



**PROPOSED AGENDA**  
**Bermuda Run Town Council Meeting**  
**Tuesday, December 13, 2022**  
**6:00PM**

**Bermuda Run Town Hall**

*Mission: "The Town of Bermuda Run exists to provide core public services that enhance the quality of life for its residents and an environment for the business community to thrive".*

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Moment of Silence**

*"It is the intent of the Town Council to solemnize the proceedings of this meeting and the business brought before the governing board, to offer the opportunity for a reflective moment of silence."*

**4. Town of Bermuda Run Code of Ethics Statement-Town Attorney Brian Williams**

**5. Adoption of the Agenda**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**6. Approval of the November 8, 2022, Town Council Meeting Minutes**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**7. Citizens' Comments**

**8. Presentation**

A. Habitat-Davie-Tamara Taylor, Executive Director, Habitat for Humanity-Davie County

**9. Proposed Action Items**

**A. Budget Amendment-General Fund Acceptance from Bermuda Run Community Vision Fund**

The Town Manager recommends the 2022-2023 General Fund Budget be amended to accept \$3,000 from the Davie County Community Foundation as revenue and expend \$3,000 for expenses related to the "2022 Christmas in the Town of Bermuda Run".

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**B. Community Project Funding Application and Resolution**

The Consolidated Appropriations Act, Congress made available Community Project Funding Grants thru the Department of Housing and Urban Development (HUD) a grant award of \$3,650,000 for The Town of Bermuda Run Recreational Infrastructure and Safety Improvements.

Staff is requesting that action be taken on the Agreement for Execution by Town Manager and submittal of formal application to the U.S. Dept. of Housing and Community Development's Community Funding Program.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**C. TA 2022-01 Self Storage Warehousing, VM Zoning District**

The purpose of this text amendment to permit with conditions the use of self-storage warehousing in the VM zoning district. It is currently permitted for use within existing buildings in the VM zoning district.

The Planning Board recommended by a vote of 5-0 in favor to approve the proposed text amendment.

- Mayor Cross Opens Public Hearing
- Mayor Cross Closes Public Hearing

Staff is requesting that action be taken on the proposed amendment after the close of the public hearing:

- **Recommendation Approval:** The Board finds that the amendment is consistent with the Town of Bermuda Run Comprehensive Plan and considers the action to be reasonable and in the public interest.
- **Recommend Approval with changes:** The Board finds that the amendment is not fully consistent with the Town of Bermuda Run Comprehensive Plan, but the changes agreed upon will make it fully consistent and considers the action to be reasonable and in the public interest.
- **Recommend Denial:** The Board finds that the amendment is not consistent with the Town of Bermuda Run Comprehensive Plan and does not consider the action to be reasonable and in the public interest.
- **Defer:** The amendment needs additional consideration.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**D. Review of ARPA Funding-Required Policies**

Adoption of Policies for the Expenditure of American Rescue Plan Act of 2021, Coronavirus State and Local Fiscal Recovery Funds. Town Attorney, Brian Williams has reviewed the proposed policies.

- a. Conflict of Interest Policy
- b. Eligible Use Policy
- c. Allowable Cost Policy
- d. Records Retention Policy
- e. Non-discrimination Policy

Staff is requesting that action be taken on the Policies.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**10. Information Item**

A. *Response addressing "FPIC" identified on June 30, 2022, Audit*

**11. Town Manager Report/Comments**

**12. Council / Mayor Comments**

**13. Adjourn**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

# (ITEM 6)

## **Town of Bermuda Run** **Town Council Meeting Minutes** **November 8, 2022 – 6:00 PM**

The Town Council of Bermuda Run held its scheduled meeting on Tuesday, November 8, 2022 at 6:00 PM. The meeting was held at the Bermuda Run Town Hall.

**Council Members Present:** Mayor Rick Cross, Mike Brannon, Curtis Capps, Heather Coleman, Mike Ernst, and Melinda Szeliga

**Council Members Absent:**

**Also Present:** Andrew Meadwell, Town Manager; Cindy Poe, Town Clerk; and Brian Williams, Town Attorney

**Call to Order** Mayor Rick Cross called the meeting to order.

**Pledge of Allegiance**

**Moment of Silence**

*It is the intent of the Town Council to solemnize the proceedings of this meeting and the business brought before the governing board, to offer the opportunity for a reflective moment of silence. Mayor Cross recognized Veterans and mentioned today being election day.*

**Town of Bermuda Run Code of Ethics Statement – Town Attorney Brian Williams**

**Adoption of the Agenda**

*Council Member Heather Coleman made a motion to approve the agenda. Council Member Melinda Szeliga seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

**Approval of the October 11, 2022 Town Council Meeting Minutes**

*Council Member Curtis Capps made a motion to approve the October 11, 2022 meeting minutes. Council Member Heather Coleman seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

**Citizens' Comments –**

*Christy Schafer – 132 Tifton Street – Gave update on the 2<sup>nd</sup> Annual Christmas in Bermuda Run event that will be held on Sunday, December 4. Addition of tents, Santa's mailboxes, and a new "Bermuda Run Express" train, plus other exciting things to do for all. They have over 70 volunteers so far, and could use more. Gini Brannon is the volunteer coordinator for the event.*

*Rosanne Peacock – 114 Sycamore Park Lane – Gave update regarding the Davie Medical Center Tree Lighting event and ways for people to support this year's charity – Storehouse for Jesus, by purchasing lights or stars.*

*Bobbie Thacker – 133 Bermuda Run Drive North – Shared her concern regarding leaves not being picked up in a timely manner in the Maisonettes. Would like to see a more consistent schedule.*



# (ITEM 6)

## **Presentation- Kelly Funderburk with the Davie County Register of Deeds Office – “Thank a Vet” Program**

### **Davie County Sheriff’s Department Update – Sheriff J.D. Hartman**

#### **Proposed Action Items**

##### **A. Review of Proposed Agreement with Davie County Sheriff’s Department**

The agreement presented before the Town Council is a five (5) year renewal extension for the Davie County Sheriff’s Department to provide for one fully-equipped and fully-trained law enforcement officer for duty in the Town of Bermuda Run for forty (40) hours per week. The assignment of duties is to be made under the direction and full control of the Sheriff as to days and hours of scheduling. Town Attorney Brian Williams has reviewed the proposed agreement.

*Council Member Mike Ernst made a motion to approve the proposed agreement with the Davie County Sheriff’s Department. Council Member Curtis Capps seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

##### **B. Review of Grantee/Sub-Grantees Acknowledgement and Agreement**

The State Legislature awarded Davie County \$8 million in ARPA funding in SL 2022-74. A portion of the funding was intended to assist the Town of Bermuda Run in removing its wastewater discharge from the Yadkin River and transferring it to the Eastern Davie County Regional Wastewater System. The project involves upgrading the Bermuda Run Juniper Pump Station and removing the Bermuda Run Wastewater Treatment Plant. This agreement will allow Davie County to act as a pass-thru for the Town of Bermuda Run from the State of North Carolina for the above grant. Town Attorney Brian Williams has reviewed the proposed agreement.

*Council Member Heather Coleman made a motion to enter into the agreement as proposed. Council Member Curtis Capps seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

##### **C. Update 2022 Council Meeting Schedule**

Staff is requesting that *Thursday, December 22* be considered for a Council Agenda Meeting – there was no Agenda Meeting scheduled for December due to the Christmas Holiday.

*Council Member Melinda Szeliga made a motion to approve the meeting schedule change. Council Member Heather Coleman seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.*

#### **Town Manager Comments –**

- *Baltimore Road project – public input session well-attended. Possible construction in 2025.*
- *Blue Heron Trail bridge is set in place and project almost complete – first phase to open sometime in January, 2023.*
- *Juniper Pump Station demolition*
- *E-911 Addressing – Ordinance being reviewed.*
- *Ariston Place project behind Walgreens on Hwy. 801 – Hubbard Building demolition. Fence in place is just a construction fence – not permanent.*
- *Town Audit presentation at the November Agenda Meeting*

#### **Council/Town Manager/Mayor Comments**



## (ITEM 6)

**Mike Ernst** – Thanked the “Tree-O” for all of their hard work, adding that they do a fabulous job. Thanked the Sheriff’s Department and Community Officer Mike Foster for all they do for the Town.

**Curtis Capps** – Thanked everyone in attendance. Thanked Kelly Funderburk for her presentation. Added that he’s excited for another 5-year contract with the Davie County Sheriff’s Department.

**Melinda Szeliga** - Great night – Hopes everyone had a chance to vote in the election, either today or by one-stop early voting. Excited that there are so many volunteers already signed up for the Christmas in Bermuda Run event; adding we can always use more! Feels the Baltimore Road interchange will have a positive impact on the Hwy. 158/801 intersection and was delighted to attend the public input meeting with the DOT. Thanked Kelly Funderburk and the sacrifices made by all military families. Appreciates her passion for helping Veterans.

**Mike Brannon** – Echoed all that other Council Members have said.

**Heather Coleman** – Loves hearing conversations and excitement around town regarding the Blue Heron Trail. Shared concerns regarding the Advance Post Office and their handling of packages at the Bermuda Run Package Room. Feels that there are some packages that will not fit in the lockers that should be delivered to the homes - as they are in other areas of town.

**Mayor Rick Cross** -

- Thanked Kelly Funderburk for her passion for her job and tonight’s presentation.
- Over 4,000 Davie County residents participated in one-stop early voting at the Bermuda Run Town Hall. Thanked all of the poll workers.
- Planning Board vacancies; more than a dozen responses so far from across the community.
- New businesses in the town; addition of greenhouse at Steelman’s Ace Hardware.
- Thanked the “Tree-O” of Sharon, Christy, and Rosanne for their hard work.
- Presentations coming up by Habitat Davie and Pat Ivey of the NC DOT/Division 9.
- November 18 – Shop local – “Pink Friday”
- Thanked residents who send letters to the editor – Davie Enterprise, adding that they are very thought-provoking.
- Thanked everyone in attendance.

### Adjourn

With no further business to discuss, Council Member Melinda Szeliga made a motion to adjourn. Council Member Heather Coleman seconded the motion. The motion was approved by a vote of five (5) in favor and none opposed.

Approved

Respectfully Submitted

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Rick Cross, Mayor

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Cindy Poe, Town Clerk

## **(ITEM 9 A)**



120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336) 998-7209 • [www.townofbr.com](http://www.townofbr.com)

**To:** Town Council  
**From:** Andrew Meadwell, Town Manager  
**CC:** Dora Robertson, Finance Director  
**Date:** December 1, 2022  
**Re:** Budget Amendment-Receipt of \$3,000.00 from DCF

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**Included for your review:**

- Letter from Davie Community Foundation
- Expenses for "Christmas in Bermuda Run" event

**Overview:**

The Town of Bermuda Run has received a grant from the Davie Community Foundation in the amount of \$3,000.00. These funds were provided from funds within the Bermuda Run Community Vision Fund.

The Bermuda Run Community Vision Fund Committee requested the funds to offset initial costs of planning and implementing the "Christmas in the Town of Bermuda Run" event on Sunday December 4, 2022. The 2022-2023 adopted Town Budget did not include this revenue and subsequent expenditures.

I recommend the Town Council take action to amend the current 2022-2023 General Fund Budget to receive \$3,000.00 from the Davie Community Foundation as revenue and subsequent \$3,000.00 in expenditures for expenses related to the "Christmas in the Town of Bermuda Run" event, coordinated by the Bermuda Run Community Vision Fund Committee.

November 16, 2022

Mr. Andrew Meadwell  
Town of Bermuda Run  
120 Kinderton Blvd Ste 100  
Bermuda Run, NC 27006

Dear Andrew,

On the advice of the Bermuda Run Community Vision Fund committee, the Davie Community Foundation has awarded the Town of Bermuda Run a \$3,000.00 grant with funds provided by the Bermuda Run Community Vision Fund, a donor advised fund of the Davie Community Foundation. Although your organization has exclusive legal control over its use, please note that the fund advisor's preferred designation is as follows: Christmas Event .

Please note: the advisor listed above, or related parties, may not receive any benefit from this grant.

Your organization should not provide a tax receipt for this check since this grant was made from a donor-advised fund.

If you have any questions, please call me at 336-753-6903. Thank you for all your efforts to make communities better places in which to live.

Best regards,



Melissa O'Connor  
Senior Program Officer

Enclosure

**Board of Directors**

Davin Brown

Angela Carter

Steve Dulin

Phillip E. Fuller, Jr.

Krysta Gary

Jennifer R. Hanes

Tiffany H. Lakey

Gregory Matthews,  
Attorney at Law, PA

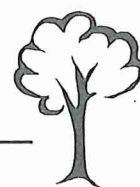
Mike Morton

Brian P. Nicolay

Candace Poplin

Alice Sineath

Jessica Yarbrough





12/2/22

TOWN OF BERMUDA RUN  
DETAIL ACCOUNT INQUIRY BY FUND

FY 2022-2023

PERIOD: 07/01/2022 TO 12/02/2022

10-50-00-952 Davie Comm Foundation Fund Expenses

DATE	MOD	REFERENCE	JE # or VOUCHER#	CHECK#	BUDGET	PERIOD TO DATE	ENC AMT	REM BAL
					0.00	12,048.79	0.00	-12,048.79
					DEBIT		CREDIT	BALANCE
		BALANCE FORWARD						0.00
10/13/2022	AP	Sir Speedy Printing 130261	15548	14854	482.94			482.94
10/14/2022	FL	Coins Christmas in BR	3309		134.50			617.44
10/14/2022	FL	Hats & Candy Christmas in BR	3310		294.63			912.07
10/31/2022	FL	Lights for BR Christmas Event	3335		108.82			1,020.89
11/01/2022	AP	Amazon Capital Services 3YVY,NKJK,GQJ1	15596	14868	1,612.69			2,633.58
11/01/2022	AP	Amazon Capital Services 3YVY,NKJK,GQJ1	15596	14868	619.10			3,252.68
11/07/2022	FL	Kickball Game Christmas in BR	3343		188.86			3,441.54
11/10/2022	AP	Amazon Capital Services 9XXG && 9VDF	15620	14889	31.56			3,473.10
11/10/2022	AP	Amazon Capital Services 9XXG && 9VDF	15620	14889	31.56			3,504.66
11/10/2022	AP	Creative Design Company 1906	15621	14892	125.00			3,629.66
11/10/2022	AP	Heritage Carriage Company 11/2/22	15619	14894	5,250.00			8,879.66
11/10/2022	AP	Keith Newman 102122	15617	14896	497.50			9,377.16
11/10/2022	AP	Truckstop and Snacke 62402022	15618	14905	100.00			9,477.16
11/21/2022	AP	Amazon Capital Services 16VC-R73L-FP61	15657	14908	28.75			9,505.91
12/01/2022	AP	Amazon Capital Services 1D7X-PF3P-J4NQ	15687	14924	465.09			9,971.00
12/01/2022	AP	Barry Rentz DJ Service 233	15683	14925	500.00			10,471.00
12/01/2022	AP	Chad Cornatzer 1041	15684	14927	500.00			10,971.00
12/01/2022	AP	Christy Schafer 12122	15688	14929	366.29			11,337.29
12/01/2022	AP	Keith Newman 12122	15682	14933	497.50			11,834.79
12/01/2022	AP	Transou's Rent A Jon 35746	15686	14939	214.00			12,048.79
SUBTOTALS FOR ACCOUNT 10-50-00-952 :					12,048.79		0.00	
					12,048.79		0.00	

B- \$11,149.96  
Rev- \$3,000.00

\$14,149.96  
Ex- \$12,048.79

Rem- \$2101.17

# (ITEM 9B)



120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336) 998-7209 • [www.townofbr.com](http://www.townofbr.com)

## Community Project Funding-Grant # B-22-CP-NC-0544

In the Spring of 2021 representatives with RISE and Truist Sports Park requested Senator Richard Burr's office consideration and support for funding to improve access to Truist Sports Park to address life safety issues. With approximately 50% of the property residing in the Yadkin River Basin flood plain, flooding has occurred more frequently throughout the last several years and renders the park useless for days until the river subsides and the roadway is cleared. Due to the single access point this posed a significant issue for the safety and wellbeing of all our participants and visitors to the park.

In late July of 2022, the Town of Bermuda Run was allocated \$3,650,000.00 to address Recreational Infrastructure and Safety Improvements from the Consolidated Appropriations Act, 2022, (P.L. 117-103) (the Act). Congress made available "grants for the Economic Development Initiative for the purposes of Community Project Funding/ Congressionally Directed Spending." These Community Project Funding (CPF) awards are administered by the Department of Housing and Urban Development (HUD).

The grant application shall be submitted to HUD by December 31, 2022, and include the following:

- Organizations Authorized Representative
- Detailed project narrative
- Line-item budget, and
- Required Federal forms.

This projected grant will address Truist Sports Park, RISE, and the Town of Bermuda Run's recreational critical needs in supporting a walkable/bikeable community, enhancing health and wellness, outreach to underserved communities, accessibility and safety and sports tourism.

Key Elements of the project include:

- Widening of Twins Way (3 lanes) to include turning lane and speed tables
- Road painting and Traffic markings
- Paved trail from Bert Bahnson Pedestrian Bridge to RISE
- Lighting along Twins Way
- Blue Heron Trailhead access at Twins Way with paved parking
- Traffic and wayfinding signage
- Automated Gate and Access Control
- Update existing playground

### Schedule

- 12/31/2022-Application Due Date
- Request for Release of Funds (RROF) must be prepared and then submitted to HUD. This will take a minimum of 6 months. Until HUD sends the Town Bermuda Run an Authorization to Use Funds no choice limiting actions can occur. (I.e., anything that turns dirt.)

## (ITEM 9B)

- It is anticipated that construction bidding could be started in Q4 of 2023, with a construction schedule of 12-24 months.
- 9/30/25-Allocation of Funds Due Date
- 9/30/2030-Expenditure of Funds Due Date

The Piedmont Triad Regional Council (PTRC) was identified by Staff as the agency most suited to prepare and administer this grant award for the Town of Bermuda Run. The PTRC is one of 16 regional councils in North Carolina. They are designated by the State of NC to serve as the lead regional organization for the Piedmont Triad region. They have the staff and experience in project management, planning and technical services to successfully fulfill the requirements of this Federal HUD program.

### The PTRC Role:

- Council staff will not require a designated office space in the Town during the start-up and construction phase of the project. Staff may require space from time to time for public hearings, bid opening, or other activities related to this grant program. Staff will make arrangements with the Town Manager for any events requiring designated space.
- Council will provide the Town with the information and records and will establish and maintain the filing system for the project during the term of this Agreement. Once the project is completed, the Town will maintain files and records pertaining to the project for **three (3) years**.
- Any supplies purchased for the administration of the grant will be charged to the grant portion reserved for administration. The invoices submitted for reimbursement will itemize all purchases.
- The Council will assist the Town in establishing and maintaining a CFP Compliant financial management system for this project. Town will provide forms for requisitions, disbursement documentation and approval of disbursements. The Town will approve and sign all requisitions and disburse checks.
- The Council will assist the Town in preparing any general policy documents to be adopted by the Town as they apply to the administration of this project.
- The Council will perform all tasks necessary to procure professional services, as needed to carry out the Grant Program. This includes but is not limited to developing advertisements, RFPs and contract documents to meet federal requirements and overseeing the performance of all third-party professional contracts.
- The Council will be responsible for all program functions, including but not limited to preparation of program forms, letters and contract documents, inspections, publication of all required notices, preparation of the Environmental Review Record, bid notices, bid analysis, coordination of contract award by the Town, contract execution, conduct of pre-construction conferences, working on public access easement language with private landowners, work inspections, approving requisitions for partial payments based on work performed, change orders, final inspections, handling any citizen complaints, the filing of all reports and the completion of all activities to ensure compliance with Equal Opportunity, Section 504, Section 3, and any other action necessary to ensure HUD, program compliance and the completion of all activities outlined in Bermuda Run's FY22 CFP grant. The Council will also prepare and submit all reports required by the Grant.



Road Construction/Paving/Parking Lots/Pedestrian Accessibility				
Item/Project	Designation	Estimated Cost	Estimated Cost	Notes
Widen Twins Way to 3 Lanes	Traffic/Safety	\$700,000.00	\$771,000.00	Widen Twins Way to create turning lane for entrance to parking lots and speed tables (approx 5-6)
Construct and Pave Lot C	Traffic/Safety	\$1,280,000.00	\$1,280,000.00	Existing 4/ac. wooded lot, add paved lot for future Blue Heron trailhead access, includes both sides of Twins Way
Second Ingress to Rise	Traffic/Safety	\$90,000.00	\$90,000.00	Construct ingress to rise in top corner of existing Fusion lot (near field 1)
Pave walking path (pedestrian bridge)	Traffic/Safety	\$214,000.00	\$214,000.00	Pave from bridge to Twins Way and directly to Rise (future Blue Heron trail)
Pave around Rise Building	Traffic/Safety	\$204,000.00	\$204,000.00	Pave around building to back gate (additional parking and Fire safety)
Road Painting/Traffic Markings	Traffic/Safety	\$76,000.00	\$76,000.00	Traffic markings (double lines, arrows, etc.) to assist with traffic flow
Road, Parking & Trail Construction Total:			\$2,635,000.00	
Pedestrian Safety and Recreation				
Item/Project	Designation			Notes
Lighting Along Twins Way	Ped Safety	\$40,000.00	\$40,000.00	\$400/month. Lease lights.
Fencing along Twins Way (safety)	Ped Safety	\$60,000.00	\$60,000.00	Permanent fencing along Twins Way (Safety). Allied Fence Company.
Automated Gate and Access Control	Ped Safety	\$40,000.00	\$40,000.00	Double gate, island, access control, card readers. Piedmont Fence Company.
Traffic signage	Ped Safety	\$5,000.00	\$5,000.00	Install traffic and wayfinding signage throughout park. ColorSpot.
Wayfinding Signage	Ped Safety	\$15,000.00	\$15,000.00	Similar to field signs, 10-12' tall, easily readable from a distance
Front entrance signage	Ped Safety	\$20,000.00	\$20,000.00	Update sign at front to include Rise, etc. & RISE Entry
Permanent Bridge over Creek	Traffic/Safety	\$50,000.00	\$50,000.00	Install permanent bridge from Field 16 lot to field 15 and pedestrian access
Automated Parking Gates	Traffic/Safety	\$40,000.00	\$40,000.00	Install at the entry and exit of RISE Indoor
Update existing playground	Rec	\$100,000.00	\$100,000.00	
Safety Netting Between Turf	Rec/Safety	\$55,000.00	\$55,000.00	Allied Fence Company
Outdoor Rec/Beach Volleyball Courts	Rec/Safety	\$225,000.00	\$225,000.00	With Courts, Hut, Lighting, Fencing, Sand, Pickleball, Restrooms etc...
Pedestrian Safety and Recreation Total:			\$650,000.00	
Sub-Total:			\$3,285,000.00	

RESOLUTION FOR THE TOWN OF BERMUDA RUN FOR COMMUNITY PROJECT FUNDING FOR  
RECREATIONAL INFRASTRUCTURE AND SAFETY IMPROVEMENTS

**WHEREAS**, the TOWN's Council acknowledges the Letter of Invitation from the U.S. Department of Housing and Urban Development (HUD) seeking a \$3,650,000 application to the agency's Community Project Funding (CPF) award; and,

**WHEREAS**, the Council wishes to engage with the Piedmont Triad Regional Council, and community stakeholders, to submit a full application and required forms to HUD to provide recreational infrastructure and safety improvements in publicly accessible areas of Truist Sports Park; and,

**WHEREAS**, the Council certifies it will meet all federal regulatory and statutory requirements of HUD's Community Project Funding program and any applicable State of North Carolina statutes in managing a Federal award.

**NOW, THEREFORE BE IT RESOLVED**, by the Town's Council to submit a formal application to the U.S. Department of Housing and Urban Development's Community Project Funding program to benefit local recreational infrastructure and safety improvements.

Adopted this the 13th day of December, 2022 in Bermuda Run, North Carolina.

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Mayor

ATTEST:

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Clerk to the Board

## AGREEMENT

Between

the Town of Bermuda Run

and

Piedmont Triad Regional Council

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_ 2022 by and between the Town of Bermuda Run, hereinafter referred to as the “Town”, and the Piedmont Triad Regional Council, hereinafter referred to as the “Council.”

### WITNESSETH:

WHEREAS, the Town has received a Community Project Funding grant (CFP) for Recreation and Public Safety improvements, hereinafter referred to as the “Grant”; and

WHEREAS, the Council has actively and successfully participated in HUD funded community development programs for the improvement of conditions in North Carolina; and

WHEREAS, the Town desires to engage the Council to render certain technical and professional services as described in Attachment A of this document in connection with the Grant.

NOW, THEREFORE, for and in consideration of the covenants and forbearances herein contained, the Town and the Council agree to the following:

1. **Scope of Services.**  
The Council shall do, perform and carry out in a satisfactory and proper manner, as determined by the Town, the items listed in the Scope of Services, marked as Attachment A of this document, and in accordance with the objectives of the Grant, marked as Attachment B. Both attachments are incorporated herein as part of this Agreement. The Council will hold the Town harmless for any errors, omissions, or action(s) taken by the agency that may result in any unresolved questioned financial expenditure or programmatic activity.
2. **Fees for Services.**  
The fee for all services performed by the Council under this Agreement is equal to the costs incurred by the Council in the administration of the Grant. Payments shall be made from the Grant funds as allocated and appropriated to the Town by the Department of Housing and Urban Development. Funds will be drawn down a monthly basis. The fees will be requisitioned as reimbursement for actual costs incurred. In the event that all Grant Administrative funds are expended prior to Grant Close-Out, the Council shall inform the Town and receive authorization prior to incurring additional expenses.



The maximum amount the Town shall pay the Council for performance of this agreement shall not exceed \$365,000. Compensation will be based and documented in a manner acceptable by the Town.

3. Termination of Agreement.

This Agreement may be terminated either by the mutual consent of the Town and the Council or by either party giving thirty-days written notice to the other party. In the event of any termination, the Council shall be entitled to payment for all services rendered to the date of termination. All finished or unfinished work completed pursuant to this Agreement becomes the property of the Town upon termination.

4. Civil Rights Assurances.

The Council will not discriminate against any employee or applicant for employment because of race, color, age, sex, national origin or disability. The Council and the Town mutually agree to comply with the civil rights requirements.

5. Amendments to Agreement.

Any amendment to this Agreement shall be approved in advance in writing by the Town and the Council, and shall be attached to this Agreement and incorporated herein.

6. General Compliance Assurances.

The Town and the Council mutually agree to comply with all procedures and regulations prescribed in the Grant, as amended.

7. Conflict of Interest.

The Council covenants that it has no interest and shall not acquire any interest, direct or indirect, in any area included in the Grant Project, or any parcels therein, or any other interest which would conflict in any manner or degree with the performance of the services to be provided under the provisions of this Agreement. The Council further covenants that in the performance of this contract, no person having such interest is or shall be employed.

Interest of Members, Officers, or Employees of the Recipient, Members of Local Governing Body, or Other Public Officials. No member, officer, or employee of the recipient or its agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any financial interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees and officials are similarly barred from having any financial interest in the program. The recipient shall incorporate, or cause to be incorporated in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.

8. Legal Remedies.

The United States shall be deemed to be a beneficiary of these provisions both for and in its own right, and also for the purpose of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit this CFP program is being conducted, and shall have the right in the event of any breach of these provisions to maintain any actions or suits at law or in equity to cure any breach of this Agreement.

9. Access to Records.

The Council shall maintain all official program records and documents pertaining to this Agreement during the operation of this Agreement. The Town, the US Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the Council which are pertinent to the execution of this Agreement, for the purpose of making audits, examinations, excerpts, and transcriptions. Said books, documents, papers and records shall be retained for three (3) years after the expiration of this Agreement.

10. Lobbying Clauses

Required by Section 1352, Title 31, U.S. Code

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

B. If any funds other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

This is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.



11. Non-discrimination.  
The Council assures that, in the administration of this project, no person shall, on the grounds of race, color, age, sex, religion, national origin, or disability, be excluded from participation in, be denied the benefit or, or be subjected to discrimination under any activity of this Grant project.
12. "Section 3" Clause.
  - A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
  - B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
  - C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
  - D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
  - E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
  - F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.



G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

13. Equal Employment Opportunity.

During the performance of this contract, the Council agrees as follows:

- A. The Council will not discriminate against any employee or applicant for employment because of race, creed, color, religion, sex, national origin or disability status. The Council will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, sex, national origin or disability status. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Council agrees to post in conspicuous places, available to the employees and applicants for employment, notices to be provided by the Council setting forth the provisions of this non-discrimination clause.
- B. The Council shall state in advertisements for employees, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, sex, national origin or disability status.
- C. The Council will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract of understanding, if any, a notice to be provided advising the labor union or workers' representative of the Council's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- D. The Council will comply with all provisions of Executive Order 11246 of September 24, 1965 and by the rules, regulations and relevant orders of the Secretary of Labor.
- E. The Council will furnish all information and reports required by Executive Order 11246 of September 24, 1965 and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records and accounts by the Town and the Secretary of Labor for the purpose of investigation to ascertain compliance with such rules, regulations and orders.
- F. In the event of the Council's non-compliance with the non-discrimination clauses of this contract or with any such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Council may be declared ineligible for further Government contracts of federally assisted

construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor or as otherwise provided by law.

- G. The Council will include the provisions of paragraphs A through G in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Council will take such action with respect to any subcontract or purchase order as the action with respect to any subcontract or purchase order as the Town and the NC Department of Environmental Quality may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event that the Council becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Town and the NC Department of Environmental Quality, the Council may request the United States to enter into such litigation to protect the interests of the United States.
14. Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
  15. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
  16. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
  17. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a



standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions, which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

18. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or sub recipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or sub recipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
19. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
20. Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also



disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.  
[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

21. Entire Agreement.

This Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect hereto.

22. Execution in Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the Town and the Council have executed this Agreement as of the year and day first written above.

TOWN OF BERMUDA RUN

Attest to:

_____	By: _____
Cindy Poe, Town Clerk	Rick Cross, Mayor
(Corporate Seal)	Bermuda Run Town Council

PIEDMONT TRIAD REGIONAL COUNCIL

Attest to:

_____	By: _____
Katie Mitchell	Matthew L. Dolge, Executive Director
Program Assistant	Piedmont Triad Regional Council

STATE OF NORTH CAROLINA  
TOWN OF BERMUDA RUN

I, \_\_\_\_\_, Notary Public for the said Town and State, certify that ANDREW MEADWELL, MANAGER to the BERMUDA RUN TOWN COUNCIL, personally appeared before me and certified that the foregoing instrument was executed in the name of BERMUDA RUN TOWN by RICK CROSS, Mayor of the Bermuda Run Town Council, and that she, CINDY POE, TOWN CLERK, did attest to said execution and did affix the BERMUDA RUN TOWN Seal to said instrument.

WITNESS my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_

Notary Public

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

STATE OF NORTH CAROLINA

TOWN OF \_\_\_\_\_

I, \_\_\_\_\_, Notary Public for said Town and State certify that Matthew L. Dolge personally appeared before me this day and acknowledged that he is the Executive Director of the Piedmont Triad Regional Council, and that by authority duly given, acknowledged due execution of the foregoing instrument.

Witness my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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

My commission Expires \_\_\_\_\_.

DRAFT

Attachment A

SCOPE OF SERVICES

1. Council staff will not require a designated office space in the Town during the start-up and construction phase of the project. Staff may require space from time to time for public hearings, application intake, bid opening, grievance hearings or other activities related to this grant program. Staff will make arrangements with the Town Manager for any events requiring designated space.

Council will provide the Town with the information and records and will establish and maintain the filing system for the project during the term of this Agreement. Once the project is completed, the Town will maintain files and records pertaining to the project for three (3) years.

2. Any supplies purchased for the administration of the grant will be charged to the grant portion reserved for administration in accordance with Paragraph 2 of the Agreement. The invoices submitted for reimbursement will itemize all purchases.
3. The Council will assist the Town in establishing and maintaining a CFP Compliant financial management system for this project. Town will provide forms for requisitions, disbursement documentation and approval of disbursements. The Town will approve and sign all requisitions and disburse checks. Posting of checks will be performed by the Town.
4. The Council will assist the Town in preparing general policy documents to be adopted by the Town as they apply to the administration of this project.
5. The Council will perform all tasks necessary to procure professional services, as needed to carry out the Grant Program. This includes but is not limited to developing advertisements, RFPs and contract documents to meet federal requirements and overseeing the performance of all third-party professional contracts.
6. The Council will be responsible for all program functions, including but not limited to:
  - a. Council staff will not require a designated office space in the Town during the start-up and construction phase of the project. Staff may require space from time to time for public hearings, bid opening, or other activities related to this grant program. Staff will make arrangements with the Town Manager for any events requiring designated space.
  - b. Council will provide the Town with the information and records and will establish and maintain the filing system for the project during the term of this Agreement. Once the project is completed, the Town will maintain files and records pertaining to the project for three (3) years.



- c. Any supplies purchased for the administration of the grant will be charged to the grant portion reserved for administration. The invoices submitted for reimbursement will itemize all purchases.
  - d. The Council will assist the Town in establishing and maintaining a CFP Compliant financial management system for this project. Town will provide forms for requisitions, disbursement documentation and approval of disbursements. The Town will approve and sign all requisitions and disburse checks.
  - e. The Council will assist the Town in preparing any general policy documents to be adopted by the Town as they apply to the administration of this project.
  - f. The Council will perform all tasks necessary to procure professional services, as needed to carry out the Grant Program. This includes but is not limited to developing advertisements, RFPs and contract documents to meet federal requirements and overseeing the performance of all third-party professional contracts.
  - g. The Council will be responsible for all program functions, including but not limited to preparation of program forms, letters and contract documents, inspections, publication of all required notices, preparation of the Environmental Review Record, bid notices, bid analysis, coordination of contract award by the Town, contract execution, conduct of pre-construction conferences, working on public access easement language with private landowners, work inspections, approving requisitions for partial payments based on work performed, change orders, final inspections, handling any citizen complaints, the filing of all reports and the completion of all activities to ensure compliance with Equal Opportunity, Section 504, Section 3, and any other action necessary to ensure HUD, program compliance and the completion of all activities outlined in Bermuda Run's FY22 CFP grant. The Council will also prepare and submit all reports required by the Grant.
- 7. The Council will be present and will represent the Town at all monitoring visits by HUD and others and prepare all responses to monitoring letters. The Council will also provide necessary assistance during formal audits of the Grant Program.
  - 8. The Council will complete all aspects of Grant Program closeout, including hearing notices.
  - 9. The Council will implement and carry out all requirements of the Grant, including the Environmental Review records in connection with this project.
  - 10. The Council will provide the Town with quarterly reports on the progress of the Grant Program and will assist the Town in the event a complaint is filed against the Town in the course of this Grant.
  - 11. The Council will provide representation to attend Town Commissioner meetings if necessary and requested.

12. In addition, the Council agrees to comply with all applicable State and Federal laws, rules, regulations and ordinances governing the Grant Program; to the terms, conditions, assurances, covenants, stipulations, and understandings contained in the Grant.

DRAFT

Attachment B.

COPY OF GRANT

Copy of Grant referred to in this document are on file with the Town Clerk.

DRAFT



# (ITEM 9 C)



120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336) 998-7209 • [www.townofbr.com](http://www.townofbr.com)

**TO:** Town Council  
**FROM:** Staff  
**DATE:** November 17, 2022  
**RE:** ZTA 2022-01 Self-Storage Warehousing

## ***Proposed Text Amendments***

The purpose of this text amendment is to permit with conditions the use of self-storage warehousing in the VM zoning district. It is currently a permitted use within existing buildings in the VM zoning district. The use is permitted within the GB zoning district and with conditions within the CM zoning district. The conditions to require the units to be accessed only internally with no visible units from the exterior and prohibiting outdoor storage of any kind would also apply to the VM zoning districts.

**Applicable Section(s):** Sections 3.5 and 9.59 of Zoning Ordinance

## ***Background Information***

Town Council approved a similar amendment ZTA 2019-01

### **3.5. Table of Uses**

P = Permit from Zoning Administrator	<b>DISTRICTS</b>								<b>Additional Conditions</b>
S = S.U.P. from Board of Adjustment									
P/C = Permit from Zoning Administrator; use must meet additional conditions									
S/C = S.U.P. from Board of Adjustment; use must meet additional conditions									
"C" = Not permitted									
"U" = Uses determined by underlying district	<b>RESIDENTIAL</b>		<b>OVERLAY</b>		<b>MIXED-USE</b>		<b>BUS.</b>		
<b>USES</b>	<b>OS</b>	<b>CR</b>	<b>RM</b>	<b>ME-O</b>	<b>GC-O</b>	<b>VM</b>	<b>CM</b>	<b>GB</b>	
<b>INDUSTRIAL USES</b>									
Warehousing, self-storage	-	-	-	U	-	P/C	P/C	P	9.59

### **9.59 Warehousing, Self-Storage**

- (A) Self-storage warehousing uses within the VM zoning districts shall only be permitted within buildings constructed prior to the adoption of the Town's Zoning Ordinance in 2005. The conversion of any existing building in one of these districts to a self-storage warehousing use shall not include the expansion of the building footprint, and any changes to the exterior of the building shall conform to the design requirements of Chapter 4. No outdoor storage associated with a self-storage use shall be permitted in these districts.
- (B) Self-storage warehouse spaces shall be used for storage only. No space shall be leased for any other purpose.
- ~~(C) Outdoor storage shall meet the requirements of Section 9.42.~~
- (D) All driveways and parking areas between and around buildings shall be paved with asphalt or concrete ~~including parking areas for the storage of boats, recreational vehicles and similar vehicles.~~
- (E) All storage shall be located within the building and outside storage of any type, including the outside storage of moving vans, vehicles and boats shall not be permitted.
- (F) Storage units shall not be visible off site and access to individual storage units shall be from corridors internal to the building.

# (ITEM 9 C)

## ***Bermuda Run Comprehensive Plan***

This proposed amendment is related to the following goals, objectives, and/or strategies in the Town's updated Comprehensive Plan:

- Character & Identity Goal: Cultivate the identity of the Town of Bermuda Run as a charming, walkable small town with a healthy balance of both nature and an attractive built environment, offering amenities for both residents and visitors.
- Economic Development & Land Use Goal: Promote a healthy and diverse economic base within a sustainable land development pattern that complements the character of the Town, while preserving environmentally sensitive areas, adequate open space, and recreational opportunities.
- Strategy 3.1 Utilize the Future Land Use Map to encourage managed growth and development that is compatible with the town's character, surrounding land uses, and available infrastructure and services.
- Strategy 3.3 Continue to work with Davie County Economic Development Commission (EDC) to facilitate business retention and the development, redevelopment, or reuse of vacant properties, including participation in road infrastructure improvements.
- Strategy 4.1 Continue to work with property owners of existing developments to update and retrofit outdated buildings and sites with improved facades and landscaping

## ***Zoning Text Amendment.***

Proposed text amendment for Warehousing, Self Storage in sections § 3.5 and 9.59 of the Zoning Ordinance. New text will be ***bold***, *underlined* and *italicized*. Deleted text will have a strikethrough.

### **3.5. Table of Uses**

P = Permit from Zoning Administrator	DISTRICTS								Additional	Conditions
S = S.U.P. from Board of Adjustment										
P/C = Permit from Zoning Administrator; use must meet additional conditions										
S/C = S.U.P from Board of Adjustment; use must meet additional conditions										
"-" = Not permitted										
"U" = Uses determined by underlying district	RESIDENTIAL		OVERLAY		MIXED-USE		BUS.			
USES										
INDUSTRIAL USES						VM	CM	GB		
Warehousing, self-storage	-	-	-	U	-	P/C	P/C	P		9.59

# (ITEM 9 C)

## Additional Conditions

### **9.59 Warehousing, Self-Storage**

~~(A) Self-storage warehousing uses within the VM zoning districts shall only be permitted within buildings constructed prior to the adoption of the Town's Zoning Ordinance in 2005. The conversion of any existing building in one of these districts to a self-storage warehousing use shall not include the expansion of the building footprint, and any changes to the exterior of the building shall conform to the design requirements of Chapter 4.~~ No outdoor storage associated with a self-storage use shall be permitted in these districts.

(B) Self-storage warehouse spaces shall be used for storage only. No space shall be leased for any other purpose.

(C) All driveways and parking areas between and around buildings shall be paved with asphalt or concrete including parking areas for the storage of boats, recreational vehicles and similar vehicles.

(D) All storage shall be located within the building and outside storage of any type, including the outside storage of moving vans, vehicles and boats shall not be permitted.

(E) Storage units shall not be visible off site and access to individual storage units shall be from corridors internal to the building.

## Planning Board Recommendation

The Planning Board voted to approve the amendment unanimously by a vote of 5 in favor and none opposed.

## Town Council Action

Following review of the proposed text amendments, the Board is requested to take action following a motion and a second for one of the items below:

- **Recommend Approval:** The Board finds that the amendment is consistent with the Town of Bermuda Run Comprehensive Plan and considers the action to be reasonable and in the public interest.
- **Recommend Approval with changes:** The Board finds that the amendment is not fully consistent with the Town of Bermuda Run Comprehensive Plan, but the changes agreed upon will make it fully consistent and considers the action to be reasonable and in the public interest.
- **Recommend Denial:** The Board finds that the amendment is not consistent with the Town of Bermuda Run Comprehensive Plan and does not consider the action to be reasonable and in the public interest.
- **Defer:** The amendment needs additional consideration.





**NOTICE OF PUBLIC HEARING  
BERMUDA RUN TOWN COUNCIL**

**NOTICE IS HEREBY GIVEN**, pursuant to G.S. 160D-602, that the Town Council of Bermuda Run will meet at **6:00 P.M. on Tuesday, December 13, 2022** at the Town Hall, located at 120 Kinderton Blvd., Suite 100, Bermuda Run, NC 27006, to hold a public hearing and to receive public comment on the following items:

**Zoning Text Amendment 2022-01.** The Board will review text amendments of the Zoning Ordinance in sections 3.5 and 9.59 of the Zoning Ordinance regarding Self Storage, Warehousing

All interested parties are invited to attend the public hearing and present their comments to the Bermuda Run Town Council. Please call the Bermuda Run Town Hall at (336) 998-0906 if you have questions or if you need special accommodations for the meeting. Hearing impaired persons desiring additional information or having questions regarding this subject should call the North Carolina Relay Number for the Deaf at 1-800-735-8262 or 711 for mobile phones.

\*\*\*\*\*

**PUBLICATION DIRECTIONS**

Publish in the Notices section of the Newspaper

Publish on the following Dates:

**December 1st, 2022 &  
December 8<sup>th</sup>, 2022**

Send bill and affidavit of publication to:

Bermuda Run Town Clerk  
Town of Bermuda Run  
120 Kinderton Boulevard, Suite 100  
Bermuda Run, NC 27006



October 13, 2022

Mr. Johnny Easter, Director  
Davie County – Planning and Development Services  
298 East Depot Street  
Mocksville, NC 27028

RE: Town of Bermuda Run Text Amendment Request

Johnny,

Please let this letter serve as an official request for a Text Amendment discussion at the upcoming planning board meeting on October 19, 2022. After several conversations about being on the agenda for the meeting, I am still uncertain as to the process to ensure we are on said agenda.

As for the request, we are concerned with the allowed using table and the additional conditions. Specifically, we would like to discuss the warehousing, self-storage use in the Village Mixed Use (VM) district which falls under the Industrial Uses category. The special conditions for this item is noted as Section 9.59 which contains five (A-E) specific conditions. Our concern is regarding item A which basically limits a self-storage facility to be located inside an existing building, no new construction is allowed. Over the past twenty years the construction industry's approach to climate controlled facilities has drastically altered the buildings' physical appearance and should yield consideration for the special conditions to be review and potentially changed to allow for new construction. The request is not to alter items B-E in section 9.59 as those are viable concerns to the overall appearance within the VM zoning district.

Again, please accept this letter as a request to have this discussion at the upcoming planning board meeting and feel free to contact me if you have any questions.

Regards,

A handwritten signature in blue ink that reads "Brad Chapman". The signature is fluid and cursive, with a long, sweeping underline.

Brad Chapman  
Davie Construction, Vice-President of Pre-Construction

cc: Andrew Meadwell, Bermuda Run Town Manager

# Bermuda Run Planning Board/Board of Adjustment

## Regular Meeting

### Minutes

Wednesday, November 16, 2022

3:00 PM

Bermuda Run Town Hall

#### I. Call to Order

Attendee Name	Title	Status
Tom Brady	Board Member	Present
Bryan Thompson	Alternate Member	Absent
Lynn Senger	Vice Chairman	Present
Rod Guthrie	Chairman	Present
David Strand	Board Member	Present
Erin Shea	Regular Member	Present
Tony Krasienko	Alternate Member	Absent

#### II. Recognition of Quorum

The Chairman recognized that a quorum was met with four members present.

#### III. Approval of Planning Board Agenda

**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** Tom Brady  
**SECONDER:** Lynn Senger  
**AYES:** Brady, Guthrie, Strand, Shea, Senger  
**ABSENT:** Krasienko, Thompson,

#### IV. Approval of Planning Board Minutes—February 16, 2022

**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** Lynn Senger  
**SECONDER:** Tom Brady  
**AYES:** Senger, Brady, Guthrie, Strand, Shea  
**ABSENT:** Krasienko, Thompson

#### V. Citizen Comments

There were none.

#### VI. Permit Reports & Zoning Administrator's Update

Permit reports & zoning update were included in the agenda packet for reference and discussion.

#### VII. Town Manager's Update

Andrew Meadwell updated the Board on the Blue Heron Trail project and Juniper Wastewater Treatment Facility.



**VIII. Planning Board Cases**

**Zoning Text Amendment 2022-01.** The purpose of this text amendment is to permit with conditions the use of self-storage warehousing in the VM zoning district. It is currently a permitted use within existing buildings in the VM zoning district. The use is permitted within the GB zoning district and with conditions within the CM zoning district. The conditions to require the units to be accessed only internally with no visible units from the exterior and prohibiting outdoor storage of any kind would also apply to the VM zoning districts.

Chairman Guthrie opened the public comment period.

1. Brad Chapman, Davie Construction, spoke in favor of the amendment.

Chairman Guthrie closed the public comment period.

The Board held discussion on the request

Erin Shea made a motion to approve with the following statement, the Planning Board finds that the proposed text amendment is consistent with the Town of Bermuda Run Comprehensive Plan and considers the action to be reasonable and in the public interest.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Erin Shea
<b>SECONDER:</b>	Tom Brady
<b>AYES:</b>	Brady, Senger, Guthrie, Strand, Shea
<b>ABSENT:</b>	Krasienko, Thompson

**IX. Comprehensive Plan**

Jason Epley presented an update on the Comprehensive Plan; the Board was pleased with the proposed changes and future land use map. The Board agreed that an additional meeting was not necessary and that they would review a final draft for formatting and layout and recommend approval for Town Council review.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Lynn Senger
<b>SECONDER:</b>	Rod Guthrie
<b>AYES:</b>	Brady, Senger, Guthrie, Strand, Shea
<b>ABSENT:</b>	Krasienko, Thompson

**X. Board Member Comments**

There was none. Adjournment

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Lynn Senger
<b>SECONDER:</b>	Tom Brady
<b>AYES:</b>	Brady, Senger, Guthrie, Strand, Shea
<b>ABSENT:</b>	Krasienko, Thompson



## (ITEM 9 D)

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120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336)

To: Town Council  
From: Andrew Meadwell, Town Manager  
CC: Brian Williams, Town Attorney, Dora Robertson, Finance Director  
Date: December 6, 2022  
  
Re: Adoption ARPA/CSLFRF Policies

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### Included for your review:

- Conflict of Interest Policy
- Eligible Use Policy
- Allowable Cost Policy
- Records Retention Policy
- Non-discrimination Policy

### Overview:

The purpose of this agenda item is to request that the Town Council adopt policies required for the expenditure of American Rescue Plan Act of 2021, Coronavirus State and Local Fiscal Recovery Funds (ARP/CSLFRF). These are the five policies that all ARP recipients must adopt. These policies were developed and written by the UNC School of Government for use by units of Local Governments receiving ARP funds. Town Attorney, Brian Williams has reviewed the documents for content, consistency, and applicability for the Town of Bermuda Run.

### Town Council Action

Town Manager recommends Town Council take action to adopt required policies for the expenditure of American Rescue Plan Act of 2021, Coronavirus State and Local Fiscal Recovery Funds (ARP/CSLFRF).



120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336)

**Resolution**  
**Approving a Conflict of Interest Policy Regarding**  
**the Expenditure of ARP/CSLFRF Funds**

**WHEREAS**, the Town of Bermuda Run should prevent the personal interest of staff members, elected officials and board and committee members from interfering with the performance of their duties; and,

**WHEREAS**, the Town of Bermuda Run should prevent the personal interest of staff members and elected officials from resulting in personal financial, professional and/or political gain to such persons at the expense of the Town.

**NOW, THEREFORE BE IT RESOLVED THAT THE TOWN COUNCIL OF THE TOWN OF BERMUDA RUN** adopts and enacts the attached Conflict of Interest Policy regarding the expenditure of ARP/CSLFRF funds.

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Cindy Poe, Town Clerk

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Rick Cross, Mayor Town of Bermuda Run



## CONFLICT OF INTEREST POLICY

### APPLICABLE TO CONTRACTS AND SUBAWARDS OF THE TOWN OF BERMUDA RUN SUPPORTED BY FEDERAL FINANCIAL ASSISTANCE

\* \* \* \* \*

#### I. Scope of Policy

- II. Purpose of Policy. This Conflict of Interest Policy (“*Policy*”) establishes conflict of interest standards that (1) apply when the Town of Bermuda Run (“*Unit*”) enters into a Contract (as defined in Section II hereof) or makes a Subaward (as defined in Section II hereof), and (2) meet or exceed the requirements of North Carolina law and 2 C.F.R. § 200.318(c). Application of Policy. This Policy shall apply when the Unit (1) enters into a Contract to be funded, in part or in whole, by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies, or (2) makes any Subaward to be funded by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies. If a federal statute, regulation, or the terms of a financial assistance agreement applicable to a particular form of Federal Financial Assistance conflicts with any provision of this Policy, such federal statute, regulation, or terms of the financial assistance agreement shall govern.

#### III. Definitions

Capitalized terms used in this Policy shall have the meanings ascribed thereto in this Section II: Any capitalized term used in this Policy but not defined in this Section II shall have the meaning set forth in 2 C.F.R. § 200.1.

- a. “*COI Point of Contact*” means the individual identified in Section III(a) of this Policy.
- b. “*Contract*” means, for the purpose of Federal Financial Assistance, a legal instrument by which the Unit purchases property or services needed to carry out a program or project under a Federal award.
- c. “*Contractor*” means an entity or individual that receives a Contract.
- d. “*Covered Individual*” means a Public Officer, employee, or agent of the Unit.
- e. “*Covered Nonprofit Organization*” means a nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State of North Carolina primarily for religious, charitable, scientific, literary, public health and safety, or educational purposes, excluding any board, entity, or other organization created by the State of North Carolina or any political subdivision of the State (including the Unit).
- f. “*Direct Benefit*” means, with respect to a Public Officer or employee of the Unit, or the spouse of any such Public Officer or employee, (i) having a ten percent (10%) ownership interest or other interest in a Contract or Subaward; (ii) deriving any income or commission directly from a Contract or Subaward; or (iii) acquiring property under a Contract or Subaward.

- g. *"Federal Financial Assistance"* means Federal financial assistance that the Unit receives or administers in the form of grants, cooperative agreements, non-cash contributions or donations of property (including donated surplus property), direct appropriations, food commodities, and other Federal financial assistance (except that the term does not include loans, loan guarantees, interest subsidies, or insurance).
- h. *"Governing Board"* means the Town Council of the Unit.
- i. *"Immediate Family Member"* means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
- j. *"Involved in Making or Administering"* means (i) with respect to a Public Official or employee, (a) overseeing the performance of a Contract or Subaward or having authority to make decisions regarding a Contract or Subaward or to interpret a Contract or Subaward, or (b) participating in the development of specifications or terms or in the preparation or award of a Contract or Subaward, (ii) only with respect to a Public Official, being a member of a board, commission, or other body of which the Public Official is a member, taking action on the Contract or Subaward, whether or not the Public Official actually participates in that action.
- k. *"Pass-Through Entity"* means a non-Federal entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.
- l. *"Public Officer"* means an individual who is elected or appointed to serve or represent the Unit (including, without limitation, any member of the Governing Board), other than an employee or independent contractor of the Unit.
- m. *"Recipient"* means an entity, usually but not limited to a non-Federal entity, that receives a Federal award directly from a Federal awarding agency. The term does not include Subrecipients or individuals that are beneficiaries of the award.
- n. *"Related Party"* means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the Unit) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.
- o. *"Subaward"* means an award provided by a Pass-Through Entity to carry out part of a Federal award received by the Pass-Through Entity. It does not include payments to a contractor or payments to a contractor or payments to an individual that is a beneficiary of a Federal program.

- p. “*Subcontract*” means mean any agreement entered into by a Subcontractor to furnish supplies or services for the performance of a Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
- q. “*Subcontractor*” means an entity that receives a Subcontract.
- r. “*Subrecipient*” means an entity, usually but not limited to a non-Federal entity, that receives a subaward from a Pass-Through Entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
- s. “*Unit*” has the meaning specified in Section I hereof.

#### IV. COI Point of Contact.

- a. Appointment of COI Point of Contact. The Town Manager of the Unit shall have primary responsibility for managing the disclosure and resolution of potential or actual conflicts of interest arising under this Policy. In the event that the Town Manager of the Unit is unable to serve in such capacity, the Town Finance Director of the Unit shall assume responsibility for managing the disclosure and resolution of conflicts of interest arising under this Policy. The individual with responsibility for managing the disclosure and resolution of potential or actual conflicts of interest under this Section III(a) shall be known as the “*COI Point of Contact*”.
- b. Distribution of Policy. The COI Point of Contact shall ensure that each Covered Individual receives a copy of this Policy.

#### V. Conflict of Interest Standards in Contracts and Subawards

- a. North Carolina Law. North Carolina law restricts the behavior of Public Officials and employees of the Unit involved in contracting on behalf of the Unit. The Unit shall conduct the selection, award, and administration of Contracts and Subawards in accordance with the prohibitions imposed by the North Carolina General Statutes and restated in this Section III.
  - i. G.S. § 14-234(a)(1). A Public Officer or employee of the Unit Involved in Making or Administering a Contract or Subaward on behalf of the Unit shall not derive a Direct Benefit from such a Contract or Subaward.
  - ii. G.S. § 14-234(a)(3). No Public Officer or employee of the Unit may solicit or receive any gift, favor, reward, service, or promise of reward, including but not limited to a promise of future employment, in exchange for recommending, influencing, or attempting to influence the award of a Contract or Subaward by the Unit.
  - iii. G.S. § 14-234.3. If a member of the Governing Board of the Unit serves as a director, officer, or governing board member of a Covered Nonprofit Organization,



such member shall not (1) deliberate or vote on a Contract or Subaward between the Unit and the Covered Nonprofit Corporation, (2) attempt to influence any other person who deliberates or votes on a Contract or Subaward between the Unit and the Covered Nonprofit Corporation, or (3) solicit or receive any gift, favor, reward, service, or promise of future employment, in exchange for recommending or attempting to influence the award of a Contract or Subaward to the Covered Nonprofit Organization.

- iv. G.S. § 14-234.1. A Public Officer or employee of the Unit shall not, in contemplation of official action by the Public Officer or employee, or in reliance on information which was made known to the public official or employee and which has not been made public, (1) acquire a pecuniary interest in any property, transaction, or enterprise or gain any pecuniary benefit which may be affected by such information or other information, or (2) intentionally aid another in violating the provisions of this section.

b. Federal Standards.

- i. Prohibited Conflicts of Interest in Contracting. Without limiting any specific prohibition set forth in Section IV(a), a Covered Individual may not participate in the selection, award, or administration of a Contract or Subaward if such Covered Individual has a real or apparent conflict of interest.

- 1. Real Conflict of Interest. A real conflict of interest shall exist when the Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward. Exhibit A attached hereto provides a non-exhaustive list of examples of (i) financial or other interests in a firm considered for a Contract or Subaward, and (ii) tangible personal benefits from a firm considered for a Contract or Subaward.
- 2. Apparent Conflict of Interest. An apparent conflict of interest shall exist where a real conflict of interest may not exist under Section IV(b)(i)(1), but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

ii. Identification and Management of Conflicts of Interest.

1. Duty to Disclose and Disclosure Forms

- a. Each Covered Individual expected to be or actually involved in the selection, award, or administration of a Contract or Subaward has an ongoing duty to disclose to the COI Point of Contact

potential real or apparent conflicts of interest arising under this Policy.

- b. Prior to the Unit's award of a Contract or Subaward, the COI Point of Contact shall advise Covered Individuals expected to be involved in the selection, award, or administration of the Contract or Subaward of such duty.
- c. If the value of a proposed Contract or Subaward exceeds \$250,000.00, the COI Point of Contact shall collect a Conflict of Interest Disclosure Form contained in Exhibit C (for Contracts) and Exhibit E (for Subawards) from each Covered Individual and file such Conflict of Interest Disclosure Form in records of the Unit.

2. Identification Prior to Award of Contract or Subaward.

- a. Prior to the Unit's award of a Contract or Subaward, the COI Point of Contact shall complete the appropriate Compliance Checklist contained in Exhibit B (for Contracts) and Exhibit D (for Subawards) attached hereto and file such Compliance Checklist in the records of the Unit.

3. Management Prior to Award of Contract or Subaward

- a. If, after completing the Compliance Checklist, the COI Point of Contact identifies a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the COI Point of Contact shall disclose such finding in writing to the Governing Board of the Unit. If the Governing Board of the Unit desires to enter into the proposed Contract or Subaward despite the identification by the COI Point of Contact of a potential real or apparent conflict of interest, it may either:
  - i. accept the finding of the COI Point of Contact and direct the COI Point of Contact to obtain authorization to enter into the Contract or Subaward from (a) if Unit is a Recipient of Federal Financial Assistance, the Federal awarding agency with appropriate mitigation measures, or (b) if Unit is a Subrecipient of Federal Financial Assistance, from the Pass-Through Entity that provided a Subaward to Unit; or
  - ii. reject the finding of the COI Point of Contact and enter into the Contract or Subaward. In rejecting any finding of the COI Point of Contact, the Governing Board of the

Unit shall in writing document a justification supporting such rejection.

- b. If the COI Point of Contact does not identify a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the Unit may enter into the Contract or Subaward in accordance with the Unit's purchasing or subaward policy.

4. Identification After Award of Contract or Subaward.

- a. If the COI Point of Contact discovers that a real or apparent conflict of interest has arisen after the Unit has entered into a Contract or Subaward, the COI Point of Contact shall, as soon as possible, disclose such finding to the Governing Board of the Unit. Upon discovery of such a real or apparent conflict of interest, the Unit shall cease all payments under the relevant Contract or Subaward until the conflict of interest has been resolved.

5. Management After Award of Contract or Subaward.

- a. Following the receipt of such disclosure of a potential real or apparent conflict of interest pursuant to Section IV(b)(ii)(4), the Governing Board of the Unit may reject the finding of the COI Point of Contact by documenting in writing a justification supporting such rejection. If the Governing Board of the Unit fails to reject the finding of the COI Point of Contact within 15 days of receipt, the COI Point of Contact shall:
  - i. if Unit is a Recipient of Federal Financial Assistance funding the Contract or Subaward, disclose the conflict to the Federal awarding agency providing such Federal Financial Assistance in accordance with 2 C.F.R. § 200.112 and/or applicable regulations of the agency, or
  - ii. if Unit is a Subrecipient of Federal Financial Assistance, disclose the conflict to the Pass-Through Entity providing a Subaward to Unit in accordance with 2 C.F.R. § 200.112 and applicable regulations of the Federal awarding agency and the Pass-Through Entity.

VI. **Oversight of Subrecipient's Conflict of Interest Standards**

- a. Subrecipients of Unit Must Adopt Conflict of Interest Policy. Prior to the Unit's execution of any Subaward for which the Unit serves as a Pass-Through Entity, the COI Point of Contact shall ensure that the proposed Subrecipient of Federal Financial Assistance has adopted a conflict-of-interest policy that satisfies the requirements of 2 C.F.R. § 200.318(c)(1), 2 C.F.R. § 200.318(c)(2), and all other applicable federal regulations.



- b. Obligation to Disclose Subrecipient Conflicts of Interest. The COI Point of Contact shall ensure that the legal agreement under which the Unit makes a Subaward to a Subrecipient shall require such Subrecipient to disclose to the COI Point of Contact any potential real or apparent conflicts of interest that the Subrecipient identifies. Upon receipt of such disclosure, the COI Point of Contact shall disclose such information to the Federal awarding agency that funded the Subaward in accordance with that agency's disclosure policy.

## VII. Gift Standards

- a. Federal Standard. Subject to the exceptions set forth in Section VI(b), a Covered Individual may not solicit or accept gratuities, favors, or anything of monetary value from a Contractor or a Subcontractor.
- b. Exception. Notwithstanding Section VI(a), a Covered Individual may accept an unsolicited gift from a Contractor or Subcontractor of one or more types specified below if the gift has an aggregate market value of \$20 or less per source per occasion, provided that the aggregate market value of all gifts received by the Covered Individual pursuant to this Section VI(b) does not exceed \$50 in a calendar year:
  - i. honorariums for participating in meetings;
  - ii. advertising items or souvenirs of nominal value; or
  - iii. meals furnished at banquets.
- c. Internal Reporting. A Covered Individual shall report any gift accepted under Section VI(b) to the COI Point of Contact. If required by regulation of a Federal awarding agency, the COI Point of Contact shall report such gifts to the Federal awarding agency or a Pass-Through Entity for which the Unit is a Subrecipient.

## VIII. Violations of Policy

- a. Disciplinary Actions for Covered Individuals. Any Covered Individual that fails to disclose a real, apparent, or potential real or apparent conflict of interest arising with respect to the Covered Individual or Related Party may be subject to disciplinary action, including, but not limited to, an employee's termination or suspension of employment with or without pay, the consideration or adoption of a resolution of censure of a Public Official by the Governing Board, or termination of an agent's contract with the Unit.
- b. Disciplinary Actions for Contractors and Subcontractors. The Unit shall terminate any Contract with a Contractor or Subcontractor that violates any provision of this Policy.
- c. Protections for Whistleblowers. In accordance with 41 U.S.C. § 4712, the Unit shall not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee

reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant: (i) a member of Congress or a representative of a committee of Congress; (ii) an Inspector General; (iii) the Government Accountability Office; (iv) a Treasury or other federal agency employee responsible for grant oversight or management; (v) an authorized official of the Department of Justice or other law enforcement agency; (vi) a court or grand jury; of (vii) a management official or other employee of the Unit, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

\* \* \* \* \*

Adopted this the \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Cindy Poe, Town Clerk

\_\_\_\_\_  
Rick Cross, Mayor of the Town of Bermuda Run

## **EXHIBIT A**

### Examples

<b><i>Potential Examples of a “Financial or Other Interest” in a Firm or Organization Considered for a Contract or Subaward</i></b>	<b><i>Potential Examples of a “Tangible Personal Benefit” From a Firm or Organization Considered for a Contract or Subaward</i></b>
Direct or indirect equity interest in a firm or organization considered for a Contract or Subaward, which may include: <ul style="list-style-type: none"><li>- Stock in a corporation.</li><li>- Membership interest in a limited liability company.</li><li>- Partnership interest in a general or limited partnership.</li><li>- Any right to control the firm or organization’s affairs. For example, a controlling equity interest in an entity that controls or has the right to control a firm considered for a contract.</li><li>- Option to purchase any equity interest in a firm or organization.</li></ul>	Opportunity to be employed by the firm considered for a contract, an affiliate of that firm, or any other firm with a relationship with the firm considered for a Contract.  A position as a director or officer of the firm or organization, even if uncompensated.
Holder of any debt owed by a firm considered for a Contract or Subaward, which may include: <ul style="list-style-type: none"><li>- Secured debt (e.g., debt backed by an asset of the firm (like a firm’s building or equipment))</li><li>- Unsecured debt (e.g., a promissory note evidencing a promise to repay a loan).<ul style="list-style-type: none"><li>o Holder of a judgment against the firm.</li></ul></li></ul>	A referral of business from a firm considered for a Contract or Subaward.
Supplier or contractor to a firm or organization considered for a Contract or Subaward.	Political or social influence (e.g., a promise of appointment to an local office or position on a public board or private board).



## EXHIBIT B

### COMPLIANCE CHECKLIST FOR OVERSIGHT OF CONTRACT CONFLICTS OF INTEREST

The Town of Bermuda Run (“Unit”) has adopted a Conflict of Interest Policy (“Policy”) that governs the Unit’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Town Manager of the Town of Bermuda Run as the “COI Point of Contact.” The Policy requires the COI Point of Contact to complete this Compliance Checklist to identify potential real or apparent conflicts of interest in connection with proposed Contracts (as defined in Section II) and file the Checklist in the records of the Unit.

#### Instructions for Completion

1. The COI Point of Contact shall complete Steps 1 through 5 of the Checklist below.
2. If the value of the proposed Contract exceeds \$250,000.00, the COI Point of Contact shall collect a Conflict of Interest Disclosure Form from each Covered Individual.
3. If the COI Point of Contact identifies a potential real or apparent conflict of interest after completing this Compliance Checklist, the COI Point of Contact shall report such potential conflict of interest to the Town Finance Director and to each member of the Governing Board of the Unit.

#### Definitions.

1. *Covered Individual.* Each person identified in Section 1 of this Checklist is a “Covered Individual” for purposes of this Compliance Checklist and the Policy.
2. *Immediate Family Member* means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
3. *Related Party* means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the Unit) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.

Step							
1	<p>Identify the proposed Contract, counterparty, and the subject of the Contract.</p> <p><u>Name of Contract:</u></p> <p>_____</p> <p><u>Name of Counterparty</u></p> <p>_____</p> <p><u>Subject of Contract:</u></p> <p>_____</p>						
2	<p>Identify all individuals involved in the selection, award, or administration of the Contract. These individuals are “Covered Individuals”. Ensure that each Covered Individual has been provided with a copy of the Conflict of Interest Policy.</p> <table border="1"> <tr> <td><u>Public Officials</u></td><td><u>Employees</u></td><td><u>Agents</u></td></tr> <tr> <td> </td><td> </td><td> </td></tr> </table>	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>			
<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>					
3	<p>Identify whether any Covered Individual has a (i) financial or other interest in, or (ii) tangible personal benefit from the firm considered for a Contract. [If the estimated Contract amount exceeds \$250,000.00, ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.]</p> <table border="1"> <tr> <td><u>Public Officials</u></td><td><u>Employees</u></td><td><u>Agents</u></td></tr> <tr> <td> </td><td> </td><td> </td></tr> </table>	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>			
<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>					
Any identified interest in Step 3 is a potential “real” conflict of interest.							
4	<p>Identify whether any Related Party has a (i) financial or other interest in or (ii) tangible personal benefit from the firm considered from a Contract. If the estimated Contract amount exceeds \$250,000.00, ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.</p> <table border="1"> <tr> <td><u>Public Officials – Related Party</u></td><td><u>Employees – Related Party</u></td><td><u>Agents – Related Party</u></td></tr> <tr> <td> </td><td> </td><td> </td></tr> </table>	<u>Public Officials – Related Party</u>	<u>Employees – Related Party</u>	<u>Agents – Related Party</u>			
<u>Public Officials – Related Party</u>	<u>Employees – Related Party</u>	<u>Agents – Related Party</u>					
Any identified interest in Step 4 is a potential “real” conflict of interest.							

5	Identify whether a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the <i>appearance</i> that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract? If yes, explain.		
Any identified interest in Step 5 is a potential “apparent” conflict of interest.	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>

COI Point of Contact:

\_\_\_\_\_

Signature of COI Point of Contact:

\_\_\_\_\_

Date of Completion:

\_\_\_\_\_



## EXHIBIT C

### CONTRACT CONFLICT OF INTEREST DISCLOSURE FORM

#### FOR OFFICIALS, EMPLOYEES, AND AGENTS

The Town of Bermuda Run (“Unit”) has adopted a Conflict of Interest Policy (“Policy”) that governs the Unit’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Town Manager of the Town of Bermuda Run as the “COI Point of Contact.”

The COI Point of Contact has identified you as an official, employee, or agent of the Unit that may be involved in the selection, award, or administration of the following contract: \_\_\_\_\_ (the “Contract”). To safeguard the Unit’s expenditure of Federal Financial Assistance, the COI Point of Contact has requested that you identify any potential real or apparent conflicts of interest in the Firm considered for the award of a Contract. Using the Exhibit A to the Policy as a guide, please answer the following questions:

---

1. Do you have a financial or other interest in a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

2. Will you receive any tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

3. For purposes of Question 3(a) and 3(b), your “Immediate Family Members” include: (i) your spouse and their parents, (ii) your child, (iii) your parent and any spouse of your parent, (iv) your sibling and any spouse of your sibling, (v) your grandparents or grandchildren, and the spouses of each, (vi) any domestic partner of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with you is the equivalent of a family relationship.

- a. Do you have an Immediate Family Member with a financial or other interest in a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

- b. Do you have an Immediate Family Member that will receive a tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

4. Do you have any other partner with a financial or other interest in a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

5. Will any other partner of yours receive any tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

6. Does your current or potential employer (other than the Unit) have a financial or other interest in a firm considered for this Contract or will such current or potential employer receive a tangible personal benefit from this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

7. Benefits to Employers

- a. Does a current or potential employer (other than the Unit) of any of your Immediate Family Members have a financial or other interest in a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

- b. Will a current or potential employer (other than the Unit) of any of your Immediate Family Members receive a tangible personal benefit from this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

- 
- c. Does a current or potential employer (other than the Unit) of any partner of yours have a financial or other interest in a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

- d. Will a current or potential employer (other than the Unit) of any partner of yours receive a tangible personal benefit from this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

8. Does any existing situation or relationship create the appearance that you have a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

9. Does any existing situation or relationship create the appearance that any Immediate Family Member of yours has a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

10. Does any existing situation or relationship create the appearance that your current or potential employer (other than the Unit) has a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

11. Does any existing situation or relationship create the appearance that any current or potential employer (other than the Unit) of any of your Immediate Family Members has a financial or other



interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

12. Does any existing situation or relationship create the appearance that any current or potential employer (other than the Unit) of any other partner has a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

\* \* \* \* \*

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

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

Name of Employer \_\_\_\_\_

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

Date of Completion: \_\_\_\_\_

\* \* \* \* \*

## EXHIBIT D

### COMPLIANCE CHECKLIST FOR SUBAWARD OVERSIGHT

The Town of Bermuda Run (“Unit”) has adopted a Conflict of Interest Policy (“Policy”) that governs the Unit’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Town Manager of the Town of Bermuda Run as the “COI Point of Contact.” The Policy requires the COI Point of Contact to complete this Compliance Checklist to identify potential real or apparent conflicts of interest in connection with proposed Subawards (as defined in Section II) and file the Checklist in the records of the Unit.

#### Instructions for Completion

1. The COI Point of Contact shall complete Steps 1 through 5 of the Checklist below.
2. If the value of the proposed Subaward exceeds \$250,000.00, the COI Point of Contact shall collect a Conflict of Interest Disclosure Form from each Covered Individual.
3. If the COI Point of Contact identifies a potential real or apparent conflict of interest after completing this Compliance Checklist, the COI Point of Contact shall report such potential conflict of interest to the Town Finance Director of the Town of Bermuda Run and to each member of the Governing Board.

#### Definitions.

1. *Covered Individual.* Each person identified in Section 1 of this Checklist is a “Covered Individual” for purposes of this Compliance Checklist and the Policy.
2. *Immediate Family Member* means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
3. *Related Party* means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the Unit) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.

<b>Step</b>		
1	Identify the proposed Subaward, Subrecipient, and the subject of the Subaward.	<u>Name of Contract:</u>  <u>Name of Counterparty</u>  <u>Subject of Subaward:</u> 
2	Identify all individuals involved in the selection, award, or administration of the Subaward. These individuals are "Covered Individuals". Ensure that each Covered Individual has been provided with a copy of the Conflict of Interest Policy.	
	<u>Public Officials</u>	<u>Employees</u>
		<u>Agents</u>
3	Identify whether any Covered Individual has a (i) financial or other interest in, or (ii) tangible personal benefit from the firm considered for a Subaward. [If the estimated Subaward amount exceeds \$250,000.00, ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.]	
	<u>Public Officials</u>	<u>Employees</u>
		<u>Agents</u>
4	Identify whether any Related Party has a (i) financial or other interest in or (ii) tangible personal benefit from the firm considered from a Subaward. If the estimated Subaward amount exceeds \$250,000.00, ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.]	
	<u>Public Officials – Related Party</u>	<u>Employees – Related Party</u>
		<u>Agents – Related Party</u>
<b>Any identified interest in Step 3 is a potential "real" conflict of interest.</b>		
<b>Any identified interest in Step 4 is</b>		



<p>a potential “real” conflict of interest.</p>			
<p>5</p>	<p>Identify whether a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the <i>appearance</i> that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Subaward? If yes, explain.</p>		
<p>Any identified interest in Step 5 is a potential “apparent” conflict of interest.</p>	<p><u>Public Officials</u></p>	<p><u>Employees</u></p>	<p><u>Agents</u></p>

COI Point of Contact:

Signature of COI Point of Contact:

Date of Completion:

## EXHIBIT E

### SUBAWARD CONFLICT OF INTEREST DISCLOSURE FORM

#### FOR OFFICIALS, EMPLOYEES, AND AGENTS

The Town of Bermuda Run (“*Unit*”) has adopted a Conflict of Interest Policy (“*Policy*”) that governs the Unit’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Town Manager of the Town of Bermuda Run as the COI Point of Contact.

The COI Point of Contact has identified you as an official, employee, or agent of the Unit that may be involved in the selection, award, or administration of the following subaward: \_\_\_\_\_ (the “*Subaward*”). To safeguard the Unit’s expenditure of Federal Financial Assistance, the COI Point of Contact has requested that you identify any potential real or apparent conflicts of interest in the Firm considered for the award of a Subaward. Using the Exhibit A to the Policy as a guide, please answer the following questions:

---

1. Do you have a financial or other interest in a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

2. Will you receive any tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

3. For purposes of Question 3(a) and 3(b), your “Immediate Family Members” include: (i) your spouse and their parents, (ii) your child, (iii) your parent and any spouse of your parent, (iv) your sibling and any spouse of your sibling, (v) your grandparents or grandchildren, and the spouses of each, (vi) any domestic partner of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with you is the equivalent of a family relationship.

- a. Do you have an Immediate Family Member with a financial or other interest in a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

- b. Do you have an Immediate Family Member that will receive a tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

4. Do you have any other partner with a financial or other interest in a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

5. Will any other partner of yours receive any tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

6. Does your current or potential employer (other than the Unit) have a financial or other interest in a firm considered for this Subaward or will such current or potential employer receive a tangible personal benefit from this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

7. Benefits to Employers

- a. Does a current or potential employer (other than the Unit) of any of your Immediate Family Members have a financial or other interest in a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

- b. Will a current or potential employer (other than the Unit) of any of your Immediate Family Members receive a tangible personal benefit from this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:



- 
- c. Does a current or potential employer (other than the Unit) of any partner of yours have a financial or other interest in a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

- d. Will a current or potential employer (other than the Unit) of any partner of yours receive a tangible personal benefit from this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

8. Does any existing situation or relationship create the appearance that you have a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

9. Does any existing situation or relationship create the appearance that any Immediate Family Member of yours has a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

10. Does any existing situation or relationship create the appearance that your current or potential employer (other than the Unit) has a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

---

11. Does any existing situation or relationship create the appearance that any current or potential employer (other than the Unit) of any of your Immediate Family Members has a financial or other

interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

12. Does any existing situation or relationship create the *appearance* that any current or potential employer (other than the Unit) of any other partner has a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes \_\_\_\_\_ No \_\_\_\_\_ Unsure: \_\_\_\_\_

If the answer is Yes or Unsure, please explain:

\_\_\_\_\_

\* \* \* \* \*

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

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

Name of Employer \_\_\_\_\_

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

Date of Completion: \_\_\_\_\_

\* \* \* \* \*



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**Resolution**  
**Eligibility Determination Policy for ARP/CSLFRF funds.**

**WHEREAS** the Town of Bermuda Run, has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS** US Treasury is responsible for implementing ARP/CSLFRF and has enacted a Final Rule outlining eligible projects; and

**WHEREAS** the funds may be used for projects within these categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and

**WHEREAS** the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Part 200 (UG), as provided in the Assistance Listing; and

**WHEREAS** US Treasury has issued a Compliance and Reporting Guidance v.3.0 (February 28, 2022) dictating implementation of the ARP/CSLFRF award terms and compliance requirements; and

**WHEREAS** the Compliance and Reporting Guidance states on page 6 that

Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.

**BE IT RESOLVED** that the Town Council of the Town of Bermuda Run hereby adopts and enacts the following Eligibility Determination Policy for ARP/CSLFRF funds.

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Cindy Poe, Town Clerk

---

Rick Cross, Mayor Town of Bermuda Run



## **Eligibility Determination Policy for American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds**

This policy defines the permissible and prohibited uses of the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF) funds. It also outlines the procedures for determining how the Town of Bermuda Run will spend its ARP/CSLFRF funds.

### **I. PERMISSIBLE USES OF ARP/CSLFRF FUNDING**

US Treasury issued its **Final Rule** regarding use of ARP funds on January 6, 2022. (The Final Rule is effective as of April 1, 2022. Until that date, a local government may proceed under the regulation promulgated by US Department of the Treasury in its **Interim Final Rule** or the Final Rule.) The Final Rule (and the Interim Final Rule) identify permissible uses of ARP/CSLFRF funds and certain limitations and process requirements. Local governments must allocate ARP/CSLFRF funds no later than December 31, 2024 and disburse all funding no later than December 31, 2026. Failure of an entity to expend all funds by December 31, 2026 will result in forfeiture of ARP funds.

ARP/CSLFRF funds may be used for projects within the following categories of expenditures:

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and

### **II. PROHIBITED USES OF ARPA FUNDING**

The ARP/CSLFRF and US Treasury's Final Rule prohibit certain uses of ARP/CSLFRF funds. Specifically, ARP/CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (Note that routine contributions as part of a payroll obligation for an eligible project are allowed.);
2. To borrow money or make debt service payments;
3. To replenish rainy day funds or fund other financial reserves;
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding (There is an exception to this prohibition if the settlement or judgment requires the Town of Bermuda Run to provide services to respond to the COVID-19 public health emergency or its negative economic impacts or to provide government services, then the costs of those otherwise ARP/CSLFRF-eligible projects are allowed.);
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;

6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c).
7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

The Town of Bermuda Run, and any of its contractors or subrecipients, may not expend any ARP/CSLFRF funds for these purposes.

### III. PROCEDURES FOR PROJECT APPROVAL

The following are procedures for ARP/CSLFRF project approvals. All Town of Bermuda Run employees and officials must comply with these requirements.

1. Requests for ARP/CSLFRF funding, must be made in writing and include all the following:
  - a. Brief description of the project
  - b. Identification of ARP/CSLFRF Expenditure Category (EC) (A list of ECs in in the Appendix to the **US Treasury Compliance and Reporting Guidance.**)
  - c. Required justifications for applicable projects, according to the requirements in the Final Rule. Employees or any applicant seeking ARP funding should review the Final Rule and Final Rule Overview prior to submitting a proposal.
  - d. Proposed budget, broken down by cost item, in accordance with the Town of Bermuda Run's Allowable Cost Policy.
  - e. A project implementation plan and estimated implementation timeline (All ARP/CSLFRF funds must be fully obligated by December 31, 2024, and fully expended by December 31, 2026.)
2. Requests for funding must be submitted to the Town Manager of the Town of Bermuda Run for approval. All requests will be reviewed by the Town Manager of the Town of Bermuda Run for ARP/CSLFRF compliance and by the Town Finance Director of the Town of Bermuda Run for allowable costs and other financial review.
3. No ARP/CSLFRF may be obligated or expended before final written approval by the Town Manager of the Town of Bermuda Run, which approval shall not be given until the Bermuda Run Town Council's approval of the obligation or expenditure and adoption of any necessary budget amendments.
4. If a proposal does not meet the required criteria, it will be returned to the requesting party for revision and resubmittal.
5. Following approval, employees responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget. Changes in project budgets must be approved by the Town Manager of the Town of Bermuda Run and may require a budget amendment before proceeding. Any delay in the projected project completion date shall be communicated to the Town Manager of the Town of Bermuda Run immediately.
6. The Town Manager of the Town of Bermuda Run must collect and document required information for each EC, for purposes of completing the required Project and Expenditure reports.
7. The Town Manager of the Town of Bermuda Run must maintain written project requests and approvals, all supporting documentation, and financial information at least until December 31, 2031.





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**Resolution**  
**Allowable Costs and Costs Principles Policy**  
**For the Expenditure of ARP/CSLFRF Funds**

**WHEREAS** the Town of Bermuda Run has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS** the funds may be used for projects within these categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

**WHEREAS** the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the Assistance Listing; and

**WHEREAS** the Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds provides, in relevant part:

**Allowable Costs/Cost Principles.** As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

ARP/CSLFRF Funds may be, but are not required to be, used along with other funding sources for a given project. Note that ARP/CSLFRF Funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs, e.g., funds may not be used for the State share for Medicaid.

Treasury's Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996



are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. Administrative costs: Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the ARP/CSLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the ARP/CSLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the ARP/CSLFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).
- b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of ARP/CSLFRF award funds; and

**WHEREAS** Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARP/CSLFRF funds; and

**WHEREAS** Subpart E of the UG (specifically, 200.400) states that:

The application of these cost principles is based on the fundamental premises that:

- (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.
- (d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the Federal award.
- (e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the

non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.

- (f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees (including pre- and post-doctoral staff) contributing to the completion of Federal awards for research must be recognized in the application of these principles.
- (g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award;

**BE IT RESOLVED** that the Town Council of the Town of Bermuda Run hereby adopts and enacts the following Allowable Costs and Cost Principles Policy for the expenditure of ARP/CSLFRF funds.

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Cindy Poe, Town Clerk

---

Rick Cross, Mayor Town of Bermuda Run



# Town of Bermuda Run Allowable Costs and Costs Principles Policy

## I. ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY OVERVIEW

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart E, defines those items of cost that are allowable, and which are unallowable. The tests of allowability under these principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising).

Town of Bermuda Run shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARP/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARP/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with the Town Manager and the Town Finance Director of the Town of Bermuda Run, who are charged with the administration and financial oversight of the ARP/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARP/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Town Manager of the Town of Bermuda Run. As questions on the allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

## II. GENERAL COST ALLOWABILITY CRITERIA

All costs expended using ARP/CSLFRF funds must meet the following general criteria:

### 1. **Be necessary and reasonable for the proper and efficient performance and administration of the grant program.**

A cost must be *necessary* to achieve a project object. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the Town of Bermuda Run or the proper and efficient performance of the federal award.



- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the ARP/CSLFRF award.
- Market prices for comparable goods or services for the geographic area.
- Whether individuals concerned acted with prudence in the circumstances considering their responsibilities to the Town of Bermuda Run, its employees, the public at large, and the federal government.
- Whether the Town of Bermuda Run significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the ARP/CSLFRF award's cost.

2. **Be allocable to the ARP/CSLFRF federal award.** A cost is allocable to the ARP/CSLFRF award if the goods or services involved are chargeable or assignable to the ARP/CSLFRF award in accordance with the relative benefit received. This means that the ARP/CSLFRF grant program derived a benefit in proportion to the funds charged to the program. *For example, if 50 percent of a local government program officer's salary is paid with grant funds, then the local government must document that the program officer spent at least 50 percent of his/her time on the grant program.*

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized by the ARP/CSLFRF, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.

3. **Be authorized and not prohibited under state or local laws or regulations.**
4. **Conform to any limitations or exclusions set forth in the principles, federal laws, ARP/CSLFRF award terms, and other governing regulations as to types or amounts of cost items.**
5. **Be consistent with policies, regulations, and procedures that apply uniformly to both the ARP/CSLFRF federal award and other activities of the Town of Bermuda Run.**
6. **Be accorded consistent treatment.** A cost MAY NOT be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost. And a cost must be treated consistently for both federal award and non-federal award expenditures.
7. **Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in the UGG.**
8. **Be net of all applicable credits.** The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to and received by the local government related to the federal award, they

shall be credited to the ARP/CSLFRF award, either as a cost reduction or a cash refund, as appropriate and consistent with the award terms.

**9. Be adequately documented.**

**III. SELECTED ITEMS OF COST** The UGG examines the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost) at 2 CFR § 200.420-.475.

The Town Manager and the Town Finance Director of the Town of Bermuda Run are responsible for determining cost allowability must be familiar with the Selected Items of Cost. The Town of Bermuda Run must follow the applicable regulations when charging these specific expenditures to the ARP/CSLFRF grant and the Town Manager and the Town Finance Director of the Town of Bermuda Run will check costs against the selected items of cost requirements to ensure the cost is allowable and that all process and documentation requirements are followed. In addition, State laws, Town of Bermuda Run regulations, and program-specific rules may deem a cost as unallowable, and the Town Manager and the Town Finance Director of the Town of Bermuda Run must follow those non-federal rules as well. Exhibit A identifies and summarizes the Selected Items of Cost.

**IV. DIRECT AND INDIRECT COSTS**

Allowable and allocable costs must be appropriately classified as direct or indirect charges. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

*Direct costs* are expenses that are specifically associated with a particular ARP/CSLFRF-eligible project and that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include salary and fringe benefits of personnel directly involved in undertaking an eligible project, equipment and supplies for the project, subcontracted service provider, or other materials consumed or expended in the performance of a grant-eligible project.

*Indirect costs* are (1) costs incurred for a common or joint purpose benefitting more than one ARP/CSLFRF-eligible project, and (2) not readily assignable to the project specifically benefited, without effort disproportionate to the results achieved. They are expenses that benefit more than one project or even more than one federal grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

For indirect costs, the Town of Bermuda Run may charge a 10 percent de minimis rate of modified total direct costs (MTDC). According to UGG Section 200.68 MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance the subawards under the award). MTDC EXCLUDES equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

**V. SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS**

There are some special provisions of the UG that apply only to states, local governments, and Indian Tribes.

**§ 200.444 General costs of government.**

(a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in § 200.475). Unallowable costs include:

(1) Salaries and expenses of the Office of the Governor of a state or the chief executive of a local government or the chief executive of an Indian tribe;



(2) Salaries and other expenses of a state legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;

(3) Costs of the judicial branch of a government;

(4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in § 200.435); and

(5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

(b) For Indian tribes and Councils of Governments (COGs) (see definition for *Local government* in § 200.1 of this part), up to 50% of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his or her staff can be included in the indirect cost calculation without documentation.

#### **§ 200.416 Cost allocation plans and indirect cost proposals.**

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices V, VI and VII to this part.

#### **§ 200.417 Interagency service.**

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200.



## VI. COST ALLOWABILITY REVIEW PROCESS

### ***Preapproval Cost Allowability Review***

Before an ARP/CSLFRF-funded project is authorized, the Town Manager and the Town Finance Director of the Town of Bermuda Run must review the proposed cost items within an estimated project budget to determine whether they are allowable and allocable and whether cost items will be charged as direct or indirect expenses. This review will occur concurrently with the review of project eligibility and *before* obligating or expending any ARP/CSLFRF funds.

- Local government personnel must submit proposed ARP/CSLFRF projects to the Town Manager and the Town Finance Director of the Town of Bermuda Run for review. In addition to other required information, all proposed project submissions must delineate estimated costs by cost item
- Along with a general review of project eligibility and conformance with other governing board management directives, the Town Manager and the Town Finance Director of the Town of Bermuda Run must review estimated costs for specific allowable cost requirements, budget parameters, indirect rates, fringe benefit rates, and those activities/costs that require pre-approval by the US Treasury. See the Town of Bermuda Run Eligibility Determination Policy.
- If a proposed project includes a request for an unallowable cost, the Town Manager and the Town Finance Director of the Town of Bermuda Run will return the proposal to the requesting party for review and, if practicable, resubmission with corrected cost items.
- Once a proposed project budget is pre-approved by the Town Manager and the Town Finance Director of the Town of Bermuda Run, the local government personnel responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget.

### ***Post-expenditure Cost Allowability Review***

Once an expenditure is incurred related to an eligible project, and an invoice or other demand for payment is submitted to the local government, the Town Manager and the Town Finance Director of the Town of Bermuda Run must perform a second review to ensure that actual expenditures comprise allowable costs.

- All invoices or other demands for payment must include a breakdown by cost item. The cost items should mirror those presented in the proposed budget for the project. If an invoice or other demand for payment does not include a breakdown by cost item, the Finance Director of the Town of Bermuda Run will return the invoice to the project manager and/or vendor, contractor, or subrecipient for correction.
- The Finance Director of the Town of Bermuda Run must review the individual cost items listed on the invoice or other demand for payment to determine their allowability and allocability.
- If all cost items are deemed allowable and properly allocable, funds must proceed through the local government's normal disbursement process.
- If any cost item is deemed unallowable, the Finance Director of the Town of Bermuda Run will notify the project management and/or vendor, contractor, or subrecipient that a portion of the invoice or other demand for payment will not be paid with ARP/CSLFRF funds. The Town Manager and the Town Finance Director of the Town of Bermuda Run may in their discretion, and consistent with this policy, allow an invoice or other demand for payment to be resubmitted with a

revised cost allocation. If the local government remains legally obligated by contract or otherwise to pay the disallowed cost item, it must identify other local government funds to cover the disbursement. The Town of Bermuda Run's governing board must approve any allocation of other funds for this purpose.

The Finance Director of the Town of Bermuda Run must retain appropriate documentation of budgeted cost items per project and actual obligations and expenditures of cost items per project.

## VII. COST TRANSFERS

Any costs charged to the ARP/CSLFRF federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to federal UGG or other applicable guidelines.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding.

### EXHIBIT A

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Advertising and public relations costs	2 CFR § 200.421	Allowable with restrictions
Advisory councils	2 CFR § 200.422	Allowable with restrictions
Alcoholic beverages	2 CFR § 200.423	Unallowable
Alumni/ae activities	2 CFR § 200.424	Not specifically addressed
Audit services	2 CFR § 200.425	Allowable with restrictions
Bad debts	2 CFR § 200.426	Unallowable
Bonding costs	2 CFR § 200.427	Allowable with restrictions
Collection of improper payments	2 CFR § 200.428	Allowable
Commencement and convocation	2 CFR §	Not specifically addressed

costs	200.429	
Compensation – personal services	2 CFR § 200.430	Allowable with restrictions; Special conditions apply (e.g., § 200.430(i)(5))
Compensation – fringe benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and donations	2 CFR § 200.434	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435	Allowable with restrictions
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee health and welfare costs	2 CFR § 200.437	Allowable with restrictions
Entertainment costs	2 CFR § 200.438	Unallowable with exceptions
Equipment and other capital expenditures	2 CFR § 200.439	Allowability based on specific requirement
Exchange rates	2 CFR § 200.440	Allowable with restrictions
Fines, penalties, damages and other settlements	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Gains and losses on disposition of depreciable assets	2 CFR § 200.443	Allowable with restrictions
General costs of government	2 CFR § 200.444	Unallowable with exceptions



Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions
Idle facilities and idle capacity	2 CFR § 200.446	Idle facilities - unallowable with exceptions; Idle capacity - allowable with restrictions
Insurance and indemnification	2 CFR § 200.447	Allowable with restrictions
Intellectual property	2 CFR § 200.448	Allowable with restrictions
Interest	2 CFR § 200.449	Allowable with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)
Maintenance and repair costs	2 CFR § 200.452	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454	Allowable with restrictions; unallowable for lobbying organizations
Organization costs	2 CFR § 200.455	Unallowable except federal prior approval
Participant support costs	2 CFR § 200.456	Allowable with prior approval of the federal awarding agency
Plant and security costs	2 CFR § 200.457	Allowable; capital expenditures are subject to § 200.439
Pre-award costs	2 CFR § 200.458	Allowable if consistent with other allowabilities and with prior approval of the federal awarding agency
Professional services costs	2 CFR §	Allowable with restrictions

	200.459	
Proposal costs	2 CFR § 200.460	Allowable with restrictions
Publication and printing costs	2 CFR § 200.461	Allowable with restrictions
Rearrangement and reconversion costs	2 CFR § 200.462	Allowable (ordinary and normal)
Recruiting costs	2 CFR § 200.463	Allowable with restrictions
Relocation costs of employees	2 CFR § 200.464	Allowable with restrictions
Rental costs of real property and equipment	2 CFR § 200.465	Allowable with restrictions
Scholarships and student aid costs	2 CFR § 200.466	Not specifically addressed
Selling and marketing costs	2 CFR § 200.467	Unallowable with exceptions
Specialized service facilities	2 CFR § 200.468	Allowable with restrictions
Student activity costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination costs	2 CFR § 200.471	Allowable with restrictions
Training and education costs	2 CFR § 200.472	Allowable for employee development
Transportation costs	2 CFR § 200.473	Allowable with restrictions
Travel costs	2 CFR § 200.474	Allowable with restrictions
Trustees	2 CFR § 200.475	Not specifically addressed



120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336)

**Resolution**  
**Record Retention Policy: Documents Created or Maintained**  
**Pursuant to the ARP/CSLFRF Award**

**WHEREAS**, the Town of Bermuda Run is receiving American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds; and,

**WHEREAS**, all financial and programmatic records related to ARP/CSLFRF must be retained for a period of five years after all CSLFRF funds have been expended or returned to the US Department of Treasury, whichever is later; and,

**WHEREAS**, all records must be retained pursuant to the attached policy.

**BE IT RESOLVED THAT THE TOWN COUNCIL OF THE TOWN OF BERMUDA RUN** adopts and enacts the attached Record Retention Policy: Documents Created or Maintained Pursuant to the ARP/CSLFRF Award.

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Cindy Poe, Town Clerk  
Run

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Rick Cross, Mayor of the Town of Bermuda





## **Record Retention Policy: Documents Created or Maintained Pursuant to the ARP/CSLFRF Award**

**Retention of Records:** The Coronavirus Local Fiscal Recovery Funds (“CSLFRF”) Award Terms and Conditions and the Compliance and Reporting Guidance set forth the U.S. Department of Treasury’s (“Treasury”) record retention requirements for the ARP/CSLFRF award.

It is the policy of the Town of Bermuda Run to follow Treasury’s record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award. Accordingly, the Town of Bermuda Run agrees to the following:

- Retain all financial and programmatic records related to the use and expenditure of CSLFRF pursuant to the ARP/CSLFRF award for a period of five (5) years after all CLFRF funds have been expended or returned to Treasury, whichever is later.
- Retain records for real property and equipment acquired with CSLFRF for five years after final disposition.
- Ensure that the financial and programmatic records retained sufficiently evidence compliance with section 603(c) of the Social Security Act “ARPA,” Treasury’s regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
- Allow the Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, the right of timely and unrestricted access to any records for the purpose of audits or other investigations.
- If any litigation, claim, or audit is started before the expiration of the 5-year period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved.

**Covered Records:** For purposes of this policy, records are information, regardless of physical form or characteristics, that are created, received, or retained that evidence the Town of Bermuda Run’s expenditure of CSLFRF funds on eligible projects, programs, or activities pursuant to the ARP/CSLFRF award.

Records that shall be retained pursuant to this policy include, but are not limited to, the following:

- Financial statements and accounting records evidencing expenditures of CSLFRF for eligible projects, programs, or activities.
- Documentation of rational to support a particular expenditure of CSLFRF (e.g., expenditure constitutes a general government service);
- Documentation of administrative costs charged to the ARP/CSLFRF award;
- Procurement documents evidencing the significant history of a procurement, including, at a minimum, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for contract cost or price;
- Subaward agreements and documentation of subrecipient monitoring;

- Documentation evidencing compliance with the Uniform Guidance property management standards set forth in 2 C.F.R. §§ 200.310-316 and 200.329;
- Personnel and payroll records for full-time and part-time employees compensated with CSLFRF, including time and effort reports; and
- Indirect cost rate proposals

**Storage:** Town of Bermuda Run's records must be stored in a safe, secure, and accessible manner. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

**Departmental Responsibilities:** Any department or unit of the Town of Bermuda Run, and its employees, who are responsible for creating or maintaining the covered documents in this policy shall comply with the terms of this policy. Failure to do so may subject the Town of Bermuda Run to civil and/or criminal liability. Any employee who fails to comply with the record retention requirements set forth herein may be subject to disciplinary sanctions, including suspension or termination. The Finance Director of the Town of Bermuda Run is responsible for identifying the documents that the Town of Bermuda Run must or should retain and arrange for the proper storage and retrieval of records. The Town Manager of the Town of Bermuda Run shall also ensure that all personnel subject to the terms of this policy are aware of the record retention requirements set forth herein.

**Reporting Policy Violations:** The Town of Bermuda Run is committed to enforcing this policy as it applies to all forms of records. Any employee that suspects the terms of this policy have been violated shall report the incident immediately to that employee's supervisor. If an employee is not comfortable bringing the matter up with the supervisor, the employee may bring the matter to the attention of the Mayor of the Town of Bermuda Run. The Town of Bermuda Run prohibits, any form of discipline, reprisal, intimidation, or retaliation for reporting incidents of inappropriate conduct of any kind, pursuing any record destruction claim, or cooperating in related investigations.

**Questions About the Policy:** Any questions about this policy should be referred to Andrew Meadwell, Town Manager ([ameadwell@townofbr.com](mailto:ameadwell@townofbr.com), 336-998-0906) who is in charge of administering, enforcing, and updating this policy.





## **Resolution**

### **Nondiscrimination Policy for CSLFRF funds**

**WHEREAS**, the Town of Bermuda Run has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”).

**WHEREAS**, CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22.

**WHEREAS**, pursuant to the ARP/CSLFRF Award Terms and Conditions, and as a condition of receiving CSLFRF funds, the Town of Bermuda Run agrees to follow all federal statutes and regulations prohibiting discrimination in its administration of CSLFRF under the terms and conditions of the ARP/CSLFRF award, including, without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin within programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**RESOLVED**, That the Town Council of the Town of Bermuda Run hereby adopts and enacts the following nondiscrimination policy, which shall apply to the operations of any program, activity, or facility that is supported in whole, or in part, by expenditures CSLFRF pursuant to the ARP/CSLFRF award.

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Cindy Poe, Town Clerk

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Rick Cross, Mayor Town of Bermuda Run



## **Nondiscrimination Policy Statement**

It is the policy of the Town of Bermuda Run to ensure that no person shall, on the ground of race, color, national origin (including limited English Proficiency), familial status, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity administered by the Town of Bermuda Run, including programs or activities that are funded in whole or part, with Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF"), which the Town of Bermuda Run received from the U.S. Department of Treasury ("Treasury") pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (herein the "ARP/CSLFRF award").

### **I. Governing Statutory & Regulatory Authorities**

As required by the CSLFRF [Award Terms and Conditions](#), the Town of Bermuda Run shall ensure that each "activity," "facility," or "program" that is funded in whole, or in part, with CSLFRF and administered under the ARP/CSLFRF award, will be facilitated, operated, or conducted in compliance with the following federal statutes and federal regulations prohibiting discrimination. These include, but are not limited to, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age within programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

### **II. Discriminatory Practices Prohibited in the Administration of the ARP/CSLFRF Award**

To ensure compliance with Title VII of the Civil Rights Act of 1964, and Title 31 Code of Federal Regulations, Part 22, the Civil Rights Restoration Act of 1987, and other pertinent nondiscrimination authorities, the Town of Bermuda Run shall prohibit, at a minimum, the following practices in its administration of CSLFRF pursuant to the ARP/CSLFRF award:

1. Denying to a person any service, financial aid, or other program benefit without good cause;
2. Providing to a person any service, financial aid, or another benefit which is different in quantity or quality, or is provided in a different manner, from that provided to others under the program.
3. Subjecting a person to segregation or separate treatment in any matter related to the receipt of any service, financial aid, or other benefit under the program;
4. Restricting a person in the enjoyment of any advantages, privileges, or other benefits enjoyed by others receiving any service, financial aid, or other benefit under the program;
5. Treating a person differently from others in determining whether that person satisfies any admission, enrollment, quota, eligibility, membership, or other requirement or condition which persons must meet to be provided any service, financial aid, or other benefit provided under the program;
6. Implementing different standards, criteria, or other requirements for admission, enrollment, or participation in planning, advisory, contractual, or other integral activities to the program;

7. Adopting methods of administration which, directly or through contractual relationships, would defeat or substantially impair the accomplishment of effective nondiscrimination;
8. Selecting a site or location of facilities with the purpose or effect of excluding persons from, denying them the benefits of, subjecting them to discrimination, or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of Title VI or related acts and regulations;
9. Discriminating against any person, either directly or through a contractual agreement, in any employment resulting from the program, a primary objective of which is to provide employment;
10. Committing acts of intimidation or retaliation, including threatening, coercing, or discriminating against any individual for the purpose of interfering with any right or privilege secured by any pertinent nondiscrimination law, or because an individual made a complaint, testified, assisted, or participated in an investigation, proceeding, or hearing.

### **III. Reporting & Enforcement**

1. The Town of Bermuda Run shall cooperate in any enforcement or compliance review activities by the Department of the Treasury. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Town of Bermuda Run shall comply with information requests, on-site compliance reviews, and reporting requirements.
2. The Town of Bermuda Run shall maintain a complaint log and inform the Treasury of any complaints of discrimination on the grounds of race, color, or national origin (including limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, whether pending or completed, including the outcome. The Town of Bermuda Run shall inform the Treasury if it has received no complaints under Title VI.
3. Any person who believes they have been aggrieved by a discriminatory practice under Title VI has a right to file a formal complaint with the Treasury. Any such complaint must be in writing and filed with the Treasury's Title VI Coordinator within one hundred eighty (180) days following the date of the alleged discriminatory occurrence.
4. Any person who believes that because of that person's race, color, national origin, limited English proficiency, familial status, sex, age, religion, or disability that he/she/they have been discriminated against or unfairly treated by the Town of Bermuda Run in violation of this policy should contact the following office within 180 days from the date of the alleged discriminatory occurrence:

Andrew Meadwell, Town Manager  
120 Kinderton Blvd, Suite 100  
Bermuda Run, NC 27006  
336-998-0906

## **(ITEM 10 A)**



120 Kinderton Boulevard, Suite 100 • Bermuda Run, NC 27006  
(336) 998-0906 • Fax (336) 998-7209 • [www.townofbr.com](http://www.townofbr.com)

**To:** Town Council  
**From:** Andrew Meadwell, Town Manager  
**CC:** Dora Robertson, Finance Director  
**Date:** December 1, 2022  
**Re:** FPIC's Response letter to NC Dept. of State Treasurer

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The financial performance indicator for fund balance available does not set a minimum requirement for fund balance available. This indicator is used to identify units whose fund balance available falls below other units with similar General Fund expenditures. An FPIC in fund balance available doesn't necessarily indicate financial or fiscal management weaknesses but is used to provide the local government and the staff of the LGC with a means of identifying *potential* issues or concerns in the general fund. If the government habitually uses fund balance to balance the General Fund operating budget over several years, then this FPIC may indicate that the local government is facing fiscal issues. Fund balance should not be used to finance recurring operating expenditures, such as salaries and benefits or utilities.

Response to FPIC's must be signed by the majority of the governing board and by both the manager and finance director. The response must be submitted within 60 days of the auditor's presentation to the governing board.





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December 13, 2022

*Mr. H. Jones Norris, Jr.*  
*Senior Accounting & Financial Management Advisor*  
*State and Local Government Finance Division*  
*North Carolina Department of State Treasurer*

Re: Response Addressing “FPICs” Identified on June 30, 2022, Audit

Dear Mr. Norris:

Mr. Tony Brewer, with Eddie Carrick, CPA, presented the June 30, 2022, audit to the Bermuda Run Town Council. Mr. Brewer shared the newly established Performance Indicator Worksheet that triggered a need for response on the following:

For the year ending June 30, 2022, the percentage of fund balance available for appropriation in the General Fund declined to 32.36% of current year’s expenditures due to a one-time expenditure in the amount of \$809,811 for the General Fund’s US Hwy 158 Capital Project. For the four years prior to 2022, Bermuda Run’s percentage of fund balance available for appropriation averaged 118%. The Town is confident that this particular indicator of concern for 2022 is an anomaly and we feel the Town will show great improvement with this indicator going forward.

The audit presentation also spoke to inherent limitations to segregation of duties among the Town of Bermuda Run’s personnel. Although this does not require a response, this is to inform that alternate controls have been put in place to compensate for any lack of segregation of duties.

- The Finance Director will prepare checks, which will be reviewed and signed off by the Town Manager. Dual signatures for checks are required, one of which includes the mayor.
- A reconciliation of monthly bank statements will be prepared by the Finance Director. This will then be reviewed and signed off by the Town Manager for file.
- The Finance Director will maintain the general ledger, will be reviewed, and signed off monthly by the Town Manager.

We thank you for the opportunity to respond with the steps taken and plan to address the FPICs identified.

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Andrew Meadwell –Town Manager

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Rick Cross – Mayor

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Mike Brannon – Council Member

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Curtis Capps – Council Member

\_\_\_\_\_  
Heather Coleman – Council Member

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Mike Ernst – Council Member

\_\_\_\_\_  
Melinda Szeliga – Council Member

\_\_\_\_\_  
Dora Robertson, Finance Director