



TOWN OF RICHLANDS
Town Board Meeting
May 19, 2020
6:00 PM
AGENDA

I. Meeting Called to Order by Mayor McKinley Smith

II. Pledge of Allegiance

III. Invocation

IV. Adoption of the Agenda

V. Adoption of the Minutes

1. March and April 2020 Meeting Minutes

VI. Public Hearings

VII. Old Business

1. Zoning Map Amendment Request

VIII. New Business

1. Fiscal Year 2020-2021 Budget Presentation
2. 24 East Annexation Agreement (Sylvester Farms)
3. Flood Plain Development Ordinance
4. ONWASA Administrative Service Agreement
5. Gov Deals Resolution (Sale of Surplus Property)
6. Budget Amendment #1 & #2 (2020)
7. FY 19-20 Audit Contract
8. Schedule Public Hearing (Rezoning Request)

IX. Administrator Notes and Updates

1. Administrator Notes and Updates

X. Police Report

1. March & April 2020 Police Report

XI. Public Comment

XII. Board Member Concerns

XIII. Personnel

XIV. Closed Session

XV. Adjourn



TOWN OF RICHLANDS

Regular Board Meeting

Agenda Item V. - 1.

March and April 2020 Meeting Minutes

Description:

Review:

Attached are the minutes for the March 9, 2020 Regular Meeting, March 20 Special Call Meeting and the April 23, 2020 Budget Workshop of the Richlands Board of Aldermen.

Action Needed:

Adopt the Minutes.

ATTACHMENTS:

Description

- ❑ March 9, 2020 Meeting Minutes
- ❑ March 20, 2020 Special Meeting Minutes
- ❑ April 23, 2020 Budget Workshop Minutes

TOWN OF RICHLANDS
NORTH CAROLINA

Office of the
Town Clerk
(910) 324-3301
(910) 324-2324 fax
townclerk@richlandscnc.gov



Mailing Address:
P.O. Box 245
Richlands, N.C. 28574

The Richlands Board of Aldermen met in regular session on Tuesday, March 10, 2020, at 6:00 pm in the board room at the Richlands Town Hall. Present for the meeting were:

Mayor McKinley D. Smith
Alderman Kent Painter
Alderman Kandy Koonce

Alderman Marilyn Bunce
Alderman Tom Brown
Alderman Paul Conner

Also present were:

Gregg Whitehead, Town Administrator
Keith Fountain, Town Attorney
Chief William A. Horne, Police Department

Doreen Putney, Town Clerk
Johnathan Jarman, Public Works Director

There were fifteen (15) citizens present.

I. MEETING CALLED TO ORDER:

Mayor McKinley D. Smith called the meeting to order at 6:04 pm.

II. PLEDGE OF ALLEGIANCE: Mr. Ethan Robinson, Boy Scout Troop 215

III. INVOCATION: Mayor McKinley D. Smith

IV. ADOPTION OF AGENDA:

Gregg Whitehead, Town Administrator, presented the agenda to the Board.

A **motion** was made by Alderman Kandy Koonce, seconded by Alderman Marilyn Bunce to adopt the agenda as written. The motion was unanimously carried.

V. APPROVAL OF MINUTES (February 11, 2020):

A **motion** was made by Alderman Marilyn Bunce, seconded by Alderman Kent Painter to approve the regular board meeting minutes of February 11, 2020. The motion was unanimously carried.

VI. PUBLIC HEARINGS:

1. Public Hearing for a Zoning Map Amendment (Mr. J. Pierce):

Mayor McKinley Smith opened the meeting for a public hearing concerning a proposed change to the zoning map designation of two land parcels (Tax Parcel #43-53 and #43-26) totaling 28 acres along Richlands Loop Road in the ETJ of Richlands. Mr. John Pierce & Associates is seeking to change the zoning designation from R-8 Residential and R-20 Residential to RM-8 Residential which would allow for multi-family housing, including apartments, townhomes and condominiums as a permitted use.

Mr. John Pierce reported that he has spoken to ONWASA to install sewer. He also stated that he is willing to annex the parcels into the town to utilize the services of the town. Approval of the request will need to be done before we can proceed with the development of the plans.

Mr. Whitehead reported that the final development plans will need to come before the Board and reviewed before final approval.

Mr. Nolan Whaley of 322 Richlands Loop: Expressed his opposition to rezoning the land parcels to RM-8. Mr. Whaley stated that this has been a farming community all his life and would hate to see it start out with this type of housing. He stated that he owns property all around this property on three sides. When he wakes up in the morning, he does not want to see what is being proposed. He understands this would be low income housing and it would create crime and a lot of problems. He would prefer single family homes instead of what is being proposed. I am opposed to multi-family housing. Mr. Whaley also expressed concern with a decrease in property values if this is approved.

Ms. Teresa Orr of 245 Richlands Loop Rd. Expressed her opposition to rezoning the land parcels to RM-8. She asked Mr. John Pierce and the Board who would be buying the homes once they are built. She stated that she has received phone calls from neighbors about the property becoming Section 8 low income housing. We are opposed to this and are also worried about our property values decreasing. Ms. Orr also expressed concern with the proposed development increasing traffic.

Alderman Paul Conner stated that if approved the map will then be drawn and presented to DOT who will then make the decision if it warrants a traffic light coming onto Hwy. 258.

Ms. Victoria Vandermark of 132 Whaley Drive. Expressed her opposition to rezoning the land parcels to RM-8. She asked Mr. John Pierce if he has any plans on making this Section 8 low income housing. Mr. Pierce stated that he does not have any plans on doing that. Ms. Vandermark also expressed concern with the increased traffic this will cause and the possibility of an increase in crime. Ms. Vandermark expressed again that she is opposed to this rezoning.

Mr. James Holder of 143 Whaley Drive. Expressed his opposition to rezoning the land parcels to RM-8. He stated that he is not in favor of this at all.

Ms. Barbara Crowson of 182 Huffmantown Rd. Expressed her opposition to rezoning the land parcels to RM-8. She stated that she owns just under 5 acres and the back of her property is

adjacent to this area. She stated that she would like to see a buffer of some woods left between her property and Mr. Pierce's property. Stakes have already been placed and they are only 2 feet away and some stakes are on my property line. She stated that she also has extreme concerns with the increased crime Section 8 low income housing would bring as well as our property values decreasing and increased traffic.

Mr. Pierce stated that if approved he would be happy to speak to her regarding leaving a buffer around her property lines.

Alderman Bunce stated that the Planning Board and Board of Aldermen can always make conditions on the plan to require a buffer.

With no further comments from the public, Mayor Smith declared the public hearing closed.

VII. OLD BUSINESS: None

VIII. NEW BUSINESS:

1. **Zoning Map Amendment Request (Ordinance 2020-02) & Land Use Plan Consistency Statement:**

Mr. Whitehead reported that since the public hearing has been held, the Board can now deliberate and decide on the request made by Mr. John Pierce & Associates concerning a proposed change to the zoning map designation of two land parcels (Tax Parcel #43-53 and #43-26) totaling 28 acres along Richlands Loop Road in the ETJ of Richlands. Mr. John Pierce & Associates is seeking to change the zoning designation from R-8 Residential and R-20 Residential to RM-8 Residential which would allow for multi-family housing, including apartments, townhomes and condominiums as a permitted use.

Mr. Whitehead stated that in order to amend the zoning map, Ordinance 2020-02 would need to be adopted as well as approval of the Land Use Plan Consistency Statement that was adopted by the Richlands Planning Board.

Alderman Tom Brown stated that he feels it would be in the best interest of the town to table this issue until the next regular Board of Aldermen meeting so that they town can better investigate the request.

A **motion** was made by Alderman Tom Brown, seconded by Alderman Kandy Koonce to table the Zoning Map Amendment Request and Ordinance 2020-02 made by John Pierce & Associates concerning tax parcel #43-53 and 43-26 until the next regular Board of Alderman meeting. The motion was unanimously carried.

2. **American Legion Representative:**

Mr. Lou Cook, Past Department Commander of the American Legion Department of North Carolina addressed the Board in order to discuss their mission and the potential possibility of opening an American Legion Post in Richlands. Mr. Cook stated that North Carolina has 31,000 members with 260 at the Jacksonville post. He stated that the post in Jacksonville is full and not taking on any new members. There are about 200 members in

Onslow County who do not have a post and would like to start one in the Richlands area. Mr. Cook asked the Board for their support and invited them and the community to the exploratory meeting that will be held here at the Town Hall on Thursday, March 19, 2020 at 6:00 pm. Website is www.legion.org or www.nclegion.org.

3. Schedule of Fees Review:

Alderman Tom Brown addressed the Board and requested the current FY 19/20 fee schedule be reviewed to see if any changes need to be made prior to the FY 20/21 budget. Alderman Brown stated that he has had some concerns over the years regarding the variance request fees being too high and that it can create a hardship on citizens. Alderman Bunce stated that she contacted the county and their fees are a lot higher. She feels this is a discussion that we can do at the budget workshop and not to change anything at this time. Mr. Whitehead reported that he has reviewed different Towns' fees and some are a little less and some are a little more, however, they also charge for advertising where we do not while others charge a fee plus a fee per acre.

After further discussion, the Board decided to further discuss the fee schedule during the Budget Workshop.

IX. ADMINISTRATOR NOTES AND UPDATES:

The Town Administrator, Gregg Whitehead, presented a copy of notes and updates to the Board which are incorporated by reference and hereby made part of these minutes. Mr. Whitehead also reported on the following:

- The new generator has arrived and will be installed as soon as the pad is replaced. Hopefully we will have it up and ready within the next couple of weeks.
- The Nan Street Sewer Abandonment project has been completed and we have been reimbursed 100%
- Mr. Whitehead provided the Board with two possible dates for the budget workshop. The Board decided on scheduling the FY 20/21 Budget Workshop for Thursday, April 23, 2020 beginning at 9:00 am.
- The Town has received the final reimbursement from FEMA for Hurricane Florence.
- Alderman Marilyn Bunce and Mr. Whitehead are attending the Main Street Conference in New Bern both today and tomorrow.

X. POLICE REPORT:

Chief William A. Horne presented the Police Activity Log for the month of February 2020, which are incorporated by reference and hereby made part of these minutes. Chief Horne also reported on the following:

- One new officer has been sworn in. Our part time officer has submitted his resignation notice and has accepted a position with the Onslow County Sheriff's department. We also have one more officer we are hoping to hire once his paperwork is approved from the state.

XI. PUBLIC COMMENT: None

XII. BOARD MEMBER CONCERNS:

Alderman Paul Conner: Thanked everyone for coming and expressing their concerns to the Board.

Mayor McKinley Smith: Thanked Mr. Ethan Robinson for coming and doing the Pledge. He also thanked everyone else for coming to the meeting and expressing their concerns.

XIII. PERSONNEL: None

XIV. CLOSED SESSION: None

XV. ADJOURN:

With no further business, a **motion** was made by Alderman Tom Brown, seconded by Alderman Kent Painter to adjourn the meeting at 7:05 pm. The motion was unanimously carried.

Respectfully Submitted,

Attest:

Doreen Putney, Town Clerk

Mayor McKinley D. Smith

TOWN OF RICHLANDS

NORTH CAROLINA

Office of the
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(910) 324-3301
(910) 324-2324 fax



Mailing Address
P.O. Box 245
Richlands, N.C.
28574

The Richlands' Board of Alderman met for a Special Call Meeting on Friday, March 20, 2020 9:00 am at the Richlands Town Hall. The purpose of the meeting was to discuss, deliberate and consider the Town's response to COVID-19 to include declaring a State of Emergency, Change of Operations of Town Government and other measures.

Present for the meeting were:

Mayor McKinley Smith
Alderman Kandy Koonce
Alderman Marilyn Bunce

Alderman Tom Brown
Alderman Paul Conner

Also present were:

Gregg Whitehead, Town Administrator
Johnathan Jarman, Public Works Director

Doreen Putney, Town Clerk
William A. Horne, Chief of Police

Absent: Alderman Kent Painter

There were no citizens present.

I. MEETING CALLED TO ORDER:

Mayor Smith called the meeting to order at 9:00 am.

II. NEW BUSINESS:

1. COVID-19 Plans and Disucssion:

Mr. Whitehead presented Modifications to Town Government Operations to the Board. He asked the Board to review the prepared plans to operate under the Federal and State Health guidelines due to the COVID-19 Pandemic. He also presented a Declaration of a State of Emergency and Emergency Paid Sick Leave policies that were adopted by the Federal Government. He stated that this does not implement a curfew and does not close any businesses. The Community building and the HELP building will be cleaned and then closed. All rentals have been notified and fees refunded.

After a brief discussion a **motion** was made Alderman Marilyn Bunce, seconded by Alderman Paul Conner to approve the State of Emergency and to include the closure of Venters Park. The motion was unanimously carried.

A **motion** was made by Alderman Kandy Koonce, seconded by Alderman Tom Brown to cancel the Regular Board of Alderman meeting scheduled for April 14, 2020. The motion was unanimously carried.

III. ADJOURN:

With no further business a **motion** was made by Alderman Kandy Koonce, seconded by Alderman Paul Conner to adjourn the meeting at 9:20 am. The motion was unanimously carried.

Respectfully Submitted,

ATTEST

Doreen Putney, Town Clerk

Mayor McKinley D. Smith

TOWN OF RICHLANDS

NORTH CAROLINA

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TOWN OF RICHLANDS BOARD OF ALDERMEN BUDGET WORKSHOP THURSDAY, APRIL 23, 2020

The Richlands' Board of Aldermen met on Thursday, April 23, 2020 at 9:00 am for FY 20/21 Budget Workshop which was held in the Board Room of the Richlands Town Hall. Present for the workshop were:

Mayor Pro Tem Tom Brown
Alderman Marilyn Bunce
Alderman Paul Conner
Alderman Kent Painter
Alderman Kandy Koonce

Town Administrator, Gregg Whitehead
Town Clerk, Doreen Putney
Public Works Director, Johnathan Jarman
Police Chief William A. Horne

Absent: Mayor McKinley D. Smith

WORKSHOP CALLED TO ORDER:

The Budget Workshop was called to order by Mayor Pro Tem Tom Brown at 9:00 am.

INVOCATION: Mayor Pro Tem Tom Brown

INTRODUCTION, EXPECTATIONS & BUDGET OVERVIEW:

Mayor Pro Tem Tom Brown requested for Town Administrator, Gregg Whitehead, to proceed with the presentation of the proposed budget for FY 2020/2021.

Gregg Whitehead, Town Administrator, presented a proposed budget for FY 2020/2021 to the Board. Mr. Whitehead stated that the draft budget is balanced at this time and he will allow for each department head to elaborate on their individual requests.

Mr. Whitehead gave a brief overview of the proposed FY 2020/2021 budget as follows:

- Property values for Richlands have experienced an increase of \$2,385,000 or 1.5% over 2019 values. The net increase without a tax rate change is \$9,254.
- Total proposed budget represents a 1.17% decrease over the 2019 FY budget. The decrease amount is \$17,200.

- The current property tax is \$.40. No tax increase is proposed at this time.
- I am proposing to increase the garbage collection fee to \$16.00/month/cart. The increase is required to cover the rising costs of recycling and the new landfill fees.
- There is no fund balance appropriated at this time.
- Health care costs are anticipated to increase 5-10% percent.
- A cost of living across the board of \$1,000 per employee is proposed for all full-time employees. This action will provide a more equitable distribution rather than a flat percentage and which represents a \$12,248 increase in departmental salaries.

Mr. Whitehead also reported that due to the COVID-19 Pandemic sales tax revenues may be lower than expected. We are hoping for a rebound of an increase of revenues during the last two quarters of 2020 once the stay-at-home orders are lifted.

DEPARTMENT NEEDS & ISSUES:

Administration Department's total request is \$1,350.00:

Mr. Whitehead reported on the following for Administration:

- \$1,350.00 is allocated to purchase a new PC/workstation for the Admin Assistant.
- The department's budget is \$10,300 more than FY 19/20.

The town will be switching our IT services to IPM Computers beginning in July, 2020.

Governing Body's total request is \$4,100.00:

Mr. Whitehead reported on the following for Governing Body:

- \$2,000 is allocated to RDR to fund the façade grant program.
- \$2,100 is allocated to purchase 6 Chromebooks to replace the defunct tablets.

After discussion, the Board decided to not replace their tables this year which will put the \$2,100 back into the budget to provide for other uses.

Public Safety Department's total request is \$5,650.00:

Mr. Whitehead reported on the following for the Public Safety/Police Department:

- Approximately \$3,720 for non-capital purchases, including 8 new Glock 45 pistols. The Glock 45 uses the cheaper and more plentiful 9mm rounds as opposed to the .40 caliber rounds our current pistols use. With a \$240 trade-in value per gun, each new Glock 45 will cost \$189.00.
- The department has requested \$2,380 for 4 body cameras for the officers.
- \$1,350 is requested for a new PC/workstation and \$400 for touch book docking stations for the patrol vehicle laptops.

Public Works Department's total request is \$20,100.00:

Mr. Whitehead reported on the following for the Public Works/Streets Department:

- \$6,600 is allocated to purchase an additional 100 roll-out carts for solid waste collection. Please take note that this is the final year of the current contract with Waste Industries.
- The department is also requesting \$2,300 for a utility trailer as well as a zero turn mower for \$11,200.00.

Mr. Jarman reported most of the current roll out carts have been here from the beginning and are not at the point of non-repair and need to be replaced. He is requesting 100 rollout carts for this year, however, he believes that he will actually need more due to homes being built in Maidstone and other carts unable to be repaired. Mr. Whitehead reported that our current contract with Waste Industries expires within the year. We will be obtaining proposals from them as well as other companies and look at having the companies provide the carts. Currently we own the garbage carts and Waste Industries provides the recycle carts to the citizens.

Mr. Whitehead reported that due to an increase in tipping fees, recycling fees and the purchase of more carts, he is proposing an increase in garbage collection fee to \$16.00. With this increase, we will still be the lowest in the county.

Mr. Jarman stated that we can take the mower request out of this year's budget if needed. The current mower is now over 10 years old. He is hopeful that it will last one more year. However, the department will need to get a new one next year for sure.

Mayor Pro Tem Tom Brown paused the workshop for a 10 minute break at 10:05 am.

Mayor Pro Tem Tom Brown called the meeting back to order at 10:15 am.

Public Building's total request \$16,839.00:

Mr. Whitehead reported on the following for Public Buildings:

- \$3,400 is allocated to repair floor damage at the Community Building as well as installing a new handicap ramp and guardrail.
- Requesting \$3,000 for a new desk for the Admin. Assistant.
- Town Emblem for the Board Room is \$1,000.
- Also requesting two door locks, one for the kitchen door going from the Board Room and the other for the Conference Door going from the Board room. This would provide additional security for employees. Approximate cost is \$2,539.00
- Replace carpet/tile in the police department \$6,900.00

MISCELLANEOUS DISCUSSION AND REVIEW:

- ✚ Mr. Whitehead provided the board with a 5 year capital improvement plan that covers projected costs that may occur within the next 5 years.
- ✚ Mr. Whitehead reported that the NC Retirement System, ORBIT, will be increasing the required percentage contributions over the next three years.
- ✚ The Board chose to keep the property tax rate at \$.40.

- ✚ The Board directed Mr. Whitehead to increase the garbage collection rate to \$17.00/month/cart to cover the increase in landfill tipping fees, the increase in recycling fees and the purchase of new carts.
- ✚ The Board decided to giving all full time employees a \$1,000 across the board cost of living increase instead of a 2% increase. This will give all employees an equal amount rather than different amounts based on the percentage of their current salary.
- ✚ Chief William A. Horne currently has 1 full time position open and 1 part time position open. Chief Horne stated that he will be filling the full time position soon, however, he will be eliminating the part time position and will utilize reserve officers when needed.
- ✚ Chief Horne reported that Officer Fonte Nailer has taken over the duties of the Code Enforcement Officer.
- ✚ Chief Horne reported that over the next few years we plan on replacing the dodge chargers with Ford Explorers. Currently we cannot get a charger on a state contract and they have not been very reliable. Departments across the state have been reporting a lot of major repairs and problems with the chargers.

FY 2020/2021 Schedule of Fees:

- Mr. Whitehead reported that in addition to the increase in the garbage rate, he is proposing an \$5.00/per cart fee for residents who request additional recycling carts. The first cart will be free, however, each additional recycling cart will be a \$5.00 fee/each. We currently have some residents who have two and three carts. Residents will be notified of the \$5.00 fee for the additional fee.
- The bulky item pickup fee will be changed to read “Special Request Bulk Item / pick up on demand” and the fee will be \$10.00.
- The Board chose to increase the “zoning/residential” fee from \$75.00 to \$100.00.
- The Board chose to increase the “zoning/commercial” fee from \$100.00 to \$200.00.
- The Board changed the wording from “Conditional” Use Application to “Special” Use Application.
- The Board chose to reduce the “variance request” fee from \$450.00 to \$250.00.

BOARD DISCUSSION:

- Alderman Marilyn Bunce discussed looking into an electric sign for the Town that we can use to advertise town events. Mr. Whitehead stated that he will look into it and put it on the 5 year capital improvement plan.

- Alderman Marilyn Bunce inquired on what expenses and/or benefits the ETJ areas bring to the town. She also inquired as to if there are any areas that the town can eliminate from our ETJ and give them back to the county. Mr. Whitehead stated that the ETJ does provide the Town with a “buffer” around us. Most of the ETJ is currently farm land. Eliminating the area would provide us with a smaller Planning Board/BOA and administrative ease, however, we would also lose control on the properties and possible development around the town. Mr. Whitehead stated that he would review the map and bring it to the Planning Board for further discussion and recommendations.
- Mr. Whitehead stated that he will make the discussed changes to the FY 2020/2021 budget as well as make changes to the Schedule of Fees. He will bring the updated Proposed Budget to the May 12, 2020 meeting where the required public hearing will need to be scheduled.

ADJOURN:

There being no further business, **a motion** was made by Alderman Kent Painter, seconded by Alderman Kandy Koonce to adjourn the workshop at 11:57 pm. The motion was unanimously carried.

Respectfully Submitted,

Attest:

Doreen Putney, Town Clerk

Mayor Pro Tem Tom Brown



TOWN OF RICHLANDS
Regular Board Meeting
Agenda Item VII. - 1.
Zoning Map Amendment Request

Description:

Zoning Map Amendment Request by Mr. John Pierce & Associates (Tax Parcel 42-52 and Tax Parcel 43-26).

Review:

This item was tabled during the March 10 regular board meeting and since the Board has held the required public hearing, the Board may deliberate and vote on the rezoning request by Mr. John Pierce & Associates, to change the zoning map designation of two tracts totaling approximately 28 acres (Tax Parcels 42-52 and 43-26) located along Richlands Loop Road in the Extra Territorial Jurisdiction. The two parcels are currently split between two residential zoning districts (R-8 and R-20). The proposed zoning map amendment will seek to change the zoning designation of the two tracts to solely the RM-8 Residential Zoning District, which will allow multi-family housing as a permitted use. The proposed zoning amendment will only affect the property in question and any and all property that abuts the two tracts will remain in their current zoning designations.

In order to amend the zoning map, the Board will have to adopt Ordinance 2020-02. However, please note that since the first reading of the ordinance will take at this meeting, adoption of the ordinance will require approval by two-thirds of the Board. In addition, the Board will have to approve the attached Land Use Plan Consistency Statement adopted by the Richlands Planning Board.

Action Needed:

Review the request and act as desired.

ATTACHMENTS:

Description

- ❑ Ordinance 2020-02
- ❑ John Pierce Rezoning Request Application
- ❑ Pierce Rezoning Map
- ❑ Plan Consistency Statement (Pierce Rezoning Request)

STATE OF NORTH CAROLINA
TOWN OF RICHLANDS

ORDINANCE
2020-02

Ordinance Amending Official Richlands Zoning Map

Introduced: March 10, 2020

Adopted:

WHEREAS, the Town of Richlands (hereinafter Town), has been formally petitioned by Diversified Investors Inc, owners of Onslow County Tax Parcels 42-52 and 43-26 , to have the Richlands Zoning Map amended; and

WHEREAS, the proposed Map Amendment will change the zoning designation of Onslow County Tax Parcels 42-52 and 43-26 (located along Richlands Loop Road) from the R-8 Residential Zone and R-20 Residential Zone to the RM-8 Residential Zone; and

WHEREAS, Tax Parcels 42-52 and 43-26 are adjacent to residential zones and the request has been reviewed and deemed appropriate by the Richlands Planning Board; and

WHEREAS, the Richlands Board of Aldermen has posted the required notice and a public hearing for the proposed Map Amendment was held on March 10, 2020; and

NOW, THEREFORE, BE IT ORDAINED:

SECTION 1. That the Richlands Board of Aldermen amend the Official Zoning Map of the Town of Richlands by rezoning all of Onslow County Tax Parcel 42-52 and all of Onslow County Tax Parcel 43-26 from the R-8 Residential District and R-20 Residential District to the RM-8 Residential District.

SECTION 2. All existing ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 3. If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

SECTION 4. This ordinance shall be effective immediately upon its adoption.

Adopted at a regular monthly meeting on _____, 2020.

McKinley Smith, Mayor

ATTEST:

Approved as to form:

Doreen Putney, Town Clerk

Town Attorney

Town of Richlands Zoning Change & Appeal Form

APPLICANT: (Please Print)

NAME: Diversified Investors Inc. PHONE NO: (910) 346-9800

MAILING ADDRESS: P.O. Box 1685 Jacksonville, NC 28541

ADDRESS OF PROPERTY (if different from mailing address): Richlands Loop Road - Tax Parcel: 42-52 & 43-26

PROPERTY OWNER (if different from applicant): (Please Print)

NAME: Iris Ervin Roberts Estate & Iris Ervin Mills Estate & PHONE NO: _____

MAILING ADDRESS: 3000 Fairway Road, Morehead City, NC 28557-4926

ACTION REQUESTED (Check One):

- | | |
|--|--------------------------|
| <input type="checkbox"/> ZONING ORDINANCE TEXT AMENDMENT | (Required Fee: \$250.00) |
| <input checked="" type="checkbox"/> ZONING MAP AMENDMENT | (Required Fee: \$350.00) |
| <input type="checkbox"/> VARIANCE REQUEST | (Required Fee: \$450.00) |
| <input type="checkbox"/> CONDITIONAL USE PERMIT | (Required Fee: \$250.00) |
| <input type="checkbox"/> APPEAL OF ADMINISTRATIVE DECISION | (Required Fee: \$50.00) |
| <input type="checkbox"/> OTHER _____ | |

DESCRIPTION OF REQUEST:

Tracts are currently zoned "R8 & R20"; proposed to rezone the
2 tracts to RM8

OWNER/APPLICANT STATEMENT: I certify that I am the property owner or truly represent the property owner(s). I understand that each applicant wishing to appeal an administrative decision, requesting a variance or conditional use permit, or requesting a rezoning or other change to the Richlands Zoning Ordinance shall pay a nonrefundable fee to cover the costs of advertising and administration. The fees required are adopted by the Richlands Board of Aldermen and listed in the Fee Schedule for the Town of Richlands. A receipt of this fee shall be issued by the Town. This fee, however, shall not apply to requests originating with any department, board or agency of the Town of Richlands.

SIGNATURE OF APPLICANT:  Uke pres DATE: 1/2/20

****OFFICIAL USE ONLY****

ZONING OFFICIAL SIGNATURE: 

DATE REQUEST RECEIVED: 1-6-2020

HAS APPROPRIATE FEE BEEN COLLECTED IF REQUIRED? YES ☒ NO ☐

PLANNING BOARD / BOARD OF ADJUSTMENT ACTION: APPROVE ☒ DENY ☐

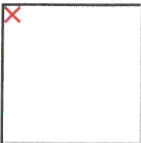
SIGNATURE OF ZONING BOARD CHAIR:  DATE: 2/3/2020

Parcel ID	Map Number
022722	42-52
Owner Name	Owner Mailing Address
ROBERTS IRIS ERVIN ESTATE	3000 FAIRWAY RD MOREHEAD CITY NC 28557-4926



General Information			
Acres	12.70	Property Description	PT L14 J A ERVIN
Physical Address	RICHLANDS LOOP RD	Subdivision	NO SUBDIVISION RECORDED
Neighborhood Code	1190	City Limit	UNINCORPORATED ONSLOW
Plat Book & Page	NO-SUBDIV	NC PIN	443209260086
Township	RICHLANDS	Improvement Code	O
Building Value	\$0.00	Land Value	\$55,700.00
Assessed Value	\$55,700.00	Total Taxed Value	\$12,610.00
Heated Square Feet		Year Built	
Number of Bedrooms			

Last Sale			
Date	Price	Book	Page
03-SEP-13	\$0.00	374	634

 Onslow County
Geographical Information
Services-GIS
234 NW Corridor Blvd.
Jacksonville, NC 28540

WARNING: THIS IS NOT A SURVEY.
This map is prepared for the inventory of real property found within this jurisdiction, and is compiled from recorded deeds, plats, and other public records and data. Users of this map are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this map. The County and mapping company assume no legal responsibility for the information contained on this map.


→ 12m8 ←

Parcel ID	Map Number
007127	43-26
Owner Name	Owner Mailing Address
MILLS IRIS ERVIN ESTATE	3000 FAIRWAY RD MOREHEAD CITY NC 28557-4926



General Information			
Acres	15.50	Property Description	L13 J A ERVIN DIV
Physical Address	RICHLANDS LOOP RD	Subdivision	NO SUBDIVISION RECORDED
Neighborhood Code	1190	City Limit	UNINCORPORATED ONSLOW
Plat Book & Page	NO-SUBDIV	NC PIN	443210255539
Township	RICHLANDS	Improvement Code	V
Building Value	\$0.00	Land Value	\$56,500.00
Assessed Value	\$56,500.00	Total Taxed Value	\$9,630.00
Heated Square Feet		Year Built	
Number of Bedrooms			

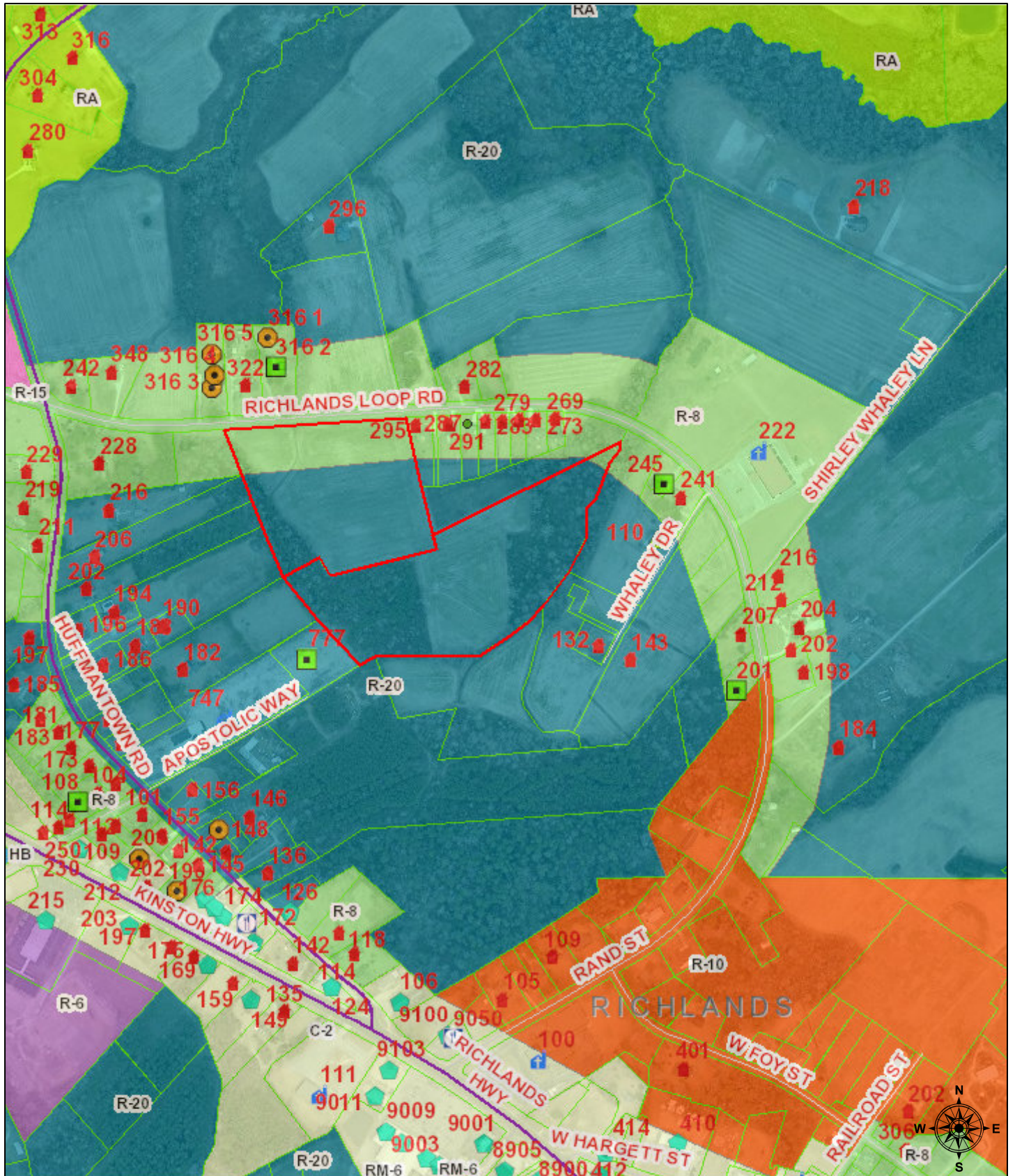
Last Sale			
Date	Price	Book	Page
14-NOV-83	\$8,000.00	673	47



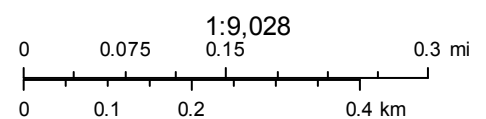
Onslow County
Geographical Information
Services-GIS
234 NW Corridor Blvd.
Jacksonville, NC 28540

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Pierce Rezoning Map



March 6, 2020



U.S. Fish and Wildlife Service, National Standards and Support Team,
wetlands_team@fws.gov
Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,
Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand),
NGCC, (c) OpenStreetMap contributors, and the GIS User Community

TOWN OF RICHLANDS
NORTH CAROLINA

Office of the
Town Administrator
(910) 324-3301
(910) 324-2324 fax



Mailing Address
P.O. Box 245
Richlands, N.C.
28574

February 28, 2020

Land Use Plan Consistency Statement
Richlands Planning Board

RE: Diversified Investors, Inc. Proposal to Rezone 28 acres from R-8 and R-20 to RM-8.

The Richlands Planning Board finds the action to amend the Town's Zoning Map by changing Tax Parcel 42-52 and Tax Parcel 43-26 in the Extra Territorial Jurisdiction of Richlands from the R-8 Residential and R-20 Residential Zone to solely the RM-8 Residential Zoning District to be consistent with the adopted 2009 CAMA Land Use Plan. The proposed zoning change to RM-8 Residential Zoning District will allow as a permitted use multi-family housing as well as single family housing. The 2009 CAMA Land Use Plan encourages cluster development in the un-incorporated areas, seek to accommodate the development and appropriate placement of a variety of housing types, and emphasize the development of affordable housing.

The Richlands Planning Board met on February 3, 2020 to review and discuss the proposed zoning map amendment. The Richlands Planning Board unanimously voted to recommend that the proposed zoning map amendment be approved by the Richlands Board of Aldermen.

Sincerely,

Daniel Gray
Chair, Richlands Planning board



TOWN OF RICHLANDS

Regular Board Meeting

Agenda Item VIII. - 1.

Fiscal Year 2020-2021 Budget Presentation

Description:

Presentation of the Proposed Fiscal Year 20-21 Budget.

Review:

I will be submitting for your review the proposed budget for FY 20-21. Once submitted, the Board will need to schedule a public hearing on the proposed budget and adopt the budget ordinance prior to July 1, 2020.

Action Needed:

Receive the FY 20-21 Budget.



TOWN OF RICHLANDS

Regular Board Meeting

Agenda Item VIII. - 2.

24 East Annexation Agreement (Sylvester Farms)

Description:

24 East Annexation Agreement (Sylvester Farms).

Review:

24 East Development is seeking to enter an annexation agreement with the Town of Richlands in order to develop Phase 2 of the commercial property plan. The agreement would see the annexation of the original four lots of Phase 2 along with an additional 4.6 acres along Koonce Fork Road, all for commercial development.

In lieu of any cash payments or tax relief, the agreement asks the town to provide a variety of in-kind services including operation and maintenance of the storm water system, maintenance of the grounds of the development's entrance signs area and adoption of the built-out streets and street lighting.

Mr. Ely Perry, of Perry Management, Inc., will be available to discuss in detail the annexation agreement with the Board.

Action Needed:

Review the agreement and act as desired.

ATTACHMENTS:

Description

- ❑ Draft Sylvester Farms Annexation Agreement
- ❑ Annexation Agreement Exhibit A
- ❑ 24 East Tax Revenue Projections



PERRY MANAGEMENT

REAL ESTATE • DEVELOPMENT • LEASING

March 13, 2020

Mr. Gregg Whitehead
Town Manager
Richlands, NC

Re: Letter of Intent ("LOI") – Annexation Agreement

Dear Gregg,

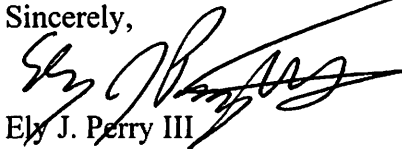
As you know, Perry Management, Inc. (PM) is the development manager that represents 24 East Development, LLC (24 East) in the development of its property located on Hwy 24 Richlands. Per our discussions, concerning the area highlighted in yellow on Exhibit A attached, we need to make a decision on whether to create a Property Owners Association (POA) to handle some common areas/amenities of the development or to annex said area and allow the Town of Richlands to collect taxes in exchange for the maintenance and repair of said amenities. We are willing to voluntarily annex said area under the following terms and conditions.

1. Annexed Property - The Property to be annexed is highlighted in yellow on Exhibit A attached.
2. Phase II Plans – The Plans labeled as Phase 2 Sylvester Development Hwy 24 – Richlands NC dated 10/14/2019 and revised 12/16/2019.
3. Road Maintenance and Repair – 24 East will design, permit and construct, at 24 East's expense, the road system shown on the Phase II Plans. The Town of Richlands shall accept the maintenance/repair/replacement of the road system highlighted in blue on Exhibit A after the construction and annexation process is completed.
4. Stormwater & Wetland Bypass Systems - 24 East will design, permit and construct, at 24 East's expense, the Stormwater System and Wetland Bypass system as shown on the Phase II Plans including piping, drop inlets, catch basins, pond, etc. 24 East will deed lot 11 to the Town of Richlands and assign all Stormwater agreements with the State of NC to the Town of Richlands the later of 1) the completion of all construction work or 2) the completion of the annexation of the Annexed Property. The Town of Richlands shall accept the State agreements and the maintenance/repair/replacement of the Stormwater and Wetland Bypass Systems at the gifting of Lot 11.

5. Street Light System – PM will engage Duke Energy to design, install and operate a Street Light System for the streets shown as proposed street 1, 2 & 3 on sheet CS-1 of the Phase II Plans. The Town of Richlands and 24 East shall approve the design and the Town of Richlands shall accept the responsibility of the payment plan for the lighting system.
6. Development Sign – 24 East will design and construct, at 24 East's expense, an overall development sign to be located at the intersections of Hwy 24 and Proposed Streets 2 & 3 (Development Signs) shown on Exhibit A in red attached. The signage will consist of a brick and/or stone sign panel with the name of the overall development (to be determined) on the panels. This will include the panels, the signs, lighting and landscaping. The Town of Richlands shall accept the maintenance/repair/replacement of the Development Sign after the construction and annexation process is completed.

This LOI should not be construed as a binding offer by either party at a specific price or specific terms, prior to receipt of mutually acceptable and fully executed Agreement. The purpose of this LOI is to identify the basic terms and conditions, which may be acceptable to both parties, to facilitate the preparation of an Agreement for review and consideration. If the foregoing terms and conditions are acceptable, please acknowledge in the space provided below, with the understanding that a formal Agreement will be prepared by PM and delivered to the Town of Richlands for review and consideration.

Sincerely,



Ely J. Perry III
President
Perry Management, Inc.

Accepted:

Town of Richlands

By: _____

Date: _____

Sylvester Proposed Hwy 24 Development
Potential Property Tax Income starting in 2022

5/12/20

							Town of Richlands Tax Rate									
							0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
							Estimated Property Tax - Town of Richlands									
Phase	Lot	Acres	Land Value Per Acre	Land Value	Building Value	Values	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Phase II	9	1.377	400,000	550,800	1,000,000	1,550,800	\$0	\$0	\$6,203	\$6,203	\$6,203	\$6,203	\$6,203	\$6,203	\$6,203	\$6,203
Phase II	10	1.047	400,000	418,800	800,000	1,218,800	\$4,875	\$4,875	\$4,875	\$4,875	\$4,875	\$4,875	\$4,875	\$4,875	\$4,875	\$4,875
Phase II	12	1.261	400,000	504,400	900,000	1,404,400	\$0	\$0	\$5,618	\$5,618	\$5,618	\$5,618	\$5,618	\$5,618	\$5,618	\$5,618
	13	3.38	150,000	507,000	3,500,000	4,007,000	\$16,028	\$16,028	\$16,028	\$16,028	\$16,028	\$16,028	\$16,028	\$16,028	\$16,028	\$16,028
Totals		7.065		1,981,000	6,200,000	8,181,000	\$20,903	\$20,903	\$32,724	\$32,724	\$32,724	\$32,724	\$32,724	\$32,724	\$32,724	\$32,724
Phase II + lot 13 Running Total							\$20,903	\$41,806	\$74,530	\$107,254	\$139,978	\$172,702	\$205,426	\$238,150	\$270,874	\$303,598



TOWN OF RICHLANDS
Regular Board Meeting
Agenda Item VIII. - 3.
Flood Plain Development Ordinance

Description:

Adoption of the Updated Flood Plain Development Ordinance.

Review:

Attached is an updated Model Flood Plain Development Ordinance as provided by the North Carolina Department of Public Safety. The updated ordinance includes some additional definitions and recommended language as well as officially authorizes the town to use the new flood plain development maps and flood data effective June 19, 2020.

The adoption of Ordinance 2020-03 will repeal the existing ordinance and replace it with the attached updated Flood Plain Development Ordinance. The new language and/or significant changes are highlighted in red for your review.

Action Needed:

Approve ordinance 2020-03.

ATTACHMENTS:

Description

- ☐ Ordinance 2020-03
- ☐ Flood Plain Development Ordinance

STATE OF NORTH CAROLINA
TOWN OF RICHLANDS

ORDINANCE
2020-03

Ordinance Amending Official Richlands Zoning Ordinance

Introduced: May 12, 2020

Adopted: May 12, 2020

WHEREAS, the State of North Carolina and FEMA have developed and approved a new Flood Insurance Study (FIS) that determines the flood zone data and flood zone boundaries for North Carolina and the new FIS makes changes to the Flood Rate Insurance Maps (FIRM) within the territorial and extra-territorial jurisdiction of Richlands; and

WHEREAS, the new FIRMs will become effective on June 19, 2020 and in order for the Town of Richlands to remain in the Flood Insurance Program, the Town must approve and adopt the new FIRMs prior to June 19, 2020 by amending the language of Title XV, Chapter 151 “Flood Damage Prevention” of the Richlands Code of Ordinances; and

WHEREAS, the State of North Carolina has provided an updated model Flood Damage Prevention Ordinance for the Town to consider that adopts both the new FIS and FIRM data and maps effective June 19, 2020; and

WHEREAS, the Town of Richlands last updated the model Flood Damage Prevention Ordinance on October 11, 2005 and the State of North Carolina strongly encourages that the Town update and use the new model ordinance language; and

NOW, THEREFORE, BE IT ORDAINED:

SECTION 1. That the Richlands Board of Aldermen repeals in its entirety Title XV, Chapter 151 titled “Flood Damage Prevention” and inserts a new Chapter 151 titled “Flood Damage Prevention Ordinance” as attached.

SECTION 5. All existing ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

SECTION 7. This ordinance shall be effective immediately upon its adoption.

Adopted at a Regular Board Meeting on May 12, 2020.

McKinley Smith, Mayor

ATTEST:

Approved as to form:

Doreen Putney, Town Clerk

Town Attorney

TOWN OF RICHLANDS FLOOD DAMAGE PREVENTION ORDINANCE

Non-Coastal Regular Phase

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TOWN OF RICHLANDS FLOOD DAMAGE PREVENTION ORDINANCE

Non-Coastal Regular Phase

ARTICLE 1. STATUTORY AUTHORIZATION, FINDINGS OF FACT, PURPOSE AND OBJECTIVES.

SECTION A. STATUTORY AUTHORIZATION.

The Legislature of the State of North Carolina has in Part 6, Article 21 of Chapter 143; Article 6 of Chapter 153A; Article 8 of Chapter 160A; and Article 7, 9, and 11 of Chapter 160D (Effective January 1, 2021) of the North Carolina General Statutes, delegated to local governmental units the authority to adopt regulations designed to promote the public health, safety, and general welfare.

Therefore, the Board of Aldermen of the Town of Richlands, North Carolina, does ordain as follows:

SECTION B. FINDINGS OF FACT.

- (1) The flood prone areas within the jurisdiction of the Town of Richlands are subject to periodic inundation which results in loss of life, property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures of flood protection and relief, and impairment of the tax base, all of which adversely affect the public health, safety, and general welfare.
- (2) These flood losses are caused by the cumulative effect of obstructions in floodplains causing increases in flood heights and velocities and by the occupancy in flood prone areas of uses vulnerable to floods or other hazards.

SECTION C. STATEMENT OF PURPOSE.

It is the purpose of this ordinance to promote public health, safety, and general welfare and to minimize public and private losses due to flood conditions within flood prone areas by provisions designed to:

- (1) Restrict or prohibit uses that are dangerous to health, safety, and property due to water or erosion hazards or that result in damaging increases in erosion, flood heights or velocities;
- (2) Require that uses vulnerable to floods, including facilities that serve such uses, be protected against flood damage at the time of initial construction;
- (3) Control the alteration of natural floodplains, stream channels, and natural protective barriers, which are involved in the accommodation of floodwaters;
- (4) Control filling, grading, dredging, and all other development that may increase erosion or flood damage;
and
- (5) Prevent or regulate the construction of flood barriers that will unnaturally divert flood waters or which may increase flood hazards to other lands.

SECTION D. OBJECTIVES.

The objectives of this ordinance are to:

- (1) Protect human life, safety, and health;
- (2) Minimize expenditure of public money for costly flood control projects;
- (3) Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
- (4) Minimize prolonged business losses and interruptions;
- (5) Minimize damage to public facilities and utilities (i.e. water and gas mains, electric, telephone, cable and sewer lines, streets, and bridges) that are located in flood prone areas;
- (6) Minimize damage to private and public property due to flooding;
- (7) Make flood insurance available to the community through the National Flood Insurance Program;
- (8) Maintain the natural and beneficial functions of floodplains;
- (9) Help maintain a stable tax base by providing for the sound use and development of flood prone areas; and
- (10) Ensure that potential buyers are aware that property is in a Special Flood Hazard Area.

ARTICLE 2. DEFINITIONS.

Unless specifically defined below, words or phrases used in this ordinance shall be interpreted so as to give them the meaning they have in common usage and to give this ordinance it's most reasonable application.

“Accessory Structure (Appurtenant Structure)” means a structure located on the same parcel of property as the principal structure and the use of which is incidental to the use of the principal structure. Garages, carports and storage sheds are common urban accessory structures. Pole barns, hay sheds and the like qualify as accessory structures on farms, and may or may not be located on the same parcel as the farm dwelling or shop building.

“Addition (to an existing building)” means an extension or increase in the floor area or height of a building or structure.

“Alteration of a watercourse” means a dam, impoundment, channel relocation, change in channel alignment, channelization, or change in cross-sectional area of the channel or the channel capacity, or any other form of modification which may alter, impede, retard or change the direction and/or velocity of the riverine flow of water during conditions of the base flood.

“Appeal” means a request for a review of the Floodplain Administrator's interpretation of any provision of this ordinance.

“Area of Shallow Flooding” means a designated Zone AO on a community's Flood Insurance Rate Map (FIRM) with base flood depths determined to be from one (1) to three (3) feet. These areas are located where a clearly defined channel does not exist, where the path of flooding is unpredictable and indeterminate, and where velocity flow may be evident.

“Area of Special Flood Hazard” see “Special Flood Hazard Area (SFHA)”.

“Base Flood” means the flood having a one (1) percent chance of being equaled or exceeded in any given year.

“Base Flood Elevation (BFE)” means a determination of the water surface elevations of the base flood as published in the Flood Insurance Study. When the BFE has not been provided in a “Special Flood Hazard Area”, it may be obtained from engineering studies available from a Federal, State, or other source using FEMA approved engineering methodologies. This elevation, when combined with the “Freeboard”, establishes the “Regulatory Flood Protection Elevation”.

“Basement” means any area of the building having its floor subgrade (below ground level) on all sides.

“Building” see “Structure”.

“Chemical Storage Facility” means a building, portion of a building, or exterior area adjacent to a building used for the storage of any chemical or chemically reactive products.

“Design Flood” See “Regulatory Flood Protection Elevation.”

“Development” means any man-made change to improved or unimproved real estate, including, but not limited to, buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations, or storage of equipment or materials.

“Development Activity” means any activity defined as Development which will necessitate a Floodplain Development Permit. This includes buildings, structures, and non-structural items, including (but not limited to) fill, bulkheads, piers, pools, docks, landings, ramps, and erosion control/stabilization measures.

“Digital Flood Insurance Rate Map (DFIRM)” means the digital official map of a community, issued by the Federal Emergency Management Agency (FEMA), on which both the Special Flood Hazard Areas and the risk premium zones applicable to the community are delineated.

“Disposal” means, as defined in NCGS 130A-290(a)(6), the discharge, deposit, injection, dumping, spilling, leaking, or placing of any solid waste into or on any land or water so that the solid waste or any constituent part of the solid waste may enter the environment or be emitted into the air or discharged into any waters, including groundwaters.

“Elevated Building” means a non-basement building which has its lowest elevated floor raised above ground level by foundation walls, shear walls, posts, piers, pilings, or columns.

“Encroachment” means the advance or infringement of uses, fill, excavation, buildings, structures or development into a special flood hazard area, which may impede or alter the flow capacity of a floodplain.

“Existing building and existing structure” mean any building and/or structure for which the “start of construction” commenced before the community entered the NFIP, dated July 03, 1986.

“Existing Manufactured Home Park or Manufactured Home Subdivision” means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) was completed before the effective date of the initial floodplain management regulations adopted by the community, dated July 10, 1986.

“Flood” or “Flooding” means a general and temporary condition of partial or complete inundation of normally dry land areas from:

- (a) The overflow of inland or tidal waters; and/or
- (b) The unusual and rapid accumulation or runoff of surface waters from any source.

“Flood Boundary and Floodway Map (FBFM)” means an official map of a community, issued by the FEMA, on which the Special Flood Hazard Areas and the floodways are delineated. This official map is a supplement to and shall be used in conjunction with the Flood Insurance Rate Map (FIRM).

“Flood Hazard Boundary Map (FHBM)” means an official map of a community, issued by the FEMA, where the boundaries of the Special Flood Hazard Areas have been defined as Zone A.

“Flood Insurance” means the insurance coverage provided under the National Flood Insurance Program.

“Flood Insurance Rate Map (FIRM)” means an official map of a community, issued by the FEMA, on which both the Special Flood Hazard Areas and the risk premium zones applicable to the community are delineated. (see also DFIRM)

“Flood Insurance Study (FIS)” means an examination, evaluation, and determination of flood hazards, corresponding water surface elevations (if appropriate), flood hazard risk zones, and other flood data in a community issued by the FEMA. The Flood Insurance Study report includes Flood Insurance Rate Maps (FIRMs) and Flood Boundary and Floodway Maps (FBFMs), if published.

“Flood Prone Area” see “Floodplain”

“Flood Zone” means a geographical area shown on a Flood Hazard Boundary Map or Flood Insurance Rate Map that reflects the severity or type of flooding in the area.

“Floodplain” means any land area susceptible to being inundated by water from any source.

“Floodplain Administrator” is the individual appointed to administer and enforce the floodplain management regulations.

“Floodplain Development Permit” means any type of permit that is required in conformance with the provisions of this ordinance, prior to the commencement of any development activity.

“Floodplain Management” means the operation of an overall program of corrective and preventive measures for reducing flood damage and preserving and enhancing, where possible, natural resources in the floodplain, including, but not limited to, emergency preparedness plans, flood control works, floodplain management regulations, and open space plans.

“Floodplain Management Regulations” means this ordinance and other zoning ordinances, subdivision regulations, building codes, health regulations, special purpose ordinances, and other applications of police power. This term describes federal, state or local regulations, in any combination thereof, which provide standards for preventing and reducing flood loss and damage.

“Floodproofing” means any combination of structural and nonstructural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitation facilities, structures, and their contents.

“Flood-resistant material” means any building product [material, component or system] capable of withstanding direct and prolonged contact (minimum 72 hours) with floodwaters without sustaining damage that requires more than low-cost cosmetic repair. Any material that is water-soluble or is not resistant to alkali or acid in water, including normal adhesives for above-grade use, is not flood-resistant. Pressure-treated lumber or naturally decay-resistant lumbers are acceptable flooring materials. Sheet-type flooring coverings that restrict evaporation from below and materials that are impervious, but dimensionally unstable are not acceptable. Materials that absorb or retain water excessively after submergence are not flood-resistant. Please refer to Technical Bulletin 2, *Flood Damage-Resistant Materials Requirements*, and available from the FEMA. Class 4 and 5 materials, referenced therein, are acceptable flood-resistant materials.

“Floodway” means the channel of a river or other watercourse, including the area above a bridge or culvert when applicable, and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one (1) foot.

“Floodway encroachment analysis” means an engineering analysis of the impact that a proposed encroachment into a floodway or non-encroachment area is expected to have on the floodway boundaries and flood levels during the occurrence of the base flood discharge. The evaluation shall be prepared by a qualified North Carolina licensed engineer using standard engineering methods and models meeting the minimum requirements of the National Flood Insurance Program.

“Freeboard” means the height added to the BFE to account for the many unknown factors that could contribute to flood heights greater than the height calculated for a selected size flood and floodway conditions, such as wave action, blockage of bridge or culvert openings, precipitation exceeding the base flood, and the hydrological effect of urbanization of the watershed. The BFE plus the freeboard establishes the “Regulatory Flood Protection Elevation”.

“Functionally Dependent Facility” means a facility which cannot be used for its intended purpose unless it is located in close proximity to water, limited to a docking or port facility necessary for the loading and unloading of cargo or passengers, shipbuilding, or ship repair. The term does not include long-term storage, manufacture, sales, or service facilities.

“Hazardous Waste Management Facility” means, as defined in NCGS 130A, Article 9, a facility for the collection, storage, processing, treatment, recycling, recovery, or disposal of hazardous waste.

“Highest Adjacent Grade (HAG)” means the highest natural elevation of the ground surface, prior to construction, immediately next to the proposed walls of the structure.

“Historic Structure” means any structure that is:

- (a) Listed individually in the National Register of Historic Places (a listing maintained by the US Department of Interior) or preliminarily determined by the Secretary of Interior as meeting the requirements for individual listing on the National Register;
- (b) Certified or preliminarily determined by the Secretary of Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;
- (c) Individually listed on a local inventory of historic landmarks in communities with a “Certified Local Government (CLG) Program”; or
- (d) Certified as contributing to the historical significance of a historic district designated by a community with a “Certified Local Government (CLG) Program.”

Certified Local Government (CLG) Programs are approved by the US Department of the Interior in cooperation with the North Carolina Department of Cultural Resources through the State Historic Preservation Officer as having met the requirements of the National Historic Preservation Act of 1966 as amended in 1980.

“Letter of Map Change (LOMC)” means an official determination issued by FEMA that amends or revises an effective Flood Insurance Rate Map or Flood Insurance Study. Letters of Map Change include:

- (a) Letter of Map Amendment (LOMA): An official amendment, by letter, to an effective National Flood Insurance Program map. A LOMA is based on technical data showing that a property had been inadvertently mapped as being in the floodplain, but is actually on natural high ground above the base flood elevation. A LOMA amends the current effective Flood Insurance Rate Map and establishes that a specific property, portion of a property, or structure is not located in a special flood hazard area.
- (b) Letter of Map Revision (LOMR): A revision based on technical data that may show changes to flood

zones, flood elevations, special flood hazard area boundaries and floodway delineations, and other planimetric features.

- (c) Letter of Map Revision Based on Fill (LOMR-F): A determination that a structure or parcel of land has been elevated by fill above the BFE and is, therefore, no longer located within the special flood hazard area. In order to qualify for this determination, the fill must have been permitted and placed in accordance with the community's floodplain management regulations.
- (d) Conditional Letter of Map Revision (CLOMR): A formal review and comment as to whether a proposed project complies with the minimum NFIP requirements for such projects with respect to delineation of special flood hazard areas. A CLOMR does not revise the effective Flood Insurance Rate Map or Flood Insurance Study; upon submission and approval of certified as-built documentation, a Letter of Map Revision may be issued by FEMA to revise the effective FIRM.

"Light Duty Truck" means any motor vehicle rated at 8,500 pounds Gross Vehicular Weight Rating or less which has a vehicular curb weight of 6,000 pounds or less and which has a basic vehicle frontal area of 45 square feet or less as defined in 40 CFR 86.082-2 and is:

- (a) Designed primarily for purposes of transportation of property or is a derivation of such a vehicle, or
- (b) Designed primarily for transportation of persons and has a capacity of more than 12 persons; or
- (c) Available with special features enabling off-street or off-highway operation and use.

"Lowest Adjacent Grade (LAG)" means the lowest elevation of the ground, sidewalk or patio slab immediately next to the building, or deck support, after completion of the building.

"Lowest Floor" means the lowest floor of the lowest enclosed area (including basement). An unfinished or flood resistant enclosure, usable solely for parking of vehicles, building access, or limited storage in an area other than a basement area is not considered a building's lowest floor, provided that such an enclosure is not built so as to render the structure in violation of the applicable non-elevation design requirements of this ordinance.

"Manufactured Home" means a structure, transportable in one or more sections, which is built on a permanent chassis and designed to be used with or without a permanent foundation when connected to the required utilities. The term "manufactured home" does not include a "recreational vehicle".

"Manufactured Home Park or Subdivision" means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

"Map Repository" means the location of the official flood hazard data to be applied for floodplain management. It is a central location in which flood data is stored and managed; in North Carolina, FEMA has recognized that the application of digital flood hazard data products carry the same authority as hard copy products. Therefore, the NCEM's Floodplain Mapping Program websites house current and historical flood hazard data. For effective flood hazard data the NC FRIS website (<http://FRIS.NC.GOV/FRIS>) is the map repository, and for historical flood hazard data the FloodNC website (<http://FLOODNC.GOV/NCFLOOD>) is the map repository.

"Market Value" means the building value, not including the land value and that of any accessory structures or other improvements on the lot. Market value may be established by independent certified appraisal; replacement cost depreciated for age of building and quality of construction (Actual Cash Value); or adjusted tax assessed values.

"New Construction" means structures for which the "start of construction" commenced on or after the effective date of the initial floodplain management regulations and includes any subsequent improvements to such structures.

"Non-Encroachment Area (NEA)" means the channel of a river or other watercourse, including the area above a bridge or culvert when applicable, and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one (1) foot as designated in the

Flood Insurance Study report.

“Post-FIRM” means construction or other development for which the “start of construction” occurred on or after **July 02, 1987, the effective date of the initial Flood Insurance Rate Map.**

“Pre-FIRM” means construction or other development for which the “start of construction” occurred before **July 02, 1987, the effective date of the initial Flood Insurance Rate Map.**

“Principally Above Ground” means that at least 51% of the actual cash value of the structure is above ground.

“Public Safety” and/or “Nuisance” means anything which is injurious to the safety or health of an entire community or neighborhood, or any considerable number of persons, or unlawfully obstructs the free passage or use, in the customary manner, of any navigable lake, or river, bay, stream, canal, or basin.

“Recreational Vehicle (RV)” means a vehicle, which is:

- (a) Built on a single chassis;
- (b) 400 square feet or less when measured at the largest horizontal projection;
- (c) Designed to be self-propelled or permanently towable by a light duty truck;
- (d) Designed primarily not for use as a permanent dwelling, but as temporary living quarters for recreational, camping, travel, or seasonal use, and
- (e) **Is fully licensed and ready for highway use.**

For the purpose of this ordinance, “Tiny Homes/Houses” and Park Models that do not meet the items listed above are not considered Recreational Vehicles and should meet the standards of and be permitted as Residential Structures.

“Reference Level” is the top of the lowest floor for structures within Special Flood Hazard Areas designated as Zones A, AE, AH, AO, A99.

“Regulatory Flood Protection Elevation” means the “Base Flood Elevation” plus the “Freeboard”. In “**Special Flood Hazard Areas**” where Base Flood Elevations (BFEs) have been determined, this elevation shall be the BFE plus two (2) feet freeboard. In “**Special Flood Hazard Areas**” where no BFE has been established, this elevation shall be at least two (2) feet above the highest adjacent grade.

“Remedy a Violation” means to bring the structure or other development into compliance with state and community floodplain management regulations, or, if this is not possible, to reduce the impacts of its noncompliance. Ways that impacts may be reduced include protecting the structure or other affected development from flood damages, implementing the enforcement provisions of the ordinance or otherwise deterring future similar violations, or reducing federal financial exposure with regard to the structure or other development.

“Riverine” means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc.

“Salvage Yard” means any non-residential property used for the storage, collection, and/or recycling of any type of equipment, and including but not limited to vehicles, appliances and related machinery.

“Solid Waste Disposal Facility” means any facility involved in the disposal of solid waste, as defined in NCGS 130A-290(a)(35).

“Solid Waste Disposal Site” means, as defined in NCGS 130A-290(a)(36), any place at which solid wastes are disposed of by incineration, sanitary landfill, or any other method.

“Special Flood Hazard Area (SFHA)” means the land in the floodplain subject to a one percent (1%) or greater chance of being flooded in any given year, as determined in Article 3, Section B of this ordinance.

“Start of Construction” includes substantial improvement, and means the date the building permit was issued provided the actual start of construction, repair, reconstruction, rehabilitation, addition placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading, and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of the building, whether or not that alteration affects the external dimensions of the building.

“Structure” means a walled and roofed building, a manufactured home, or a gas, liquid, or liquefied gas storage tank that is principally above ground.

“Substantial Damage” means damage of any origin sustained by a structure during any one-year period whereby the cost of restoring the structure to it’s before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred. See definition of “substantial improvement”.

“Substantial Improvement” means any combination of repairs, reconstruction, rehabilitation, addition, or other improvement of a structure, taking place during any one-year period for which the cost equals or exceeds 50 percent of the market value of the structure before the “start of construction” of the improvement. This term includes structures which have incurred “substantial damage”, regardless of the actual repair work performed. The term does not, however, include either:

- (a) Any correction of existing violations of state or community health, sanitary, or safety code specifications which have been identified by the community code enforcement official and which are the minimum necessary to assure safe living conditions; or
- (b) Any alteration of a historic structure, provided that the alteration will not preclude the structure's continued designation as a historic structure and the alteration is approved by variance issued pursuant to Article 4 Section E of this ordinance.

“Technical Bulletin and Technical Fact Sheet” means a FEMA publication that provides guidance concerning the building performance standards of the NFIP, which are contained in Title 44 of the U.S. Code of Federal Regulations at Section 60.3. The bulletins and fact sheets are intended for use primarily by State and local officials responsible for interpreting and enforcing NFIP regulations and by members of the development community, such as design professionals and builders. New bulletins, as well as updates of existing bulletins, are issued periodically as needed. The bulletins do not create regulations; rather they provide specific guidance for complying with the minimum requirements of existing NFIP regulations.

It should be noted that Technical Bulletins and Technical Fact Sheets provide guidance on the minimum requirements of the NFIP regulations. State or community requirements that exceed those of the NFIP take precedence. Design professionals should contact the community officials to determine whether more restrictive State or local regulations apply to the building or site in question. All applicable standards of the State or local building code must also be met for any building in a flood hazard area.

“Temperature Controlled” means having the temperature regulated by a heating and/or cooling system, built-in or appliance.

“Variance” is a grant of relief from the requirements of this ordinance.

“Violation” means the failure of a structure or other development to be fully compliant with the community's floodplain management regulations. A structure or other development without the elevation certificate, other

certifications, or other evidence of compliance required in Articles 4 and 5 is presumed to be in violation until such time as that documentation is provided.

“Water Surface Elevation (WSE)” means the height, in relation to NAVD 1988, of floods of various magnitudes and frequencies in the floodplains of riverine areas.

“Watercourse” means a lake, river, creek, stream, wash, channel or other topographic feature on or over which waters flow at least periodically. Watercourse includes specifically designated areas in which substantial flood damage may occur.

ARTICLE 3. GENERAL PROVISIONS.

SECTION A. LANDS TO WHICH THIS ORDINANCE APPLIES.

This ordinance shall apply to all Special Flood Hazard Areas within the jurisdiction, including Extra-Territorial Jurisdictions (ETJs), of the Town of Richlands.

SECTION B. BASIS FOR ESTABLISHING THE SPECIAL FLOOD HAZARD AREAS.

The Special Flood Hazard Areas are those identified under the Cooperating Technical State (CTS) agreement between the State of North Carolina and FEMA in its FIS dated June 19, 2020 for Onslow County and associated DFIRM panels, including any digital data developed as part of the FIS, which are adopted by reference and declared a part of this ordinance, and all revisions thereto after January 1, 2021. Future revisions to the FIS and DFIRM panels that do not change flood hazard data within the jurisdictional authority of the Town of Richlands are also adopted by reference and declared a part of this ordinance. Subsequent Letter of Map Revisions (LOMRs) and/or Physical Map Revisions (PMRs) shall be adopted within 3 months.

SECTION C. ESTABLISHMENT OF FLOODPLAIN DEVELOPMENT PERMIT.

A Floodplain Development Permit shall be required in conformance with the provisions of this ordinance prior to the commencement of any development activities within Special Flood Hazard Areas determined in accordance with the provisions of Article 3, Section B of this ordinance.

SECTION D. COMPLIANCE.

No structure or land shall hereafter be located, extended, converted, altered, or developed in any way without full compliance with the terms of this ordinance and other applicable regulations.

SECTION E. ABROGATION AND GREATER RESTRICTIONS.

This ordinance is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this ordinance and another conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

SECTION F. INTERPRETATION.

In the interpretation and application of this ordinance, all provisions shall be:

- (a) Considered as minimum requirements;
- (b) Liberally construed in favor of the governing body; and
- (c) Deemed neither to limit nor repeal any other powers granted under State statutes.

SECTION G. WARNING AND DISCLAIMER OF LIABILITY.

The degree of flood protection required by this ordinance is considered reasonable for regulatory purposes and is based on scientific and engineering consideration. Larger floods can and will occur. Actual flood heights may be increased by man-made or natural causes. This ordinance does not imply that land outside the Special Flood Hazard Areas or uses permitted within such areas will be free from flooding or flood damages. This ordinance shall not create liability on the part of the Town of Richlands or by any officer or employee thereof for any flood damages that result from reliance on this ordinance or any administrative decision lawfully made hereunder.

SECTION H. PENALTIES FOR VIOLATION.

Violation of the provisions of this ordinance or failure to comply with any of its requirements, including violation of conditions and safeguards established in connection with grants of variance or special exceptions, shall constitute a Class 1 misdemeanor pursuant to NC G.S. § 143-215.58. . Any person who violates this ordinance or fails to comply with any of its requirements shall, upon conviction thereof, be fined not more than **\$100.00** or imprisoned for not more than thirty (30) days, or both. Each day such violation continues shall be considered a separate offense. Nothing herein contained shall prevent the Town of Richlands from taking such other lawful action as is necessary to prevent or remedy any violation.

ARTICLE 4. ADMINISTRATION.

SECTION A. DESIGNATION OF FLOODPLAIN ADMINISTRATOR.

The Town Administrator, or his/her designee is hereinafter referred to as the “Floodplain Administrator”, is hereby appointed to administer and implement the provisions of this ordinance. In instances where the Floodplain Administrator receives assistance from others to complete tasks to administer and implement this ordinance, the Floodplain Administrator shall be responsible for the coordination and community’s overall compliance with the National Flood Insurance Program and the provisions of this ordinance.

SECTION B. FLOODPLAIN DEVELOPMENT APPLICATION, PERMIT AND CERTIFICATION REQUIREMENTS.

- (1) **Application Requirements.** Application for a Floodplain Development Permit shall be made to the Floodplain Administrator prior to any development activities located within Special Flood Hazard Areas. The following items shall be presented to the Floodplain Administrator to apply for a floodplain development permit:
 - (a) A plot plan drawn to scale which shall include, but shall not be limited to, the following specific details of the proposed floodplain development:
 - (i) The nature, location, dimensions, and elevations of the area of development/disturbance; existing and proposed structures, utility systems, grading/pavement areas, fill materials, storage areas, drainage facilities, and other development;
 - (ii) The boundary of the Special Flood Hazard Area as delineated on the FIRM or other flood map as determined in Article 3, Section B, or a statement that the entire lot is within the Special

Flood Hazard Area;

- (iii) Flood zone(s) designation of the proposed development area as determined on the FIRM or other flood map as determined in Article 3, Section B;
 - (iv) The boundary of the floodway(s) or non-encroachment area(s) as determined in Article 3, Section B;
 - (v) The Base Flood Elevation (BFE) where provided as set forth in Article 3, Section B; Article 4, Section C; or Article 5, Section D;
 - (vi) The old and new location of any watercourse that will be altered or relocated as a result of proposed development; and
 - (vii) The certification of the plot plan by a registered land surveyor or professional engineer.
- (b) Proposed elevation, and method thereof, of all development within a Special Flood Hazard Area including but not limited to:
- (i) Elevation in relation to **NAVD 1988** of the proposed reference level (including basement) of all structures;
 - (ii) Elevation in relation to **NAVD 1988** to which any non-residential structure in Zones A, AE, AH, AO, A99 will be floodproofed; and
 - (iii) Elevation in relation to NAVD 1988 to which any proposed utility systems will be elevated or floodproofed.
- (c) If floodproofing, a Floodproofing Certificate (FEMA Form 086-0-34) with supporting data, an operational plan, and an inspection and maintenance plan that include, but are not limited to, installation, exercise, and maintenance of floodproofing measures.
- (d) A Foundation Plan, drawn to scale, which shall include details of the proposed foundation system to ensure all provisions of this ordinance are met. These details include but are not limited to:
- (i) The proposed method of elevation, if applicable (i.e., fill, solid foundation perimeter wall, solid backfilled foundation, open foundation on columns/posts/piers/piles/shear walls); and
 - (ii) Openings to facilitate automatic equalization of hydrostatic flood forces on walls in accordance with Article 5, Section B(4)(d) when solid foundation perimeter walls are used in Zones A, AE, AH, AO, A99.
- (e) Usage details of any enclosed areas below the lowest floor.
- (f) Plans and/or details for the protection of public utilities and facilities such as sewer, gas, electrical, and water systems to be located and constructed to minimize flood damage.
- (g) Certification that all other Local, State and Federal permits required prior to floodplain development permit issuance have been received.
- (h) Documentation for placement of Recreational Vehicles and/or Temporary Structures, when applicable, to ensure that the provisions of Article 5, Section B, subsections (6) and (7) of this ordinance are met.

- (i) A description of proposed watercourse alteration or relocation, when applicable, including an engineering report on the effects of the proposed project on the flood-carrying capacity of the watercourse and the effects to properties located both upstream and downstream; and a map (if not shown on plot plan) showing the location of the proposed watercourse alteration or relocation.

(2) **Permit Requirements.** The Floodplain Development Permit shall include, but not be limited to:

- (a) A complete description of all the development to be permitted under the floodplain development permit (e.g. house, garage, pool, septic, bulkhead, cabana, pier, bridge, mining, dredging, filling, grading, paving, excavation or drilling operations, or storage of equipment or materials, etc.).
- (b) The Special Flood Hazard Area determination for the proposed development in accordance with available data specified in Article 3, Section B.
- (c) The Regulatory Flood Protection Elevation required for the reference level and all attendant utilities.
- (d) The Regulatory Flood Protection Elevation required for the protection of all public utilities.
- (e) All certification submittal requirements with timelines.
- (f) A statement that no fill material or other development shall encroach into the floodway or non-encroachment area of any watercourse unless the requirements of Article 5, Section F have been met.
- (g) The flood openings requirements, if in Zones A, AE, AH, AO, A99.
- (h) Limitations of below BFE enclosure uses (if applicable). (i.e., parking, building access and limited storage only).
- (i) A statement, that all materials below BFE/RFPE must be flood resistant materials.

(3) **Certification Requirements.**

(a) Elevation Certificates

- (i) An Elevation Certificate (FEMA Form 086-0-33) is required prior to the actual start of any new construction. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the elevation of the reference level, in relation to NAVD 1988. The Floodplain Administrator shall review the certificate data submitted. Deficiencies detected by such review shall be corrected by the permit holder prior to the beginning of construction. Failure to submit the certification or failure to make required corrections shall be cause to deny a floodplain development permit.
- (ii) An Elevation Certificate (FEMA Form 086-0-33) is required after the reference level is established. Within seven (7) calendar days of establishment of the reference level elevation, it shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the elevation of the reference level, in relation to NAVD 1988. Any work done within the seven (7) day calendar period and prior to submission of the certification shall be at the permit holder's risk. The Floodplain Administrator shall review the certificate data submitted. Deficiencies detected by such review shall be corrected by the permit holder immediately and prior to further work being permitted to proceed. Failure to submit the certification or failure to make required corrections shall be cause to issue a stop-work order for the project.
- (iii) A final Finished Construction Elevation Certificate (FEMA Form 086-0-33) is required after

construction is completed and prior to Certificate of Compliance/Occupancy issuance. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of final as-built construction of the elevation of the reference level and all attendant utilities. The Floodplain Administrator shall review the certificate data submitted. Deficiencies detected by such review shall be corrected by the permit holder immediately and prior to Certificate of Compliance/Occupancy issuance. In some instances, another certification may be required to certify corrected as-built construction. Failure to submit the certification or failure to make required corrections shall be cause to withhold the issuance of a Certificate of Compliance/Occupancy. The Finished Construction Elevation Certificate certifier shall provide at least 2 photographs showing the front and rear of the building taken within 90 days from the date of certification. The photographs must be taken with views confirming the building description and diagram number provided in Section A. To the extent possible, these photographs should show the entire building including foundation. If the building has split-level or multi-level areas, provide at least 2 additional photographs showing side views of the building. In addition, when applicable, provide a photograph of the foundation showing a representative example of the flood openings or vents. All photographs must be in color and measure at least 3" × 3". Digital photographs are acceptable.

(b) Floodproofing Certificate

- (i) If non-residential floodproofing is used to meet the Regulatory Flood Protection Elevation requirements, a Floodproofing Certificate (FEMA Form 086-0-34), with supporting data, an operational plan, and an inspection and maintenance plan are required prior to the actual start of any new construction. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the floodproofed design elevation of the reference level and all attendant utilities, in relation to NAVD 1988. Floodproofing certification shall be prepared by or under the direct supervision of a professional engineer or architect and certified by same. The Floodplain Administrator shall review the certificate data, the operational plan, and the inspection and maintenance plan. Deficiencies detected by such review shall be corrected by the applicant prior to permit approval. Failure to submit the certification or failure to make required corrections shall be cause to deny a Floodplain Development Permit. Failure to construct in accordance with the certified design shall be cause to withhold the issuance of a Certificate of Compliance/Occupancy.
 - (ii) A final Finished Construction Floodproofing Certificate (FEMA Form 086-0-34), with supporting data, an operational plan, and an inspection and maintenance plan are required prior to the issuance of a Certificate of Compliance/Occupancy. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the floodproofed design elevation of the reference level and all attendant utilities, in relation to NAVD 1988. Floodproofing certificate shall be prepared by or under the direct supervision of a professional engineer or architect and certified by same. The Floodplain Administrator shall review the certificate data, the operational plan, and the inspection and maintenance plan. Deficiencies detected by such review shall be corrected by the applicant prior to Certificate of Occupancy. Failure to submit the certification or failure to make required corrections shall be cause to deny a Floodplain Development Permit. Failure to construct in accordance with the certified design shall be cause to deny a Certificate of Compliance/Occupancy.
- (c) If a manufactured home is placed within Zones A, AE, AH, AO, A99 and the elevation of the chassis is more than 36 inches in height above grade, an engineered foundation certification is required in accordance with the provisions of Article 5, Section B(3)(b).
 - (d) If a watercourse is to be altered or relocated, a description of the extent of watercourse alteration or relocation; a professional engineer's certified report on the effects of the proposed project on the flood-carrying capacity of the watercourse and the effects to properties located both upstream and

downstream; and a map showing the location of the proposed watercourse alteration or relocation shall all be submitted by the permit applicant prior to issuance of a floodplain development permit.

- (e) Certification Exemptions. The following structures, if located within Zones A, AE, AH, AO, A99, are exempt from the elevation/floodproofing certification requirements specified in items (a) and (b) of this subsection:
 - (i) Recreational Vehicles meeting requirements of Article 5, Section B(6)(a);
 - (ii) Temporary Structures meeting requirements of Article 5, Section B(7); and
 - (iii) Accessory Structures that are 150 square feet or less or \$3,000 or less and meeting requirements of Article 5, Section B(8).

(4) Determinations for existing buildings and structures.

For applications for building permits to improve buildings and structures, including alterations, movement, enlargement, replacement, repair, change of occupancy, additions, rehabilitations, renovations, substantial improvements, repairs of substantial damage, and any other improvement of or work on such buildings and structures, the Floodplain Administrator, in coordination with the Building Official, shall:

- (a) Estimate the market value, or require the applicant to obtain an appraisal of the market value prepared by a qualified independent appraiser, of the building or structure before the start of construction of the proposed work; in the case of repair, the market value of the building or structure shall be the market value before the damage occurred and before any repairs are made;
- (b) Compare the cost to perform the improvement, the cost to repair a damaged building to its pre-damaged condition, or the combined costs of improvements and repairs, if applicable, to the market value of the building or structure;
- (c) Determine and document whether the proposed work constitutes substantial improvement or repair of substantial damage; and
- (d) Notify the applicant if it is determined that the work constitutes substantial improvement or repair of substantial damage and that compliance with the flood resistant construction requirements of the NC Building Code and this ordinance is required.

SECTION C. DUTIES AND RESPONSIBILITIES OF THE FLOODPLAIN ADMINISTRATOR.

The Floodplain Administrator shall perform, but not be limited to, the following duties:

- (1) Review all floodplain development applications and issue permits for all proposed development within Special Flood Hazard Areas to assure that the requirements of this ordinance have been satisfied.
- (2) Review all proposed development within Special Flood Hazard Areas to assure that all necessary local, state and federal permits have been received, including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334.

- (3) Notify adjacent communities and the North Carolina Department of Public Safety, Division of Emergency Management, State Coordinator for the National Flood Insurance Program prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Emergency Management Agency (FEMA).
- (4) Assure that maintenance is provided within the altered or relocated portion of said watercourse so that the flood-carrying capacity is maintained.
- (5) Prevent encroachments into floodways and non-encroachment areas unless the certification and flood hazard reduction provisions of Article 5, Section F are met.
- (6) Obtain actual elevation (in relation to **NAVD 1988**) of the reference level (including basement) and all attendant utilities of all new and substantially improved structures, in accordance with the provisions of Article 4, Section B(3).
- (7) Obtain actual elevation (in relation to **NAVD 1988**) to which all new and substantially improved structures and utilities have been floodproofed, in accordance with the provisions of Article 4, Section B(3).
- (8) Obtain actual elevation (in relation to **NAVD 1988**) of all public utilities in accordance with the provisions of Article 4, Section B(3).
- (9) When floodproofing is utilized for a particular structure, obtain certifications from a registered professional engineer or architect in accordance with the provisions of Article 4, Section B(3) and Article 5, Section B(2).
- (10) Where interpretation is needed as to the exact location of boundaries of the Special Flood Hazard Areas, floodways, or non-encroachment areas (for example, where there appears to be a conflict between a mapped boundary and actual field conditions), make the necessary interpretation. The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in this article.
- (11) When BFE data has not been provided in accordance with the provisions of Article 3, Section B, obtain, review, and reasonably utilize any BFE data, along with floodway data or non-encroachment area data available from a federal, state, or other source, including data developed pursuant to Article 5, Section D(2)(c), in order to administer the provisions of this ordinance.
- (12) When BFE data is provided but no floodway or non-encroachment area data has been provided in accordance with the provisions of Article 3, Section B, obtain, review, and reasonably utilize any floodway data or non-encroachment area data available from a federal, state, or other source in order to administer the provisions of this ordinance.
- (13) When the lowest floor and the lowest adjacent grade of a structure or the lowest ground elevation of a parcel in a Special Flood Hazard Area is above the BFE, advise the property owner of the option to apply for a Letter of Map Amendment (LOMA) from FEMA. Maintain a copy of the LOMA issued by FEMA in the floodplain development permit file.
- (14) Permanently maintain all records that pertain to the administration of this ordinance and make these records available for public inspection, recognizing that such information may be subject to the Privacy Act of 1974, as amended.
- (15) Make on-site inspections of work in progress. As the work pursuant to a floodplain development permit progresses, the Floodplain Administrator shall make as many inspections of the work as may be necessary to ensure that the work is being done according to the provisions of the local ordinance and the terms of the permit. In exercising this power, the Floodplain Administrator has a right, upon presentation of proper

credentials, to enter on any premises within the jurisdiction of the community at any reasonable hour for the purposes of inspection or other enforcement action.

- (16) Issue stop-work orders as required. Whenever a building or part thereof is being constructed, reconstructed, altered, or repaired in violation of this ordinance, the Floodplain Administrator may order the work to be immediately stopped. The stop-work order shall be in writing and directed to the person doing or in charge of the work. The stop-work order shall state the specific work to be stopped, the specific reason(s) for the stoppage, and the condition(s) under which the work may be resumed. Violation of a stop-work order constitutes a misdemeanor.
- (17) Revoke floodplain development permits as required. The Floodplain Administrator may revoke and require the return of the floodplain development permit by notifying the permit holder in writing stating the reason(s) for the revocation. Permits shall be revoked for any substantial departure from the approved application, plans, and specifications; for refusal or failure to comply with the requirements of State or local laws; or for false statements or misrepresentations made in securing the permit. Any floodplain development permit mistakenly issued in violation of an applicable State or local law may also be revoked.
- (18) Make periodic inspections throughout the Special Flood Hazard Areas within the jurisdiction of the community. The Floodplain Administrator and each member of his or her inspections department shall have a right, upon presentation of proper credentials, to enter on any premises within the territorial jurisdiction of the department at any reasonable hour for the purposes of inspection or other enforcement action.
- (19) Follow through with corrective procedures of Article 4, Section D.
- (20) Review, provide input, and make recommendations for variance requests.
- (21) Maintain a current map repository to include, but not limited to, historical and effective FIS Report, historical and effective FIRM and other official flood maps and studies adopted in accordance with the provisions of Article 3, Section B of this ordinance, including any revisions thereto including Letters of Map Change, issued by FEMA. Notify State and FEMA of mapping needs.
- (22) Coordinate revisions to FIS reports and FIRMs, including Letters of Map Revision Based on Fill (LOMR-Fs) and Letters of Map Revision (LOMRs).

SECTION D. CORRECTIVE PROCEDURES.

- (1) Violations to be corrected: When the Floodplain Administrator finds violations of applicable state and local laws; it shall be his or her duty to notify the owner or occupant of the building of the violation. The owner or occupant shall immediately remedy each of the violations of law cited in such notification.
- (2) Actions in Event of Failure to Take Corrective Action: If the owner of a building or property shall fail to take prompt corrective action, the Floodplain Administrator shall give the owner written notice, by certified or registered mail to the owner's last known address or by personal service, stating:
 - (a) That the building or property is in violation of the floodplain management regulations;
 - (b) That a hearing will be held before the Floodplain Administrator at a designated place and time, not later than ten (10) days after the date of the notice, at which time the owner shall be entitled to be heard in person or by counsel and to present arguments and evidence pertaining to the matter; and

- (c) That following the hearing, the Floodplain Administrator may issue an order to alter, vacate, or demolish the building; or to remove fill as applicable.
- (3) Order to Take Corrective Action: If, upon a hearing held pursuant to the notice prescribed above, the Floodplain Administrator shall find that the building or development is in violation of the Flood Damage Prevention Ordinance, he or she shall issue an order in writing to the owner, requiring the owner to remedy the violation within a specified time period, not less than sixty (60) calendar days, nor more than least One-hundred-eighty (180) calendar days. Where the Floodplain Administrator finds that there is imminent danger to life or other property, he or she may order that corrective action be taken in such lesser period as may be feasible.
- (4) Appeal: Any owner who has received an order to take corrective action may appeal the order to the local elected governing body by giving notice of appeal in writing to the Floodplain Administrator and the clerk within ten (10) days following issuance of the final order. In the absence of an appeal, the order of the Floodplain Administrator shall be final. The local governing body shall hear an appeal within a reasonable time and may affirm, modify and affirm, or revoke the order.
- (5) Failure to Comply with Order: If the owner of a building or property fails to comply with an order to take corrective action for which no appeal has been made or fails to comply with an order of the governing body following an appeal, the owner shall be guilty of a Class 1 misdemeanor pursuant to NC G.S. § 143-215.58 and shall be punished at the discretion of the court.

SECTION E. VARIANCE PROCEDURES.

- (1) The Board of Adjustment as established by the Town of Richlands, hereinafter referred to as the “appeal board”, shall hear and decide requests for variances from the requirements of this ordinance.
- (2) Any person aggrieved by the decision of the appeal board may appeal such decision to the Court, as provided in Chapter 7A of the North Carolina General Statutes.
- (3) Variances may be issued for:
 - (a) The repair or rehabilitation of historic structures upon the determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and that the variance is the minimum necessary to preserve the historic character and design of the structure;
 - (b) Functionally dependent facilities if determined to meet the definition as stated in Article 2 of this ordinance, provided provisions of Article 4, Section E(9)(b), (c), and (e) have been satisfied, and such facilities are protected by methods that minimize flood damages during the base flood and create no additional threats to public safety; or
 - (c) Any other type of development provided it meets the requirements of this Section.
- (4) In passing upon variances, the appeal board shall consider all technical evaluations, all relevant factors, all standards specified in other sections of this ordinance, and:
 - (a) The danger that materials may be swept onto other lands to the injury of others;
 - (b) The danger to life and property due to flooding or erosion damage;
 - (c) The susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the individual owner;

- (d) The importance of the services provided by the proposed facility to the community;
 - (e) The necessity to the facility of a waterfront location as defined under Article 2 of this ordinance as a functionally dependent facility, where applicable;
 - (f) The availability of alternative locations, not subject to flooding or erosion damage, for the proposed use;
 - (g) The compatibility of the proposed use with existing and anticipated development;
 - (h) The relationship of the proposed use to the comprehensive plan and floodplain management program for that area;
 - (i) The safety of access to the property in times of flood for ordinary and emergency vehicles;
 - (j) The expected heights, velocity, duration, rate of rise, and sediment transport of the floodwaters and the effects of wave action, if applicable, expected at the site; and
 - (k) The costs of providing governmental services during and after flood conditions including maintenance and repair of public utilities and facilities such as sewer, gas, electrical and water systems, and streets and bridges.
- (5) A written report addressing each of the above factors shall be submitted with the application for a variance.
- (6) Upon consideration of the factors listed above and the purposes of this ordinance, the appeal board may attach such conditions to the granting of variances as it deems necessary to further the purposes and objectives of this ordinance.
- (7) Any applicant to whom a variance is granted shall be given written notice specifying the difference between the BFE and the elevation to which the structure is to be built and that such construction below the BFE increases risks to life and property, and that the issuance of a variance to construct a structure below the BFE may result in increased premium rates for flood insurance up to \$25 per \$100 of insurance coverage. Such notification shall be maintained with a record of all variance actions, including justification for their issuance.
- (8) The Floodplain Administrator shall maintain the records of all appeal actions and report any variances to the FEMA and the State of North Carolina upon request.
- (9) Conditions for Variances:
- (a) Variances shall not be issued when the variance will make the structure in violation of other federal, state, or local laws, regulations, or ordinances.
 - (b) Variances shall not be issued within any designated floodway or non-encroachment area if the variance would result in any increase in flood levels during the base flood discharge.
 - (c) Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.
 - (d) Variances shall only be issued prior to development permit approval.
 - (e) Variances shall only be issued upon:
 - (i) A showing of good and sufficient cause;

- (ii) A determination that failure to grant the variance would result in exceptional hardship; and
 - (iii) A determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, or extraordinary public expense, create nuisance, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.
- (10) A variance may be issued for solid waste disposal facilities or sites, hazardous waste management facilities, salvage yards, and chemical storage facilities that are located in Special Flood Hazard Areas provided that all of the following conditions are met.
 - (a) The use serves a critical need in the community.
 - (b) No feasible location exists for the use outside the Special Flood Hazard Area.
 - (c) The reference level of any structure is elevated or floodproofed to at least the Regulatory Flood Protection Elevation.
 - (d) The use complies with all other applicable federal, state and local laws.
 - (e) The Town of Richlands has notified the Secretary of the North Carolina Department of Public Safety of its intention to grant a variance at least thirty (30) calendar days prior to granting the variance.

ARTICLE 5. PROVISIONS FOR FLOOD HAZARD REDUCTION.

SECTION A. GENERAL STANDARDS.

In all Special Flood Hazard Area's the following provisions are required:

- (1) All new construction and substantial improvements shall be designed (or modified) and adequately anchored to prevent flotation, collapse, and lateral movement of the structure.
- (2) All new construction and substantial improvements shall be constructed with materials and utility equipment resistant to flood damage in accordance with the FEMA Technical Bulletin 2, *Flood Damage-Resistant Materials Requirements*.
- (3) All new construction and substantial improvements shall be constructed by methods and practices that minimize flood damages.
- (4) All new electrical, heating, ventilation, plumbing, air conditioning equipment, and other service equipment shall be located at or above the RFPE or designed and installed to prevent water from entering or accumulating within the components during the occurrence of the base flood. These include, but are not limited to, HVAC equipment, water softener units, bath/kitchen fixtures, ductwork, electric/gas meter panels/boxes, utility/cable boxes, hot water heaters, and electric outlets/switches.
 - (a) Replacements part of a substantial improvement, electrical, heating, ventilation, plumbing, air conditioning equipment, and other service equipment shall also meet the above provisions.
 - (b) Replacements that are for maintenance and not part of a substantial improvement, may be installed at the original location provided the addition and/or improvements only comply with the standards for new construction consistent with the code and requirements for the original structure.
- (5) All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of

floodwaters into the system.

- (6) New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of floodwaters into the systems and discharges from the systems into flood waters.
- (7) On-site waste disposal systems shall be located and constructed to avoid impairment to them or contamination from them during flooding.
- (8) Nothing in this ordinance shall prevent the repair, reconstruction, or replacement of a building or structure existing on the effective date of this ordinance and located totally or partially within the floodway, non-encroachment area, or stream setback, provided there is no additional encroachment below the Regulatory Flood Protection Elevation in the floodway, non-encroachment area, or stream setback, and provided that such repair, reconstruction, or replacement meets all of the other requirements of this ordinance.
- (9) New solid waste disposal facilities and sites, hazardous waste management facilities, salvage yards, and chemical storage facilities shall not be permitted, except by variance as specified in Article 4, Section E(10). A structure or tank for chemical or fuel storage incidental to an allowed use or to the operation of a water treatment plant or wastewater treatment facility may be located in a Special Flood Hazard Area only if the structure or tank is either elevated or floodproofed to at least the Regulatory Flood Protection Elevation and certified in accordance with the provisions of Article 4, Section B(3).
- (10) All subdivision proposals and other development proposals shall be consistent with the need to minimize flood damage.
- (11) All subdivision proposals and other development proposals shall have public utilities and facilities such as sewer, gas, electrical, and water systems located and constructed to minimize flood damage.
- (12) All subdivision proposals and other development proposals shall have adequate drainage provided to reduce exposure to flood hazards.
- (13) All subdivision proposals and other development proposals shall have received all necessary permits from those governmental agencies for which approval is required by federal or state law, including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334.
- (14) When a structure is partially located in a Special Flood Hazard Area, the entire structure shall meet the requirements for new construction and substantial improvements.
- (15) When a structure is located in multiple flood hazard zones or in a flood hazard risk zone with multiple base flood elevations, the provisions for the more restrictive flood hazard risk zone and the highest BFE shall apply.

SECTION B. SPECIFIC STANDARDS.

In all Special Flood Hazard Areas where BFE data has been provided, as set forth in Article 3, Section B, or Article 5, Section D, the following provisions, in addition to the provisions of Article 5, Section A, are required:

- (1) Residential Construction. New construction and substantial improvement of any residential structure (including manufactured homes) shall have the reference level, including basement, elevated no lower than the Regulatory Flood Protection Elevation, as defined in Article 2 of this ordinance.
- (2) Non-Residential Construction. New construction and substantial improvement of any commercial, industrial, or other non-residential structure shall have the reference level, including basement, elevated no lower than the Regulatory Flood Protection Elevation, as defined in Article 2 of this ordinance. Structures

located in Zones A, AE, AH, AO, A99 may be floodproofed to the Regulatory Flood Protection Elevation in lieu of elevation provided that all areas of the structure, together with attendant utility and sanitary facilities, below the Regulatory Flood Protection Elevation are watertight with walls substantially impermeable to the passage of water, using structural components having the capability of resisting hydrostatic and hydrodynamic loads and the effect of buoyancy. For AO Zones, the floodproofing elevation shall be in accordance with Article 5, Section G(2). A registered professional engineer or architect shall certify that the floodproofing standards of this subsection are satisfied. Such certification shall be provided to the Floodplain Administrator as set forth in Article 4, Section B(3), along with the operational plan and the inspection and maintenance plan.

(3) Manufactured Homes.

- (a) New and replacement manufactured homes shall be elevated so that the reference level of the manufactured home is no lower than the Regulatory Flood Protection Elevation, as defined in Article 2 of this ordinance.
- (b) Manufactured homes shall be securely anchored to an adequately anchored foundation to resist flotation, collapse, and lateral movement, either by certified engineered foundation system, or in accordance with the most current edition of the State of North Carolina Regulations for Manufactured Homes adopted by the Commissioner of Insurance pursuant to NCGS 143-143.15. Additionally, when the elevation would be met by an elevation of the chassis thirty-six (36) inches or less above the grade at the site, the chassis shall be supported by reinforced piers or engineered foundation. When the elevation of the chassis is above thirty-six (36) inches in height, an engineering certification is required.
- (c) All enclosures or skirting below the lowest floor shall meet the requirements of Article 5, Section B(4).
- (d) An evacuation plan must be developed for evacuation of all residents of all new, substantially improved or substantially damaged manufactured home parks or subdivisions located within flood prone areas. This plan shall be filed with and approved by the Floodplain Administrator and the local Emergency Management Coordinator.

(4) Elevated Buildings. Fully enclosed area, of new construction and substantially improved structures, which is below the lowest floor:

- (a) Shall not be designed or used for human habitation, but shall only be used for parking of vehicles, building access, or limited storage of maintenance equipment used in connection with the premises. Access to the enclosed area shall be the minimum necessary to allow for parking of vehicles (garage door) or limited storage of maintenance equipment (standard exterior door), or entry to the living area (stairway or elevator). The interior portion of such enclosed area shall not be finished or partitioned into separate rooms, except to enclose storage areas;
- (b) **Shall not be temperature-controlled or conditioned;**
- (c) Shall be constructed entirely of flood resistant materials at least to the Regulatory Flood Protection Elevation; and
- (d) Shall include, in Zones A, AE, AH, AO, A99 flood openings to automatically equalize hydrostatic flood forces on walls by allowing for the entry and exit of floodwaters. To meet this requirement, the openings must either be certified by a professional engineer or architect or meet or exceed the following minimum design criteria:
 - (i) A minimum of two flood openings on different sides of each enclosed area subject to flooding;

- (ii) The total net area of all flood openings must be at least one (1) square inch for each square foot of enclosed area subject to flooding;
- (iii) If a building has more than one enclosed area, each enclosed area must have flood openings to allow floodwaters to automatically enter and exit;
- (iv) The bottom of all required flood openings shall be no higher than one (1) foot above the higher of the interior or exterior adjacent grade;
- (v) Flood openings may be equipped with screens, louvers, or other coverings or devices, provided they permit the automatic flow of floodwaters in both directions; and
- (vi) Enclosures made of flexible skirting are not considered enclosures for regulatory purposes, and, therefore, do not require flood openings. Masonry or wood underpinning, regardless of structural status, is considered an enclosure and requires flood openings as outlined above.

(5) Additions/Improvements.

- (a) Additions and/or improvements to pre-FIRM structures when the addition and/or improvements in combination with any interior modifications to the existing structure are:
 - (i) Not a substantial improvement, the addition and/or improvements must be designed to minimize flood damages and must not be any more non-conforming than the existing structure.
 - (ii) A substantial improvement, with modifications/rehabilitations/improvements to the existing structure or the common wall is structurally modified more than installing a doorway, both the existing structure and the addition must comply with the standards for new construction.
- (b) Additions to pre-FIRM or post-FIRM structures that are a substantial improvement with no modifications/rehabilitations/improvements to the existing structure other than a standard door in the common wall, shall require only the addition to comply with the standards for new construction.
- (c) Additions and/or improvements to post-FIRM structures when the addition and/or improvements in combination with any interior modifications to the existing structure are:
 - (i) Not a substantial improvement, the addition and/or improvements only must comply with the standards for new construction consistent with the code and requirements for the original structure.
 - (ii) A substantial improvement, both the existing structure and the addition and/or improvements must comply with the standards for new construction.
- (d) Any combination of repair, reconstruction, rehabilitation, addition or improvement of a building or structure taking place during a one (1) year period, the cumulative cost of which equals or exceeds 50 percent of the market value of the structure before the improvement or repair is started must comply with the standards for new construction. For each building or structure, the one (1) year period begins on the date of the first improvement or repair of that building or structure subsequent to the effective date of this ordinance. If the structure has sustained substantial damage, any repairs are considered substantial improvement regardless of the actual repair work performed. The requirement does not, however, include either:
 - (i) Any project for improvement of a building required to correct existing health, sanitary or safety code violations identified by the building official and that are the minimum necessary to assume safe living conditions.

- (ii) Any alteration of a historic structure provided that the alteration will not preclude the structure's continued designation as a historic structure.

(6) Recreational Vehicles. Recreational vehicles shall either:

(a) Temporary Placement

- (i) Be on site for fewer than 180 consecutive days; or
- (ii) Be fully licensed and ready for highway use. (A recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities, and has no permanently attached additions.)

(b) Permanent Placement. Recreational vehicles that do not meet the limitations of Temporary Placement shall meet all the requirements for new construction.

(7) Temporary Non-Residential Structures. Prior to the issuance of a floodplain development permit for a temporary structure, the applicant must submit to the Floodplain Administrator a plan for the removal of such structure(s) in the event of a hurricane, flash flood or other type of flood warning notification. The following information shall be submitted in writing to the Floodplain Administrator for review and written approval:

- (a) A specified time period for which the temporary use will be permitted. Time specified may not exceed three (3) months, renewable up to one (1) year;
- (b) The name, address, and phone number of the individual responsible for the removal of the temporary structure;
- (c) The time frame prior to the event at which a structure will be removed (i.e., minimum of 72 hours before landfall of a hurricane or immediately upon flood warning notification);
- (d) A copy of the contract or other suitable instrument with the entity responsible for physical removal of the structure; and
- (e) Designation, accompanied by documentation, of a location outside the Special Flood Hazard Area, to which the temporary structure will be moved.

(8) Accessory Structures. When accessory structures (sheds, detached garages, etc.) are to be placed within a Special Flood Hazard Area, the following criteria shall be met:

- (a) Accessory structures shall not be used for human habitation (including working, sleeping, living, cooking or restroom areas);
- (b) Accessory structures shall not be temperature-controlled;
- (c) Accessory structures shall be designed to have low flood damage potential;
- (d) Accessory structures shall be constructed and placed on the building site so as to offer the minimum resistance to the flow of floodwaters;
- (e) Accessory structures shall be firmly anchored in accordance with the provisions of Article 5, Section A(1);
- (f) All service facilities such as electrical shall be installed in accordance with the provisions of Article 5,

Section A(4); and

- (g) Flood openings to facilitate automatic equalization of hydrostatic flood forces shall be provided below Regulatory Flood Protection Elevation in conformance with the provisions of Article 5, Section B(4)(d).

An accessory structure with a footprint less than 150 square feet **or that is a minimal investment of \$3,000 or less** and satisfies the criteria outlined above is not required to meet the elevation or floodproofing standards of Article 5, Section B (2). Elevation or floodproofing certifications are required for all other accessory structures in accordance with Article 4, Section B(3).

- (9) **Tanks.** When gas and liquid storage tanks are to be placed within a Special Flood Hazard Area, the following criteria shall be met:

- (a) **Underground tanks.** Underground tanks in flood hazard areas shall be anchored to prevent flotation, collapse or lateral movement resulting from hydrodynamic and hydrostatic loads during conditions of the design flood, including the effects of buoyancy assuming the tank is empty;
- (b) **Above-ground tanks, elevated.** Above-ground tanks in flood hazard areas shall be elevated to or above the Regulatory Flood Protection Elevation on a supporting structure that is designed to prevent flotation, collapse or lateral movement during conditions of the design flood. Tank-supporting structures shall meet the foundation requirements of the applicable flood hazard area;
- (c) **Above-ground tanks, not elevated.** Above-ground tanks that do not meet the elevation requirements of Section B (2) of this ordinance shall be permitted in flood hazard areas provided the tanks are designed, constructed, installed, and anchored to resist all flood-related and other loads, including the effects of buoyancy, during conditions of the design flood and without release of contents in the floodwaters or infiltration by floodwaters into the tanks. Tanks shall be designed, constructed, installed, and anchored to resist the potential buoyant and other flood forces acting on an empty tank during design flood conditions.
- (d) **Tank inlets and vents.** Tank inlets, fill openings, outlets and vents shall be:
 - (i) At or above the Regulatory Flood Protection Elevation or fitted with covers designed to prevent the inflow of floodwater or outflow of the contents of the tanks during conditions of the design flood; and
 - (ii) Anchored to prevent lateral movement resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy, during conditions of the design flood.

- (10) **Other Development.**

- (a) Fences in regulated floodways and NEAs that have the potential to block the passage of floodwaters, such as stockade fences and wire mesh fences, shall meet the limitations of Article 5, Section F of this ordinance.
- (b) Retaining walls, sidewalks and driveways in regulated floodways and NEAs. Retaining walls and sidewalks and driveways that involve the placement of fill in regulated floodways shall meet the limitations of Article 5, Section F of this ordinance.
- (c) Roads and watercourse crossings in regulated floodways and NEAs. Roads and watercourse crossings, including roads, bridges, culverts, low-water crossings and similar means for vehicles or pedestrians to travel from one side of a watercourse to the other side, that encroach into regulated floodways shall meet the limitations of Article 5, Section F of this ordinance.

SECTION C. RESERVED.

SECTION D. STANDARDS FOR FLOODPLAINS WITHOUT ESTABLISHED BASE FLOOD ELEVATIONS.

Within the Special Flood Hazard Areas designated as Approximate Zone A and established in Article 3, Section B, where no BFE data has been provided by FEMA, the following provisions, in addition to the provisions of Article 5, Section A, shall apply:

- (1) No encroachments, including fill, new construction, substantial improvements or new development shall be permitted within a distance of twenty (20) feet each side from top of bank or five times the width of the stream, whichever is greater, unless certification with supporting technical data by a registered professional engineer is provided demonstrating that such encroachments shall not result in any increase in flood levels during the occurrence of the base flood discharge.
- (2) The BFE used in determining the Regulatory Flood Protection Elevation shall be determined based on the following criteria:
 - (a) When BFE data is available from other sources, all new construction and substantial improvements within such areas shall also comply with all applicable provisions of this ordinance and shall be elevated or floodproofed in accordance with standards in Article 5, Sections A and B.
 - (b) When floodway or non-encroachment data is available from a Federal, State, or other source, all new construction and substantial improvements within floodway and non-encroachment areas shall also comply with the requirements of Article 5, Sections B and F.
 - (c) All subdivision, manufactured home park and other development proposals shall provide BFE data if development is greater than five (5) acres or has more than fifty (50) lots/manufactured home sites. Such BFE data shall be adopted by reference in accordance with Article 3, Section B and utilized in implementing this ordinance.
 - (d) When BFE data is not available from a Federal, State, or other source as outlined above, the reference level shall be elevated or floodproofed (nonresidential) to or above the Regulatory Flood Protection Elevation, as defined in Article 2. All other applicable provisions of Article 5, Section B shall also apply.

SECTION E. STANDARDS FOR RIVERINE FLOODPLAINS WITH BASE FLOOD ELEVATIONS BUT WITHOUT ESTABLISHED FLOODWAYS OR NON-ENCROACHMENT AREAS.

Along rivers and streams where BFE data is provided by FEMA or is available from another source but neither floodway nor non-encroachment areas are identified for a Special Flood Hazard Area on the FIRM or in the FIS report, the following requirements shall apply to all development within such areas:

- (1) Standards of Article 5, Sections A and B; and
- (2) **Until a regulatory floodway or non-encroachment area is designated**, no encroachments, including fill, new construction, substantial improvements, or other development, shall be permitted unless certification with supporting technical data by a registered professional engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the community.

SECTION F. FLOODWAYS AND NON-ENCROACHMENT AREAS.

Areas designated as floodways or non-encroachment areas are located within the Special Flood Hazard Areas established in Article 3, Section B. The floodways and non-encroachment areas are extremely hazardous areas due to the velocity of floodwaters that have erosion potential and carry debris and potential projectiles. The following provisions, in addition to standards outlined in Article 5, Sections A and B, shall apply to all development within such areas:

- (1) No encroachments, including fill, new construction, substantial improvements and other developments shall be permitted unless:
 - (a) It is demonstrated that the proposed encroachment would not result in any increase in the flood levels during the occurrence of the base flood discharge, based on hydrologic and hydraulic analyses performed in accordance with standard engineering practice and presented to the Floodplain Administrator prior to issuance of floodplain development permit; or
 - (b) A Conditional Letter of Map Revision (CLOMR) has been approved by FEMA. A Letter of Map Revision (LOMR) must also be obtained within six months of completion of the proposed encroachment.
- (2) If Article 5, Section F(1) is satisfied, all development shall comply with all applicable flood hazard reduction provisions of this ordinance.
- (3) Manufactured homes may be permitted provided the following provisions are met:
 - (a) The anchoring and the elevation standards of Article 5, Section B(3); and
 - (b) The encroachment standards of Article 5, Section F(1).

ARTICLE 6. LEGAL STATUS PROVISIONS.

SECTION A. EFFECT ON RIGHTS AND LIABILITIES UNDER THE EXISTING FLOOD DAMAGE PREVENTION ORDINANCE.

This ordinance in part comes forward by re-enactment of some of the provisions of the Flood Damage Prevention Ordinance enacted July 10, 1986 as amended, and it is not the intention to repeal but rather to re-enact and continue to enforce without interruption of such existing provisions, so that all rights and liabilities that have accrued thereunder are reserved and may be enforced. The enactment of this ordinance shall not affect any action, suit or proceeding instituted or pending. All provisions of the Flood Damage Prevention Ordinance of the Town of Richlands enacted on July 10, 1986, as amended, which are not reenacted herein are repealed.

The date of the initial Flood Damage Prevention Ordinance for Onslow County is March 2, 1987.

SECTION B. EFFECT UPON OUTSTANDING FLOODPLAIN DEVELOPMENT PERMITS.

Nothing herein contained shall require any change in the plans, construction, size, or designated use of any development or any part thereof for which a floodplain development permit has been granted by the Floodplain Administrator or his or her authorized agents before the time of passage of this ordinance; provided, however, that when construction is not begun under such outstanding permit within a period of six (6) months subsequent to the date of issuance of the outstanding permit, construction or use shall be in conformity with the provisions of this ordinance.

SECTION C. SEVERABILITY.

If any section, clause, sentence, or phrase of the Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way effect the validity of the remaining portions of this Ordinance.

SECTION D. EFFECTIVE DATE.

This ordinance shall become effective June 19th, 2020.

SECTION E. ADOPTION CERTIFICATION.

I hereby certify that this is a true and correct copy of the Flood Damage Prevention Ordinance as adopted by the Board of Aldermen of the Town of Richlands, North Carolina, on the 19th day of May, 2020.

WITNESS my hand and the official seal of insert Name, Title, this the 19th day of May, 2020.

Doreen Putney, Town Clerk



TOWN OF RICHLANDS

Regular Board Meeting

Agenda Item VIII. - 4.

ONWASA Administrative Service Agreement

Description:

ONWASA Administrative Services Agreement.

Review:

Attached is the 2020-2021 Administrative Services Agreement between ONWASA and the Town of Richlands and provides for the continuing operation of the satellite office located at town hall. No changes have been made to the Agreement from last year.

Action Needed:

Approve the agreement.

ATTACHMENTS:

Description

- ▣ ONWASA Satellite Office Agreement

ADMINISTRATIVE SERVICE AGREEMENT

AGREEMENT made this ____ day of _____, 2020, by and between **ONslow WATER AND SEWER AUTHORITY** (the "Authority") a body politic and corporate of the State of North Carolina, and the **TOWN of Richlands** (the "TOWN"), a municipal corporation of the State of North Carolina;

WITNESSETH:

WHEREAS, the County of Onslow (the "County") the City of Jacksonville, and the Towns of Holly Ridge, North Topsail Beach, Richlands, and Swansboro acting through their respective governing bodies, pursuant to the provisions of Article 1, Chapter 162A of the General Statutes of North Carolina, organized and incorporated the Authority as a vehicle to assist in providing a satisfactory supply of potable water and sewer collection/treatment for citizens of the member governments of the Authority; and,

WHEREAS, in furtherance of the purposes for which the Authority was created, the County and above referenced municipalities, with the exception of Jacksonville, leased to the Authority their water and sewer systems pursuant to long term Capital Lease Agreements and the Authority pursuant to Water and Sewer Service Agreements having terms concurrent with the Capital Lease Agreements, agreed with each such member government to meet the water and sewer needs of their citizens within the limitations of available supply; and

WHEREAS, the Authority's main offices are on Georgetown Road in the City of Jacksonville; and

WHEREAS, for the convenience of customers of the Authority located in or in the general vicinity of the Town, it was provided in the Water and Sewer Service Agreement with the Town that the Authority shall maintain facilities in the Town for the purpose of bill payment and telephone communication from customers; and

WHEREAS, pursuant to NCGS 162A-6 the Authority is authorized to enter into agreements with units of government relating to the operation of the Authority's utility systems; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties hereto agree as follows;

1. The Town will, at its sole cost and expense, perform certain duties on behalf of the Authority, such as collecting payment for services provided by the Authority. The exact functions to be performed by the Town are described on **EXHIBIT A** attached hereto and made a part hereof. The Town shall prominently display ONWASA's name on office doors and in other suitable locations on the exterior of the Town Hall premises as is reasonably necessary to advise the public that Authority administrative services are available at the Town Hall. The Authority shall be responsible for providing the Town with such computer, internet, technical support and supplies as necessary at the discretion of the Authority for the Town to perform its duties under this Agreement.
2. The Authority shall pay to the Town for services performed pursuant to this Agreement the sum of \$2,916.67 per month, payable on or before the 10th day of each month; provided, however the Authority may deduct from any monthly payment an amount equal to \$16.83 (35,000/2,080) for each hour in the previous month worked by Authority personnel in performing any administrative services which the Town was obligated to perform pursuant to this agreement.

3. This agreement may continue in effect through June 2021. Either party may terminate this agreement as of the end of any month by giving the other party at least 60 days' notice in advance of the termination date. The decision to reduce operating hours would be at the discretion of the Authority's Member Governments hosting these satellite offices if Town Facilities are being utilized.
4. The Authority agrees on behalf of the Town to bill to any Authority customers any solid waste fees which such customers may also owe the Town. The Authority will collect such fees in the routine course and remit all payments to the Town. The Authority shall not be responsible for bringing any legal action or taking any extraordinary steps to collect amounts due the Town, other than billing for such charges and remitting any collections to the Town. The Town agrees to indemnify and hold harmless the Authority from any and all claims which may be made against the Authority on account of the Authority billing for and collecting sewer and solid waste fees on behalf of the Town.
5. The Town and the Authority, in the performance of this Agreement, will be acting in an individual capacity and not as the employee, partner, joint venture, agent or associate of one another, except as may be expressly otherwise provided herein.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives pursuant to the resolutions of their respective governing bodies, have caused this instrument to be executed as of the day and year first above written.

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

Tiffany Riggs, Chief Financial Officer

ONSLOW WATER & SEWER AUTHORITY

By: _____
(PRINT NAME/TITLE)

(SIGNATURE)

ATTEST:

ONWASA Clerk to the Board

TOWN OF RICHLANDS

By: _____
(PRINT NAME/TITLE)

(SIGNATURE)

ATTEST:

Town Clerk

EXHIBIT A

DUTIES

- Collection of payments from customers
- Post payments to customers' accounts
- Process payments received in drop box
- Balance cash and make bank deposit daily
- Process applications for service at existing properties which includes collecting deposit and associated fees
- Process payments for reconnection of service terminated for non-payment and generate adjustment journal
- Generate service orders for termination of service requested by customer



TOWN OF RICHLANDS

Regular Board Meeting

Agenda Item VIII. - 5.

Gov Deals Resolution (Sale of Surplus Property)

Description:

GovDeals Surplus Property Disposal (Resolution 2020-01).

Review:

Attached is a resolution authorizing the Town Administrator to declare as surplus and sell the listed property by electronic public auction on the GovDeals website. The public auction is beginning at 8:00 am on Tuesday, May 20 and ending at 7:00 pm on May 27, 2020.

Action Needed:

Adopt the resolution if desired.

ATTACHMENTS:

Description

- ▣ Resolution 2020-01 (Gov Deals Surplus Sale)

**RESOLUTION 2020-01
AUTHORIZING THE SALE OF SURPLUS PERSONAL PROPERTY BY
ELECTRONIC PUBLIC AUCTION**

WHEREAS, G.S. 160A-270 allows the Richlands Board of Aldermen to sell personal property at public auction upon adoption of a resolution authorizing the approval officer to dispose of property at public auction;

WHEREAS, the following property listed below is no longer needed for any governmental use by the Town of Richlands and that the Town Administrator recommends that the property listed be sold at electronic auction as surplus property;

- 1) Inventory # 5120 – 1982, 60 KW Generator, Model #MEP 006A, Serial # FZ-04489.
- 2) Inventory # 5220 – 2000 Gravely Zero Turn Mower, Model #992020, Serial # 10244.
- 3) Inventory # 5320 – 1995 Utility Trailer, Serial # NCX808276.
- 4) Inventory # 5420 – 1983 Generator Trailer, Serial # 1MZD1410101006209
- 5) Inventory # 5520 – Lot of various old weight equipment.
- 6) Inventory # 5620 – 2000 Ford F250 Super Duty Ext Cab, Vin # 1FTNX20L1YEE18296
- 7) Inventory # 5720 – Lot of various equipment flooded during Hurricane Florence:
 - (1) 2200 Psi Pressure Washer # 1013231686
 - (1) Trash Pump, Model # 33-4022
 - (1) Craftsman Air Compressor, 33 gal., model 919-167320
 - (1) Cen-Tech Battery Charger
 - (1) Fisher Metal Detector, Model # M-96
 - (1) Work Lights
- 8) Inventory #5820 – Lot of various equipment flooded during Hurricane Florence:
 - (4) Echo String Trimmers
 - (1) Husqvarna String Trimmer
 - (1) Echo Hand Held Edger
 - (1) Echo Chain Saw
 - (1) Ardisam Gas Power Drill Auger
 - (1) Homelite Chop Saw
- 9) Inventory # 5920 – The following two (2) items flooded during Hurricane Florence.
 - (1) Devilbiss Air Power Co., 4000 watt Portable Generator, Model # GB4000-2
 - (1) Toro, T1200 Portable Generator, Model # SE1004

WHEREAS, it is the intent of the Town to sell the nine (9) listed above items by electronic public auction at www.govdeals.com beginning 8:00 a.m., May 20 , 2020 and ending at staggered times beginning at 7:00 pm, May 27, 2020;

WHEREAS, it is understood that the Town authorizes GovDeals to collect all auction proceeds due the Town from the winning bidder and remit the auction proceeds to the Town less the 5% Buyers Premium;

WHEREAS, be it resolved, by the Richlands Board of Alderman that the Town Administrator is authorized to sell by electronic auction at www.govdeals.com beginning at 8:00 a.m., May 20, 2020 and ending at staggered times beginning at 7:00 pm, May 27, 2020;

WHEREAS, items to be sold are as is, where is, without warranty, and all sales are final;

NOW, THEREFORE BE IT RESOLVED, that the Board of Aldermen hereby declares said property as surplus and authorizes the Town Administrator to sell said property at electronic public auction to the highest bidder.

This the 12th day of May, 2020.

McKinley D. Smith, Mayor

ATTEST:

Doreen Putney, Town Clerk



TOWN OF RICHLANDS
Regular Board Meeting
Agenda Item VIII. - 6.
Budget Amendment #1 & #2 (2020)

Description:

Budget Amendment #1 & #2 (2020).

Review:

The Board needs to approve Budget Amendments #1 and #2. Budget Amendment #1 covers the expenses for the new generator and Community Building roof repairs. Budget Amendment #2 covers the additional expenses for debris removal due to Hurricane Dorian.

Action Needed:

Approve the budget amendments.

ATTACHMENTS:

Description

- Budget Amendment 1 & 2 2020

BUDGET AMENDMENT # 1
FY ENDING 2019 /2020
PUBLIC BUILDINGS

[illegible]

Date Approved by Board of Aldermen: _____
Date entered into FMS: _____

PUBLIC WORKS/STREETS

[illegible]

Date Approved by Board of Aldermen: _____
Date entered into FMS: _____



TOWN OF RICHLANDS
Regular Board Meeting
Agenda Item VIII. - 7.
FY 19-20 Audit Contract

Description:

Fiscal Year 2019-2020 Audit Contract.

Review:

Please find attached a contract to the Fiscal Year ending June 30, 2020 by the CPA firm of Williams, Scarborough & Gray. The contract amount is \$12,875.

Action Needed:

Approve the contract if desired.

ATTACHMENTS:

Description

- ☐ FY 19-20 Audit Contract
- ☐ FY 19-20 Audit Contract Engagement Letter

The	Governing Board BOARD OF ALDERMAN
of	Primary Government Unit (or charter holder) TOWN OF RICHLANDS, NORTH CAROLINA
and	Discretely Presented Component Unit (DPCU) (if applicable) NA

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

and	Auditor Name WILLIAMS SCARBOROUGH GRAY, LLP
	Auditor Address PO BOX 5003, JACKSONVILLE, NC 28540

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/20	Audit Report Due Date 10/31/20
-----	--------------------------------	-----------------------------------

Must be within four months of FYE

hereby agree as follows:

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

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

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

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

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

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

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

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

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

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

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

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30. 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/slg/Pages/Audit-Forms-and-Resources.aspx>.

31. 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.

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

FEES FOR AUDIT SERVICES

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

Financial statements were prepared by: ☒ Auditor ☐ Governmental Unit ☐ Third Party

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

Name:

Title and Unit / Company:

Email Address:

Gregg Whitehead

Town Administrator/Richlands

administrator@richlandsnc.gov

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

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

PRIMARY GOVERNMENT FEES


Primary Government Unit	TOWN OF RICHLANDS, NORTH CAROLINA
Audit Fee	\$ 10,775
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$ 2,100
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$ 9,656.00

DPCU FEES (if applicable)

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

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* WILLIAMS SCARBOROUGH GRAY, LLP	
Authorized Firm Representative (typed or printed)* STEVEN N SCARBOROUGH	Signature* 
Date* 05/11/20	Email Address* SSCARBOROUGH@WSGCPA.COM

GOVERNMENTAL UNIT

Governmental Unit* TOWN OF RICHLANDS, NORTH CAROLINA	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* MAYOR MCKINLEY D SMITH	Signature*
Date	Email Address

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

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

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

Primary Governmental Unit Finance Officer* (typed or printed) DOREEN PUTNEY, TOWN CLERK/FINANCE OFFICER	Signature*
Date of Pre-Audit Certificate*	Email Address* TOWNCLERK@RICHLANDSNC.GOV

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

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

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

DPCU – PRE-AUDIT CERTIFICATE

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

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

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

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

PRINT



WILLIAMS · SCARBOROUGH · GRAY, LLP
Certified Public Accountants

Christopher K. Williams, CPA
Steven N. Scarborough, CPA
W. Randall Gray, CPA

May 12, 2020

To the Honorable Mayor, Board of Alderman and Town Manager
Town of Richlands, North Carolina

We are pleased to confirm our understanding of the services we are to provide the Town of Richlands, North Carolina ("the Town") for the year ended June 30, 2020. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Town as of and for the year ended June 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Local Government Employees' Retirement System Schedules
- 3) Law Enforcement Officers' Special Separation Allowance Schedules

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

- 1) Individual Fund Statements and Schedules
- 2) Other Schedules

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

- 1) Introductory Section

2131 S. Glenburnie Rd., Suite 3
PO Box 14008
New Bern, NC 28561-4008

Phone (252) 638-4000
Fax (252) 638-3989

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www.wsgcpa.com

824 Gum Branch Rd., Suite K
PO Box 5003
Jacksonville, NC 28540

Phone (910) 455-2196
Fax (910) 455-1943

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Town and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Town's financial statements. Our report will be addressed to the Honorable Mayor and Members of the Board of Alderman of the Town. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

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

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

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

financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

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

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. 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 and *Government Auditing Standards*.

Audit Procedures—Compliance

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

Other Services

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

Management Responsibilities

Management is responsible for 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, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements 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 and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

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

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

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

Engagement Administration, Fees, and Other

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

We will provide copies of our reports to the 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 Williams · Scarborough · Gray, LLP 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 North Carolina Local Government Commission 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 Williams · Scarborough · Gray, LLP 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 North Carolina Local Government Commission. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately August 15, 2020 and to issue our reports no later than October 31, 2020. Steve Scarborough is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$12,875. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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

Very truly yours,

Williams • Scarborough • Gray, LLP

Williams • Scarborough • Gray, LLP

Jacksonville, North Carolina

RESPONSE:

This letter correctly sets forth the understanding of the Town of Richlands, North Carolina.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



TOWN OF RICHLANDS

Regular Board Meeting

Agenda Item VIII. - 8.

Schedule Public Hearing (Rezoning Request)

Description:

Schedule Public Hearing (Zoning Map Amendment).

Review:

The Board needs to schedule a public hearing in order to receive public comment regarding a zoning map amendment request by Sylvester Farms Investments, LLC to consider the rezoning of approximately 1.25 acres of Tax Parcel 43-53 along Koonce Fork Road in the ETJ from R-10 Residential to C-2 Commercial in order to accommodate a retail client.

Action Needed:

Schedule the public hearing.



TOWN OF RICHLANDS
Regular Board Meeting
Agenda Item IX. - 1.
Administrator Notes and Updates

Description:

- There is no RDR meeting scheduled for May.
- The new 80kw generator has been installed at town hall.
- I will be out of the office May 27-29.

Review:

Action Needed:



TOWN OF RICHLANDS
Regular Board Meeting
Agenda Item X. - 1.
March & April 2020 Police Report

Description:

Attached is the Police Activity Logs for March and April 2020.

Review:

Action Needed:

Receive the Police Report.

ATTACHMENTS:

Description

- ☐ April 2020 Police Activity Log
- ☐ March 2020 Police Activity Log

Activity Log Event Summary (Cumulative Totals)

Richlands Police Department

(04/01/2020 - 04/30/2020)

<No Event Type Specified>	2	911 Hang-Up	2
Accident	4	Adminstration Run	32
Alarm Activation	4	Arrest	10
Assist EMS	2	Assist Other Department	1
Assist Other RPD Officer	10	Bank Deposit Escort	19
Business Check	1,980	Business Walk through	67
Call for Service	240	Citation	61
Cite & Release	7	Counterfeit Money/Documents	1
County Assist	3	Domestic	1
DWLR	11	Expired State Inspection	5
Expired Tags	13	Fictitious Tags	3
Follow up Investigation	1	Follow up on Ordinance Violations	1
Foot Patrol	1	FTO Training	14
Grass Violations	33	Headlights/Taillights/License Plate Lights Out	10
Incident Report	13	Juvenile Problems	2
Left door Knockers for Ordinance Violations	2	Letters sent on Ordinance Violation	10
License Pick-Up	1	Loud Muffler	3
Mandatory In-Service Training	2	No Insurance	3
Noise Complaint	2	NOL	3
Open Door/Windows	8	Operational Reports	3
Ordanance Violation	35	Other Drivers License Violations	1
Other Registration Violations	5	Other Town Ordinance Violations	2
Patrol Zone 1	75	Patrol Zone 2	76
Patrol Zone 3	82	Patrol Zone 4	77
Patrol Zone 5	83	Patrol Zone 6	84
Possession of Cocaine	1	Possession of Drug Paraphernalia	4
Possession of Marijuana	2	Possession of Meth	1
Property Damage	1	Request Assistance	11
Revoked License Plate	3	Safe Movement Violation	1
Seatbelt	11	Speeding	13
Stoplight/Sign	6	Suicide Threats	1
Supplement to report	4	Suspicious Person	4
Suspicious Vehicle	5	Tag Lights	22

Activity Log Event Summary (Cumulative Totals)

Richlands Police Department

(04/01/2020 - 04/30/2020)

Traffic Control	250	Traffic Education	74
Transport to Jail	2	Trespassing	1
Unlock Car	3	Vehicle Check After Shift	77
Vehicle Check Before Shift	81	Vehicle Plate/Tag Pick-up	3
Vehicle Searches	5	Vehicle Stop	114
Verbal Warnings	98	Warrant	2
Welfare Check	1	Window Tint Violation	13

Total Number Of Events: 3,924

Activity Log Event Summary (Cumulative Totals)

Richlands Police Department

(03/01/2020 - 03/31/2020)

911 Hang-Up	2	Accident	4
Adminstration Run	36	Alarm Activation	7
Arrest	10	Assist EMS	5
Assist Other Department	2	Assist Other RPD Officer	7
Bank Deposit Escort	28	Business Check	2,508
Business Walk through	171	Call for Service	159
Careless & Reckless	1	Citation	29
Cite & Release	7	County Assist	1
Death	2	Domestic	1
DWLR	9	Expired State Inspection	1
Expired Tags	4	Fingerprinting	7
Follow up Investigation	8	Foot Patrol	2
FTO Training	7	Headlights/Taillights/License Plate Lights Out	4
Hit & Run	1	Illegal Dumping	1
Incident Report	16	Juvenile Problems	2
License Pick-Up	1	Lost or Stolen Property	1
Miscellaneous Citations	1	Neighborhood Dispute	1
No Insurance	1	Noise Complaint	1
NOL	4	Open Door/Windows	11
Operational Reports	3	Ordanance Violation	15
Other Registration Violations	1	Patrol Zone 1	58
Patrol Zone 2	58	Patrol Zone 3	69
Patrol Zone 4	66	Patrol Zone 5	68
Patrol Zone 6	70	Property Damage	2
Request Assistance	8	Revoked License Plate	4
Robbery	1	Seatbelt	4
Special Assignment/Meeting	1	Speeding	6
Stoplight/Sign	7	Suspicious Person	4
Suspicious Vehicle	3	Tag Lights	10
Traffic Control	264	Traffic Education	36
Transport to Jail	2	Trespassing	1
Unlock Car	11	Vehicle Check After Shift	73
Vehicle Check Before Shift	71	Vehicle Plate/Tag Pick-up	1

Activity Log Event Summary (Cumulative Totals)

Richlands Police Department
(03/01/2020 - 03/31/2020)

Vehicle Searches	3	Vehicle Stop	53
Verbal Warnings	37	Walmart (Assist County)	1
Warrant	2	Welfare Check	3

Total Number Of Events: 4,079