** \_\_\_\_\_

**PERIOD COVERED:** \_\_\_\_\_

Invoice No.	Invoice Date	Vendor's Name	Amount Before Taxes	4.5% NC Tax	3% County Tax	Total Invoice Amount	County Paid

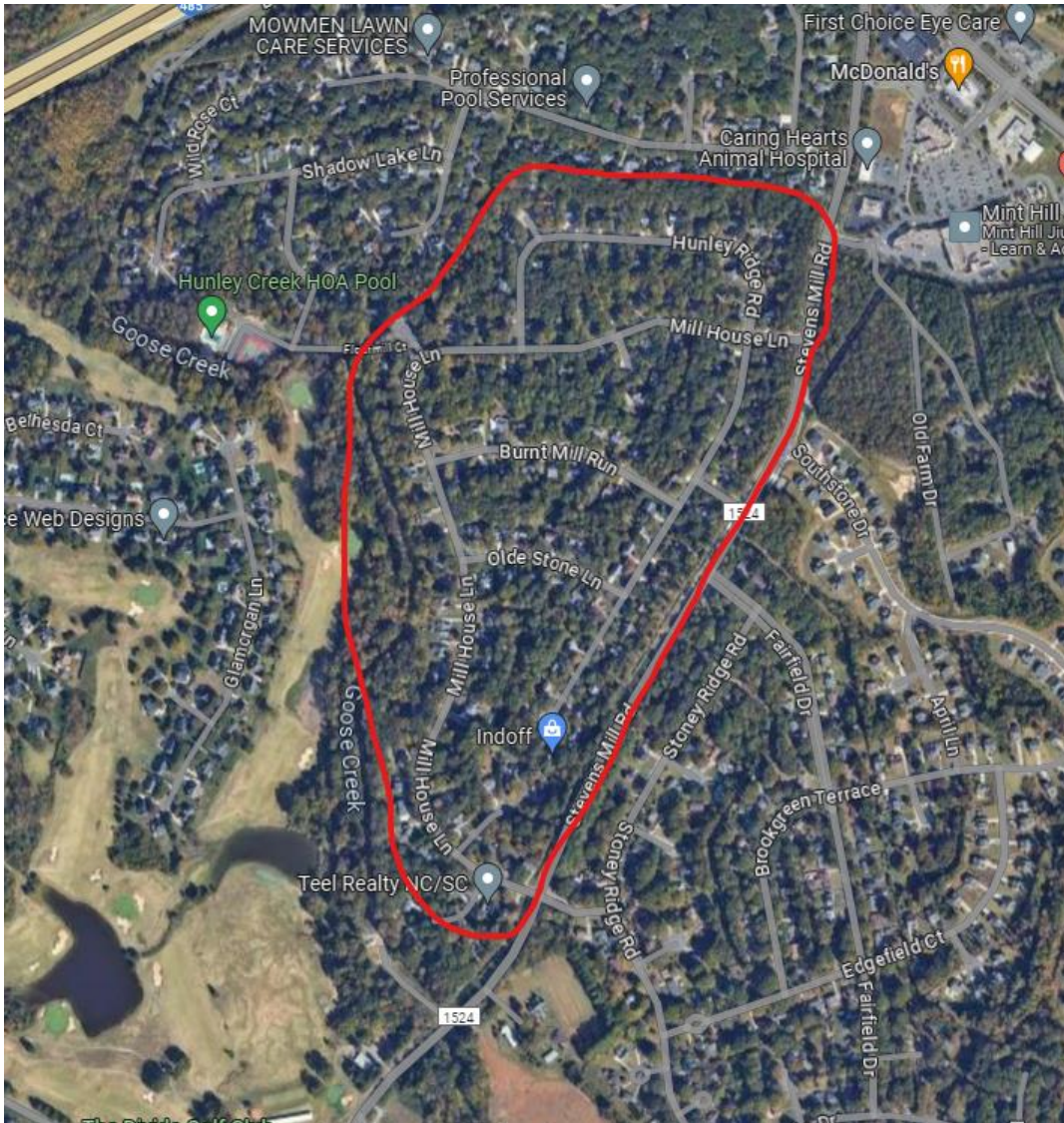
Instruction estimate and the property upon which such taxes were paid were, or will be, used in the performance of this Contract. The list above does not include any taxes paid on purchase of tangible personal property that does not annex, to, affix to, or in some manner become a part of the project, building, structure or repairs.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

# Exhibit A – Roadway Maps

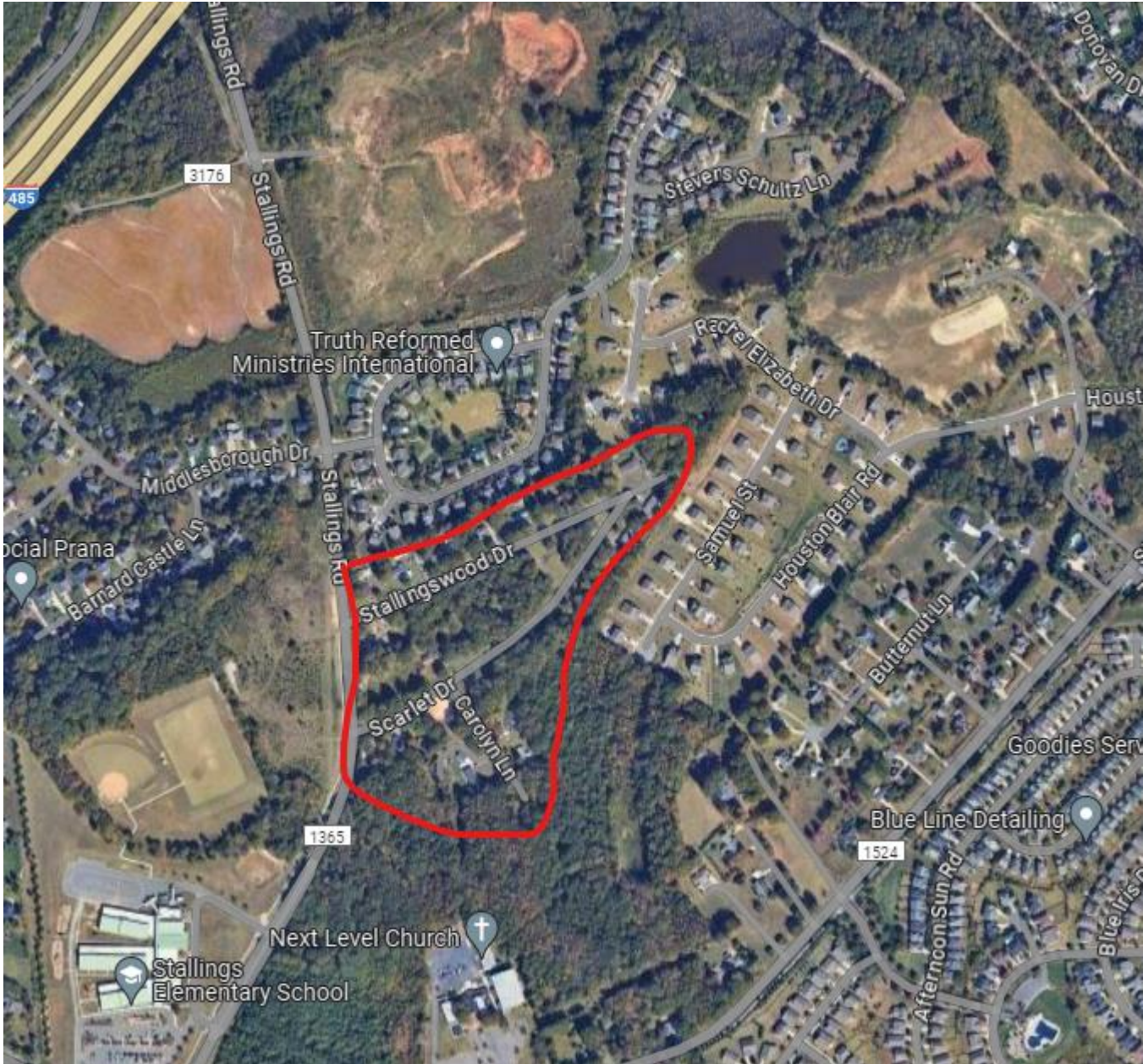
## Hunley Creek Subdivision



**Roads included: Millhouse Lane, Waterwheel Court, Millstream Court, Olde Stone Lane, Hunley Ridge Road, Burnt Mill Run, Flourmill Court & Hunley Hill Court**



**Independence Village Subdivision**



**Roads included: Stallingswood Drive, Scarlet Drive & Carolyn Lane**



ENGINEERING DEPARTMENT  
 BID TABULATION - PAVEMENT PRESERVATION PROGRAM  
 4/11/2024



<b>PROJECT:</b>	2024 Town of Stallings Pavement Preservation Program		<b>CONTRACTOR</b>		Slurry Pavers, Inc.	
<b>BID TYPE:</b>	Formal					
<b>BID SUBMISSION DATE</b>	Thursday April 11, 2024 at 2:00 p.m.					
<i>Item</i>	<i>ITEM DESCRIPTION</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Price</i>	<i>Bid Amount</i>	
<i>Town of Stallings Roadways</i>						
1	Micro-Surfacing, Type II, Single Course	50,600	SY	\$3.98	\$201,388.00	
2	Crack Sealing (NCDOT Spec 657)	11,100	LB	\$3.39	\$37,629.00	
3	Maintenance of Traffic	1	LS	\$18,000.00	\$18,000.00	
4	Stop Bar Striping	20	EA	\$325.00	\$6,500.00	
5	Mobilization	1	LS	\$15,000.00	\$15,000.00	
	<b>Subtotal</b>				\$278,517.00	
6	20% Contingency	1	LS	\$55,703.40	\$55,703.40	
	<b>Total Bid Amount</b>				<b>\$334,220.40</b>	

This is to certify that the bids herein were publicly opened and read aloud at 2:05 pm on April, 11 2024.  
 in the Conference Room of Stallings Town Hall at 315 Stallings Rd. Stallings, NC 28104.

Witnessed by:

Kevin Parker  
 Engineering Director



# MEMO

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To: **Mayor and Town Council**  
Via: Alex Sewell, Town Manager  
From: Kevin Parker, P.E., Town Engineer  
Eunice Donnelly, CPRP, CPO, CPSI, Parks and Recreation Director  
Date: May 13, 2024.  
RE: Public Works and Parks and Recreation: Smith Grounds Management Three-Year Contract Approval

---

Staff has been coordinating with Smith Grounds Management, currently contracted to perform landscaping services for several areas throughout Town, to update and separate the current contract into two contract; one each for Public Works and Parks and Recreation. Additionally, Staff has coordinated with Smith Grounds to provide three-year landscaping contracts each for Public Works and Parks and Recreation. The separated contracts place all landscaping services for each Town-owned Park and Greenway under Parks and Recreation and places other Town-owned properties (Town Hall & PD, 2725 Old Monroe Road, 325 Stallings, 329 Stallings) and identified segments of roadsides under Public Works. Additionally, the contract timing would become effective on July 1, 2024, and will terminate on June 30, 2027.

### **Breakdown of Contracts:**

- Parks and Recreation – Chestnut Lane Greenway, Blair Mill Greenway, Stallings Park, Blair Mill Park, and Privette Park.
  - July 1, 2024, through June 30, 2025 - \$63,948.00
  - July 1, 2025, through June 30, 2026 - \$65,232.00
  - July 1, 2026, through June 30, 2027- \$66,540.00
- Public Works - Town Hall & PD, 2725 Old Monroe Road, 325 Stallings, 329 Stallings Road, and Various Roadsides/Intersections.
  - July 1, 2024, through June 30, 2025 - \$53,568.00
  - July 1, 2025, through June 30, 2026 - \$54,636.00
  - July 1, 2026, through June 30, 2027- \$55,728.00
- Mulching is not specifically included in the contract but is available as an additional service upon request.

Lastly, there is no State requirement for advertising and/or bidding for any type of service(s), however, The Town's Bidding Policy states that any service contract over \$100,000 must undergo the formal bidding process. Historically, Staff has had issues obtaining sufficient proposals for landscaping services through the bidding process(es). Additionally, Smith Grounds Management has been consistent with their high-quality work, and has remained competitive with their prices, even through significant inflation seen in recent years. All things considered, Staff does not believe there is a benefit to pursue the formal bidding process and would ask that Council allow Staff to bypass the Town's bidding policy and award Smith Grounds Management with a 3-year contract for Public Works and Parks and Recreation.

**Key Items**

- The new/updated contract amounts have been accounted for in Public Works' and Parks and Recreation's proposed FY 2025 Budgets.
  - Proposed budgets also include one application of mulching for FY2024.
- The Town may terminate the contracts at any time contingent on a 30-day written notice.
- The Town may add/delete items off the contract at any time.

**Action Requested:**

Requesting Council to waive the Town's Bidding Policy by allowing Staff to abide by State statute(s) and authorize the Town Manager and Staff to execute the three-year Parks and Recreation and Public Works landscaping contracts with Smith Grounds Management, as outlined in the contracts' breakdown.



SMITH GROUNDS MANAGEMENT, LLC

P.O. BOX 2134

MATTHEWS, NC 28106

(704) 821-4066

THIS AGREEMENT ENTERED INTO BETWEEN **SMITH GROUNDS MANAGEMENT, LLC**, hereinafter, CONTRACTOR and **THE TOWN OF STALLINGS**, hereinafter, AGENT OR REPRESENTATIVE for work to be performed upon property of the owner at: **PUBLIC WORKS - Town Hall/Police Station, Roadsides, 2725 Old Monroe Rd, 325 Stallings Rd., Roadsides and Traffic Circle at Chestnut Lane, 329 Stallings Rd., STALLINGS NC, 28104.**

**July 1, 2024 through June 30, 2027**

## SCOPE OF WORK

**SMITH GROUNDS MANAGEMENT, LLC** agrees to furnish all Horticultural Supervision, Labor, Equipment, Materials and Transportation as described hereinabove necessary to maintain the landscape per the above and per the attached Practical Specifications for Contract Landscape Management and the General Terms and Conditions.

## TURF MANAGEMENT

### ➤ Mowing

- Lawns shall be mowed weekly during the growing season.
- Mowing height shall be appropriate to the turf species.
- Mowing patterns shall be established and changed on a regular basis to prevent compaction and to present the most aesthetically pleasing appearance.
- Excessive grass clippings and other debris caused by contractor shall be blown from adjacent walks, curbs and other paved areas.
- During the non-cutting season the property will be visited every 10-14 days. At that time the property will be policed and blown. Trash and debris will be removed on the property during these visits.
- **TOWN HALL/POLICE STATION** – Full Service
- **ROADSIDES ALL MULTIPLE ADDRESSES** (Road to sidewalk, plus one pass on other side of sidewalk) – Cut, edge, trim and blow ONLY. Bi-weekly roundup for sidewalks.
- **2725 OLD MONROE RD** – (Old John Deere Bldg on police station side of town hall) Bi-weekly service to include cut, edge trim, blow ONLY. Bi-weekly roundup for sidewalks.
- **325 STALLINGS RD** – (House directly beside the police station/town hall) Bi-weekly service to include cut, edge trim, blow and roundup for sidewalks. Will receive shrubbery pruning 3 times per year and leaf removal 3 times per year.
- **ROADSIDES AND TRAFFIC CIRCLE** at Chestnut Lane (opposite the Chestnut Farm Apartment Bldg):
  - **BI-WEEKLY** Service for turf on roadsides to include mowing, edging, trimming and blowing ONLY.
  - **BI-WEEKLY** Service for Traffic circle at Chestnut and Matthews-Weddington to include the following: Weeding by hand/chemical, policing the grounds for trash and shrub pruning three (3) times per contract year.
- **329 STALLINGS RD** – (House beside the police station/town hall) Bi-weekly service to include cut, edge trim, blow and roundup for sidewalks. Will receive shrubbery pruning 3 times per year and leaf removal 3 times per year.

### ➤ Trimming

- Monofilament line trimming around obstacles within the lawn area shall be performed in conjunction with mowing.

➤ **Edging**

- All lawn edges along curbs and sidewalks will be edged every other mowing during the cutting season to prevent encroachment of turf and present a neat appearance.
- Edging shall be performed with a blade type mechanical edger.

➤ **Turf Fertilization**

- A quality fertilizer shall be applied to turf **(4)** times per year. **Timing, frequency and rate of application shall be adjusted to meet horticultural conditions.**
  - **Early Spring:** A high quality, balanced fertilizer shall be applied to promote color, encourage root development and establishment of newly planted turf.
  - **Late Spring:** A high quality, balanced fertilizer shall be applied to prepare turf for Summer conditions.
  - **Early Fall:** A high quality, professional grade fertilizer shall be applied to promote Fall recovery and aid newly seeded turf in germination and root development.
  - **Late Fall:** A high quality, professional grade fertilizer shall be applied to encourage peak color maintenance over winter season and promote heavy root growth.

➤ **Turf Herbicide**

- A pre-emergent weed control shall be applied to all turf **(2)** per year in the spring to minimize weed seed germination. **Rates and timing of applications will be determined as product and conditions dictate.**
- All turf areas shall be sprayed in the spring to control Broadleaf weeds. **Rates and timing of applications will be determined as product and conditions dictate.**
- Additional turf chemical applications may be needed for extremely difficult to control weeds, such as Yellow Nutsedge and Dallisgrass. **Any additional applications needed to treat weeds and grasses that cannot be controlled through the application of pre-emergent will be brought to the attention of the owner and applied upon approval at an additional fee.**

➤ **Turf Fungicide**

- Turf fungicide may be applied if needed, in the spring and throughout the growth season as to help keep brown patch and other fungi under control. **Applications of fungicide will be applied with the approval of the owner for an additional cost.**

➤ **Insect and Disease Control**

- An employee versed in the recognition, diagnosis and treatment of turf damaging diseases and insects shall be on alert for an outbreak of insect damage or disease. Management shall be notified of an outbreak, recommended treatment and costs. **Work shall commence with authorization and billed at as a separate cost.**
- Insecticide for control of Grub worms may be applied if necessary, with the approval of the owner at an additional cost. Rates and frequency of application will be determined as product and conditions dictate.

➤ **Lime**

- A soil test will be taken upon request to determine whether an application of lime is necessary. If lime is necessary to adjust pH levels in turf, owner will be notified. **Applications are available upon approval at an additional cost.**

➤ **Aeration and Overseeding**

- All turf areas shall be renovated once **(1)** in the fall. Aeration shall be performed to permit better penetration of moisture and nutrients, and to relieve compaction. All cores will be left on turf to help break down the thatch layer.
- All turf shall be overseeded in conjunction with the aeration process. Grade A Turf-Type Fescue blend seed mix shall be applied at a rate of **3.5 pounds per 1000 square feet.**

- All irrigated turf areas will have the irrigation heads marked as a precaution to avoid damage during the aeration process. **Smith Grounds cannot assume liability for any sub-surface lines which are not normally located and marked by the local utility location services.** These include, but are not limited to, invisible dog fences, cable TV, security lines, irrigation or lighting systems, gas barbecue lines or pool equipment lines.
- **Wheat Straw is not included and is available at an additional cost.**

## FIRE ANT

### ➤ Fire Ant Control will be Extra

- Property will be monitored regularly for evidence of Fire Ant activity. Treatment of Fire Ant infestation is available at an additional cost.

## TREE AND SHRUB CARE

### ➤ Fertilization

- Shrubs and groundcovers shall be fertilized once **(1)** per year in late winter with a slow release fertilizer.

### ➤ Weed Control

- Mulched areas, shrub beds, tree rings, curbs and other paved areas will be weeded on a continuous as needed basis throughout the growing season to maintain a neat appearance.
- Weeds are controlled through the use of herbicides as well as hand-weeding. Chemicals will be applied under the direction of licensed personnel. Rates and frequency will be determined by product and as conditions dictate.

### ➤ Insect and Disease Control

- Smith Grounds Management utilizes the principles of an Integrated Pest Management program. Smith Grounds will be aware of potential pests and will make regular inspections of plant material.
- The goal of an **IPM program** is to introduce the least amount of chemicals into the landscape as is necessary to maintain acceptable levels of insect and disease problems.
- Treatments for infestation of migratory pests, such as Japanese beetle, Oak worm, Pine Bark beetle, mites, aphids, scale etc. are not included. Since these concerns occur fairly infrequently, recommended treatments will be communicated to management and applied upon approval at an additional cost.

### ➤ Tree and Shrub Pruning

- Trees in landscaped areas will be monitored with each visit.
- Trees in landscaped areas will be limbed **up to 8 feet** from the base of the trunk shall be pruned once per year, to develop the natural form of the plant, and to promote growth.
- Crape Myrtles shall be allowed to grow to their natural height and form. Per city ordinances, Smith Grounds will not perform “topping” of Crape Myrtles. Crape Myrtle pruning is not included.
- Tree care for larger trees is not included. Services are available on an individual basis at an additionally quoted price.
- Shrubs and groundcovers shall be pruned as necessary to maintain the natural form of the plant, to maintain growth within space limitations, and to eliminate damage or disease.
- Formal hedges shall be pruned to maintain a hedge type appearance.
- All shrubbery shall receive **(3)** pruning per year based upon growing season.
- All tree and shrubbery trimmings shall be cleared and removed from property.

## LEAF REMOVAL

### ➤ Turf and Parking Areas

- All leaves shall be blown from lawn areas, walkways, ornamental beds, tree rings, parking areas during the fall and winter months.

➤ **Ornamental Beds**

- Leaves shall be removed from beds as needed to maintain a neat appearance. On the last leaf removal the beds will be thoroughly cleaned of leaves.

➤ **Disposal**

- Accumulated leaves shall be removed from the site with each visit during the fall and winter months.
- Bulk leaf removal shall occur **(3)** times per season.

## **POLICING AND DEBRIS REMOVAL**

➤ **Turf**

- Turf areas shall be inspected on day of service and debris removed prior to mowing.

➤ **Property**

- Litter and trash shall be removed from all landscaped areas with each visit.
- Debris resulting from maintenance operations shall be removed from property and disposed of properly.
- All curbs, sidewalks and entrances will be blown with each visit.

## **IRRIGATION**

➤ **Audit**

- Audits are an Extra Cost to the Contract.

➤ **Start-up**

- Irrigation system start-up/audit is performed in the spring. At this time controllers will be set to an appropriate seasonal schedule, using the least amount of water necessary to maintain growth and health of all landscape and plant material.

➤ **Monitoring**

- Irrigation clocks will be adjusted up to 4 times throughout the watering season

➤ **Winterization**

- Irrigation system shut-down is performed in late fall. At this time controllers will be turned off and backflow preventer will be drained for winter. **Full drainage of the irrigation system is available at an additional charge per zone to prevent winter damages. Wells are not included in shutdown.**

➤ **Repairs**

- Necessary system repairs, water leaks and system malfunctions will be reported to management. Repairs to the irrigation system are not included in this contract. A proposal for labor and materials will be made available to management and work completed only upon approval.

➤ **Hand Watering**

- All watering is the responsibility of property owner. Hand watering of flowers, trees, shrubs, groundcover and turf is the sole responsibility of owner except where a pre-arrangement has been made for Smith Grounds to provide the service at an additional cost of \$45.00 dollars an hour.
- **FOR THE WARRANTY ON PLANT MATERIAL TO BE VALID, THE IRRIGATION MUST BE KEPT IN WORKING ORDER OR THE CUSTOMER MUST PAY FOR HAND WATERING AT THE PRICE STATED ABOVE.**

## SEASONAL PLANTINGS

### ➤ Bed Preparation

- Annuals will be installed in existing flowerbeds.
- All beds will be tilled prior to planting.
- A balanced fertilizer shall be applied to beds prior to installation of annuals.

### ➤ Maintenance

- Proper weeding of beds shall be performed on an on-going basis as needed to maintain appearance.
- Deadheading / Pruning as necessary to maintain appearance.

### ➤ Installation

- Timing of installation shall be determined and scheduled based upon seasonal conditions to optimize growth potential.
- *This is an **estimate** of the number of flats of flowers needed. Additional flats will be available for an additional cost.*

- **Spring**

Flower Flat Count: N/A

Materials: Assorted Annuals

Total Cost: \$ N/A

Authorized By: \_\_\_\_\_

- **Fall**

Flower Flat Count: N/A

Materials: Assorted Annuals

Total Cost: \$ N/A

Authorized By: \_\_\_\_\_



## MULCHING

### ➤ Preparation and Installation

- Hardwood Mulch is available for installation twice per year, in the late fall or winter months and again in the spring or summer months.
- Only Grade A Hardwood mulch will be used.
- Removal of existing Pine Needles/Hardwood Mulch will be an additional cost.
- *This is an **estimate** of the amount of Hardwood Mulch needed. Additional Hardwood Mulch will be available for an additional cost.*

#### **Application - TOWN HALL/POLICE STATION**

Mulch Yardage: **45 yds**

Price per Yard (installed): **\$ 70.00**

Total Cost: **\$ 3,150.00**

Authorized By: \_\_\_\_\_

*\*\*Any mulch provided by an outside vendor should be properly installed and cleaned off of plant material and curb lines or Smith Grounds will provide an additional charge for clean-up. Smith Grounds will also not be held responsible for any mulch removed during clean-up of leaves or pruning debris due to mulch being applied at the wrong time by an outside vendor.*

## GENERAL SPECIFICATIONS

- All work shall be performed by trained, properly supervised personnel in accordance with accepted horticultural practices. Chemicals shall be applied under the direction of licensed personnel.
- Materials will be applied in accordance with manufacturer directions. Where alternate products are available, the environmental impact of the products shall govern which is used.
- Adequate personnel and equipment will be provided to permit the timely completion of all operations.
- Smith Grounds Management will maintain all proper insurances to be in force at all times. Certificates of Insurance will be provided upon signing of contract.
- Smith Grounds Management will maintain current pesticide licenses at all times.
- All Smith Grounds Management employees will be uniformed and easily recognized by your staff.
- All crews have a crew leader and he/she has direct communications to area managers.
- Severe weather clean up is not included in this contract. Smith Grounds Management will be available for clean up at an additional charge. Severe weather includes but is not limited to Ice Storms, Wind storms, Tornados and Hurricanes.
- During the non-cutting season the property will be visited every 10-14 days. At that time the property will be policed and blown. Trash and debris will be removed on the property during these visits.
- Night Lighting Service/Enhancements will be provided at an additional cost.
- Landscape Enhancements will be provided at an additional cost.
- There will be a 1.5% processing fee for credit/debit card payments.
- The property manager will approve all additional work before work begins.
- Smith Grounds reserves the right to impose a gas surcharge not to exceed:

1% of the annual contract price if gas prices exceed \$4.00/gallon

2% of the annual contract price if gas prices exceed \$5.00/gallon

*(For every \$1.00 increase in average gas price over \$5.00 per gallon, the fuel charge will also increase by 1%.)*

The surcharge is reviewed on a monthly basis. Surcharge will be billed on a monthly basis with the monthly contract billing. The gas surcharge is calculated on approximately the 25<sup>th</sup> of each month using the monthly average based on the information found at AAA's website - [www.fuelgaugereport.com](http://www.fuelgaugereport.com) for the Charlotte area.

**TERMS OF THE AGREEMENT:** The duration of this agreement is:

July 1, 2024 through June 30, 2027

**DEFINED CONTRACT PRICING:** Town Hall/Police Station,Roadsides,2725 Old Monroe Rd,325 Stallings Rd,329 Stallings Rd

A. <u>2024</u> Yearly Contract Pricing – <b>PUBLIC WORKS:</b>	<b>\$ 53,568.00</b>
<u>2025</u> Yearly Contract Pricing – <b>PUBLIC WORKS:</b>	<b>\$ 54,636.00</b>
<u>2026</u> Yearly Contract Pricing – <b>PUBLIC WORKS:</b>	<b>\$ 55,728.00</b>
B. Hardwood Mulch Pricing – <b>TOWN HALL/POLICE STATION</b>	<b>\$ 3,150.00</b>
C. Seasonal Plant Pricing	<b>\$ N/A</b>

**INSTALLMENT PAYMENTS:**

<u>2024</u> Installment Amount – <b>PUBLIC WORKS:</b>	<b>\$ 4,464.00</b>	Initials: _____
<u>2025</u> Installment Amount – <b>PUBLIC WORKS:</b>	<b>\$ 4,553.00</b>	Initials: _____
<u>2026</u> Installment Amount – <b>PUBLIC WORKS:</b>	<b>\$ 4,644.00</b>	Initials: _____

**TERMS:**

**A. Yearly Contract**

If the above blocks are initialed, the OWNER/REPRESENTATIVE elects to pay the price for the services in twelve equal installments for each year. Billing is on the first of each month and due by the end of that month.

**B. Hardwood Mulch – TOWN HALL/POLICE STATION**

- Hardwood Mulch is to be installed as requested as stated above in the subsection **MULCHING**.
- Hardwood Mulch is not included in the contract price and will be billed separately as the cost is incurred. The estimated Hardwood Mulch price is **\$3,150.00** per application. The estimated price would include approximately **45** yards installed per application. *This is an **estimate** of the amount of Hardwood Mulch needed. Additional Hardwood Mulch will be available for an additional cost.*

**C. Seasonal Plantings**

- Flowers are not included in the contract price and will be billed separately as the cost is incurred

**D. Payment**

1. If the OWNER fails to make any installment payment when due, the CONTRACTOR shall immediately cease the work and render an invoice adjusted in the manner hereinafter set out:
  - (a) The invoice amount shall be adjusted by reducing the price of the work under this agreement by the CONTRACTOR’S projected actual costs of labor and materials left to be supplied under this agreement as of the date the work is ceased.
  - (b) OWNER/REPRESENTATIVE acknowledges that the work to be performed by the CONTRACTOR under the agreement varies with the seasons of the year and the amount of each periodic installment bears no relationship to the amount of work actually performed by the CONTRACTOR during that specific period of time.

2. OWNER/REPRESENTATIVE agrees to pay the balance due on the invoice as adjusted within thirty (30) days of its being rendered by the CONTRACTOR, thereafter the balance of the invoice as adjusted shall accrue interest at the rate of 1½ percent per month until paid.

OWNER/REPRESENTATIVE agrees to reimburse CONTRACTOR for the actual cost of any attorney fees that it incurs in the collection of any balance due under this agreement.

LIMITED WARRANTY: CONTRACTOR warrants only that if the work covered by this agreement is not as specified, CONTRACTOR shall, in lieu of all remedies, furnish, without charge, such materials and labor as are necessary to correct the work. This warranty runs only to the OWNER named in this agreement, and is effective only if written notice of a claim is delivered to the CONTRACTOR; and the OWNER/REPRESENTATIVE is not in default under any of the payment provisions of the agreement.

*THIS contract may be canceled by either party with a 30 day written notice of cancellation and is subject to the same conditions set forth in 1a and 1b.*

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE EXCLUDED. CONTRACTOR is responsible only for damage to buildings or contents caused by CONTRACTOR. CONTRACTOR is not responsible for any consequential or economic loss or damage caused by the OWNER.

ENTIRE AGREEMENT: This agreement represents the entire contract between the parties. No verbal agreements, condition or representations are valid unless appearing on all copies. Any modifications thereof must be in writing and acknowledged by the CONTRACTOR and the OWNER.

THIS AGREEMENT is to be governed by the laws of the State of North Carolina and is binding upon the heirs, personal representatives, successors and assigns of the parties.

**PROPOSED BY:**

**ACCEPTED BY:**

BY: Jimmy Perry

BY: \_\_\_\_\_

TITLE: GENERAL MANAGER

TITLE: \_\_\_\_\_

DATE: May 1, 2024

DATE: \_\_\_\_\_



SMITH GROUNDS MANAGEMENT, LLC

P.O. BOX 2134

MATTHEWS, NC 28106

(704) 821-4066

THIS AGREEMENT ENTERED INTO BETWEEN **SMITH GROUNDS MANAGEMENT, LLC**, hereinafter, CONTRACTOR and **THE TOWN OF STALLINGS**, hereinafter, AGENT OR REPRESENTATIVE for work to be performed upon property of the owner at: **PARKS DEPARTMENT - Greenway 3005 Chestnut Ln, Stallings Park, Blair Mill Park, Privette Park Blair Mill Greenway, STALLINGS NC, 28104.**

**July 1, 2024 through June 30, 2027**

### SCOPE OF WORK

**SMITH GROUNDS MANAGEMENT, LLC** agrees to furnish all Horticultural Supervision, Labor, Equipment, Materials and Transportation as described hereinabove necessary to maintain the landscape per the above and per the attached Practical Specifications for Contract Landscape Management and the General Terms and Conditions.

### TURF MANAGEMENT

#### ➤ Mowing

- Lawns shall be mowed weekly during the growing season.
- Mowing height shall be appropriate to the turf species.
- Mowing patterns shall be established and changed on a regular basis to prevent compaction and to present the most aesthetically pleasing appearance.
- Excessive grass clippings and other debris caused by contractor shall be blown from adjacent walks, curbs and other paved areas.
- During the non-cutting season the property will be visited every 10-14 days. At that time the property will be policed and blown. Trash and debris will be removed on the property during these visits.
- **GREENWAY – 3005 Chestnut Lane** – Bi-weekly service to include cut, edge, trim and blow ONLY. Bi-weekly roundup for sidewalks. Will receive leaf removal 3 times per year.
- **STALLINGS PARK** – Full service
- **BLAIR MILL PARK** – Full service; No Pruning, Leaf removal, Irrigation or Seed.
- **PRIVETTE PARK** – Bi-weekly service to include cut, trim and blow ONLY.
- **BLAIR MILL GREENWAY** - Bi-weekly service to include cut, edge, trim and blow only.

#### ➤ Trimming

- Monofilament line trimming around obstacles within the lawn area shall be performed in conjunction with mowing.

#### ➤ Edging

- All lawn edges along curbs and sidewalks will be edged every other mowing during the cutting season to prevent encroachment of turf and present a neat appearance.
- Edging shall be performed with a blade type mechanical edger.

#### ➤ Turf Fertilization

- A quality fertilizer shall be applied to turf **(4)** times per year. **Timing, frequency and rate of application shall be adjusted to meet horticultural conditions.**
  - **Early Spring:** A high quality, balanced fertilizer shall be applied to promote color, encourage root development and establishment of newly planted turf.

- **Late Spring:** A high quality, balanced fertilizer shall be applied to prepare turf for Summer conditions.
- **Early Fall:** A high quality, professional grade fertilizer shall be applied to promote Fall recovery and aid newly seeded turf in germination and root development.
- **Late Fall:** A high quality, professional grade fertilizer shall be applied to encourage peak color maintenance over winter season and promote heavy root growth.

#### ➤ Turf Herbicide

- A pre-emergent weed control shall be applied to all turf **(2)** per year in the spring to minimize weed seed germination. **Rates and timing of applications will be determined as product and conditions dictate.**
- All turf areas shall be sprayed in the spring to control Broadleaf weeds. **Rates and timing of applications will be determined as product and conditions dictate.**
- Additional turf chemical applications may be needed for extremely difficult to control weeds, such as Yellow Nutsedge and Dallisgrass. **Any additional applications needed to treat weeds and grasses that cannot be controlled through the application of pre-emergent will be brought to the attention of the owner and applied upon approval at an additional fee.**

#### ➤ Turf Fungicide

- Turf fungicide may be applied if needed, in the spring and throughout the growth season as to help keep brown patch and other fungi under control. **Applications of fungicide will be applied with the approval of the owner for an additional cost.**

#### ➤ Insect and Disease Control

- An employee versed in the recognition, diagnosis and treatment of turf damaging diseases and insects shall be on alert for an outbreak of insect damage or disease. Management shall be notified of an outbreak, recommended treatment and costs. **Work shall commence with authorization and billed at as a separate cost.**
- Insecticide for control of Grub worms may be applied if necessary, with the approval of the owner at an additional cost. Rates and frequency of application will be determined as product and conditions dictate.

#### ➤ Lime

- A soil test will be taken upon request to determine whether an application of lime is necessary. If lime is necessary to adjust pH levels in turf, owner will be notified. **Applications are available upon approval at an additional cost.**

#### ➤ Aeration and Overseeding

- All turf areas shall be renovated once **(1)** in the fall. Aeration shall be performed to permit better penetration of moisture and nutrients, and to relieve compaction. All cores will be left on turf to help break down the thatch layer.
- All turf shall be overseeded in conjunction with the aeration process. Grade A Turf-Type Fescue blend seed mix shall be applied at a rate of **3.5 pounds per 1000 square feet.**
- All irrigated turf areas will have the irrigation heads marked as a precaution to avoid damage during the aeration process. **Smith Grounds cannot assume liability for any sub-surface lines which are not normally located and marked by the local utility location services.** These include, but are not limited to, invisible dog fences, cable TV, security lines, irrigation or lighting systems, gas barbecue lines or pool equipment lines.
- **Wheat Straw is not included and is available at an additional cost.**

### FIRE ANT

#### ➤ Fire Ant Control will be Extra

- Property will be monitored regularly for evidence of Fire Ant activity. Treatment of Fire Ant infestation is available at an additional cost.

## TREE AND SHRUB CARE

### ➤ Fertilization

- Shrubs and groundcovers shall be fertilized once **(1)** per year in late winter with a slow release fertilizer.

### ➤ Weed Control

- Mulched areas, shrub beds, tree rings, curbs and other paved areas will be weeded on a continuous as needed basis throughout the growing season to maintain a neat appearance.
- Weeds are controlled through the use of herbicides as well as hand-weeding. Chemicals will be applied under the direction of licensed personnel. Rates and frequency will be determined by product and as conditions dictate.

### ➤ Insect and Disease Control

- Smith Grounds Management utilizes the principles of an Integrated Pest Management program. Smith Grounds will be aware of potential pests and will make regular inspections of plant material.
- The goal of an **IPM program** is to introduce the least amount of chemicals into the landscape as is necessary to maintain acceptable levels of insect and disease problems.
- Treatments for infestation of migratory pests, such as Japanese beetle, Oak worm, Pine Bark beetle, mites, aphids, scale etc. are not included. Since these concerns occur fairly infrequently, recommended treatments will be communicated to management and applied upon approval at an additional cost.

### ➤ Tree and Shrub Pruning

- Trees in landscaped areas will be monitored with each visit.
- Trees in landscaped areas will be limbed **up to 8 feet** from the base of the trunk shall be pruned once per year, to develop the natural form of the plant, and to promote growth.
- Crape Myrtles shall be allowed to grow to their natural height and form. Per city ordinances, Smith Grounds will not perform “topping” of Crape Myrtles. Crape Myrtle pruning is not included.
- Tree care for larger trees is not included. Services are available on an individual basis at an additionally quoted price.
- Shrubs and groundcovers shall be pruned as necessary to maintain the natural form of the plant, to maintain growth within space limitations, and to eliminate damage or disease.
- Formal hedges shall be pruned to maintain a hedge type appearance.
- All shrubbery shall receive **(3)** pruning per year based upon growing season.
- All tree and shrubbery trimmings shall be cleared and removed from property.

## LEAF REMOVAL

### ➤ Turf and Parking Areas

- All leaves shall be blown from lawn areas, walkways, ornamental beds, tree rings, parking areas during the fall and winter months.

### ➤ Ornamental Beds

- Leaves shall be removed from beds as needed to maintain a neat appearance. On the last leaf removal the beds will be thoroughly cleaned of leaves.

### ➤ Disposal

- Accumulated leaves shall be removed from the site with each visit during the fall and winter months.
- Bulk leaf removal shall occur **(3)** times per season.

## POLICING AND DEBRIS REMOVAL

### ➤ Turf

- Turf areas shall be inspected on day of service and debris removed prior to mowing.

### ➤ Property

- Litter and trash shall be removed from all landscaped areas with each visit.
- Debris resulting from maintenance operations shall be removed from property and disposed of properly.
- All curbs, sidewalks and entrances will be blown with each visit.

## IRRIGATION

### ➤ Audit

- Audits are an Extra Cost to the Contract.

### ➤ Start-up

- Irrigation system start-up/audit is performed in the spring. At this time controllers will be set to an appropriate seasonal schedule, using the least amount of water necessary to maintain growth and health of all landscape and plant material.

### ➤ Monitoring

- Irrigation clocks will be adjusted up to 4 times throughout the watering season

### ➤ Winterization

- Irrigation system shut-down is performed in late fall. At this time controllers will be turned off and backflow preventer will be drained for winter. **Full drainage of the irrigation system is available at an additional charge per zone to prevent winter damages. Wells are not included in shutdown.**

### ➤ Repairs

- Necessary system repairs, water leaks and system malfunctions will be reported to management. Repairs to the irrigation system are not included in this contract. A proposal for labor and materials will be made available to management and work completed only upon approval.

### ➤ Hand Watering

- All watering is the responsibility of property owner. Hand watering of flowers, trees, shrubs, groundcover and turf is the sole responsibility of owner except where a pre-arrangement has been made for Smith Grounds to provide the service at an additional cost of \$45.00 dollars an hour.
- **FOR THE WARRANTY ON PLANT MATERIAL TO BE VALID, THE IRRIGATION MUST BE KEPT IN WORKING ORDER OR THE CUSTOMER MUST PAY FOR HAND WATERING AT THE PRICE STATED ABOVE.**



## SEASONAL PLANTINGS

### ➤ Bed Preparation

- Annuals will be installed in existing flowerbeds.
- All beds will be tilled prior to planting.
- A balanced fertilizer shall be applied to beds prior to installation of annuals.

### ➤ Maintenance

- Proper weeding of beds shall be performed on an on-going basis as needed to maintain appearance.
- Deadheading / Pruning as necessary to maintain appearance.

### ➤ Installation

- Timing of installation shall be determined and scheduled based upon seasonal conditions to optimize growth potential.
- *This is an **estimate** of the number of flats of flowers needed. Additional flats will be available for an additional cost.*

- **Spring**

Flower Flat Count: N/A

Materials: Assorted Annuals

Total Cost: \$ N/A

Authorized By: \_\_\_\_\_

- **Fall**

Flower Flat Count: N/A

Materials: Assorted Annuals

Total Cost: \$ N/A

Authorized By: \_\_\_\_\_

## MULCHING

### ➤ Preparation and Installation

- Hardwood Mulch is available for installation twice per year, in the late fall or winter months and again in the spring or summer months.
- Only Grade A Hardwood mulch will be used.
- Removal of existing Pine Needles/Hardwood Mulch will be an additional cost.
- *This is an **estimate** of the amount of Hardwood Mulch needed. Additional Hardwood Mulch will be available for an additional cost.*

#### **Application – STALLINGS PARK**

Black Hardwood Mulch Yardage (for beds): **50 yds**

Price per Yard (installed): **\$ 70.00**

Total Cost: **\$ 3,500.00**

Authorized By: \_\_\_\_\_

#### **Application – STALLINGS PARK**

PLAYGROUND Mulch Yardage: **130 yds**

Price per Yard (installed): **\$ 90.00**

Total Cost: **\$ 11,700.00**

Authorized By: \_\_\_\_\_

*\*\*Any mulch provided by an outside vendor should be properly installed and cleaned off of plant material and curb lines or Smith Grounds will provide an additional charge for clean-up. Smith Grounds will also not be held responsible for any mulch removed during clean-up of leaves or pruning debris due to mulch being applied at the wrong time by an outside vendor.*

## GENERAL SPECIFICATIONS

- All work shall be performed by trained, properly supervised personnel in accordance with accepted horticultural practices. Chemicals shall be applied under the direction of licensed personnel.
- Materials will be applied in accordance with manufacturer directions. Where alternate products are available, the environmental impact of the products shall govern which is used.
- Adequate personnel and equipment will be provided to permit the timely completion of all operations.
- Smith Grounds Management will maintain all proper insurances to be in force at all times. Certificates of Insurance will be provided upon signing of contract.
- Smith Grounds Management will maintain current pesticide licenses at all times.
- All Smith Grounds Management employees will be uniformed and easily recognized by your staff.
- All crews have a crew leader and he/she has direct communications to area managers.
- Severe weather clean up is not included in this contract. Smith Grounds Management will be available for clean up at an additional charge. Severe weather includes but is not limited to Ice Storms, Wind storms, Tornados and Hurricanes.
- During the non-cutting season the property will be visited every 10-14 days. At that time the property will be policed and blown. Trash and debris will be removed on the property during these visits.
- Night Lighting Service/Enhancements will be provided at an additional cost.
- Landscape Enhancements will be provided at an additional cost.
- There will be a 1.5% processing fee for credit/debit card payments.
- The property manager will approve all additional work before work begins.
- Smith Grounds reserves the right to impose a gas surcharge not to exceed:

1% of the annual contract price if gas prices exceed \$4.00/gallon

2% of the annual contract price if gas prices exceed \$5.00/gallon

*(For every \$1.00 increase in average gas price over \$5.00 per gallon, the fuel charge will also increase by 1%.)*

The surcharge is reviewed on a monthly basis. Surcharge will be billed on a monthly basis with the monthly contract billing. The gas surcharge is calculated on approximately the 25<sup>th</sup> of each month using the monthly average based on the information found at AAA's website - [www.fuelgaugereport.com](http://www.fuelgaugereport.com) for the Charlotte area.

**TERMS OF THE AGREEMENT:** The duration of this agreement is:

July 1, 2024 through June 30, 2027

**DEFINED CONTRACT PRICING:** Greenway 3005 Chestnut Lane, Stallings Park, Blair Mill Park & Privette Park, Blair Mill Greenway

A. <u>2024</u> Yearly Contract Pricing – <b>PARKS DEPARTMENT:</b>	\$ <u>63,948.00</u>
<u>2025</u> Yearly Contract Pricing – <b>PARKS DEPARTMENT:</b>	\$ <u>65,232.00</u>
<u>2026</u> Yearly Contract Pricing – <b>PARKS DEPARTMENT:</b>	\$ <u>66,540.00</u>
B. Hardwood Mulch Pricing – <b>STALLINGS PARK – Black Hardwood Mulch</b>	\$ <u>3,500.00</u>
PLAYGROUND Mulch Pricing – <b>STALLINGS PARK</b>	\$ <u>11,700.00</u>
C. Seasonal Plant Pricing	\$ <u>N/A</u>

**INSTALLMENT PAYMENTS:**

<u>2024</u> Installment Amount – <b>PARKS DEPARTMENT:</b>	\$ <u>5,329.00</u>	Initials: _____
<u>2025</u> Installment Amount – <b>PARKS DEPARTMENT:</b>	\$ <u>5,436.00</u>	Initials: _____
<u>2026</u> Installment Amount – <b>PARKS DEPARTMENT:</b>	\$ <u>5,545.00</u>	Initials: _____

**TERMS:**

**A. Yearly Contract**

If the above blocks are initialed, the OWNER/REPRESENTATIVE elects to pay the price for the services in twelve equal installments for each year. Billing is on the first of each month and due by the end of that month.

**B. Hardwood Mulch – STALLINGS PARK – Black Hardwood Mulch**

- Black Hardwood Mulch is to be installed as requested as stated above in the subsection **MULCHING**.
- Black Hardwood Mulch is not included in the contract price and will be billed separately as the cost is incurred. The estimated Black Hardwood Mulch price is \$3,500.00 per application. The estimated price would include approximately **50** yards installed per application. *This is an **estimate** of the amount of Black Hardwood Mulch needed. Additional Black Hardwood Mulch will be available for an additional cost.*

**Hardwood Mulch – STALLINGS PARK – Playground Mulch**

- Playground Mulch is to be installed as requested as stated above in the subsection **MULCHING**.
- Playground Mulch is not included in the contract price and will be billed separately as the cost is incurred. The estimated Playground Mulch price is \$11,700.00 per application. The estimated price would include approximately **130** yards installed per application. *This is an **estimate** of the amount of Playground Mulch needed. Additional Playground Mulch will be available for an additional cost.*

**C. Seasonal Plantings**

- Flowers are not included in the contract price and will be billed separately as the cost is incurred

**D. Payment**

1. If the OWNER fails to make any installment payment when due, the CONTRACTOR shall immediately cease the work and render an invoice adjusted in the manner hereinafter set out:
  - (a) The invoice amount shall be adjusted by reducing the price of the work under this agreement by the CONTRACTOR’S projected actual costs of labor and materials left to be supplied under this agreement as of the date the work is ceased.
  - (b) OWNER/REPRESENTATIVE acknowledges that the work to be performed by the CONTRACTOR under the agreement varies with the seasons of the year and the amount of each periodic installment bears no relationship to the amount of work actually performed by the CONTRACTOR during that specific period of time.
2. OWNER/REPRESENTATIVE agrees to pay the balance due on the invoice as adjusted within thirty (30) days of its being rendered by the CONTRACTOR, thereafter the balance of the invoice as adjusted shall accrue interest at the rate of 1½ percent per month until paid.

OWNER/REPRESENTATIVE agrees to reimburse CONTRACTOR for the actual cost of any attorney fees that it incurs in the collection of any balance due under this agreement.

LIMITED WARRANTY: CONTRACTOR warrants only that if the work covered by this agreement is not as specified, CONTRACTOR shall, in lieu of all remedies, furnish, without charge, such materials and labor as are necessary to correct the work. This warranty runs only to the OWNER named in this agreement, and is effective only if written notice of a claim is delivered to the CONTRACTOR; and the OWNER/REPRESENTATIVE is not in default under any of the payment provisions of the agreement.

*THIS contract may be canceled by either party with a 30 day written notice of cancellation and is subject to the same conditions set forth in 1a and 1b.*

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE EXCLUDED. CONTRACTOR is responsible only for damage to buildings or contents caused by CONTRACTOR. CONTRACTOR is not responsible for any consequential or economic loss or damage caused by the OWNER.

ENTIRE AGREEMENT: This agreement represents the entire contract between the parties. No verbal agreements, condition or representations are valid unless appearing on all copies. Any modifications thereof must be in writing and acknowledged by the CONTRACTOR and the OWNER.

THIS AGREEMENT is to be governed by the laws of the State of North Carolina and is binding upon the heirs, personal representatives, successors and assigns of the parties.

**PROPOSED BY:**

**ACCEPTED BY:**

BY: Jimmy Perry

BY: \_\_\_\_\_

TITLE: GENERAL MANAGER

TITLE: \_\_\_\_\_

DATE: March 7, 2024

DATE: \_\_\_\_\_