



**Town of Davidson  
Board of Commissioners Regular Meeting  
Town Hall & Community Center Council Chamber – 251 South Street  
Tuesday, March 24, 2026 at 6:00 PM**

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**I. CALL TO ORDER**

**II. ANNOUNCEMENTS / PROCLAMATIONS**

- a. Davidson Horticultural Symposium 40th Anniversary**
- b. Child Abuse Prevention Month**
- c. National Donate Life Month**
- d. Esophageal Cancer Awareness Month**

**III. CHANGES / ADOPTION OF THE AGENDA**

**IV. PUBLIC COMMENT - The Board shall provide at least one period for public comment per month at a regular meeting.**

Prior to the start of the public comment period, persons wishing to address the Board of Commissioners will register on a sign-up sheet stationed by the meeting room door.

**V. CONSENT**

Consent items are typically non-controversial and routine items. Prior to the board's adoption of the meeting agenda, the request of any member to have an item moved from the consent agenda to old business must be honored by the board. All items on the consent agenda must be voted on and adopted by a single motion.

- a. Consider Approval of Draft February Meeting Minutes**  
**Summary:** Draft Meeting Minutes from the February 10 and February 24 regular meetings and the February 11 - 13 Strategic Retreat.
- b. Approval of Tax Levy Adjustments**  
**Summary:** The Town received tax levy adjustment refund check requests from the Mecklenburg County Assessor's Office for \$2,408.67 including interest, for 3 property owners on 15 parcels. The refunds will be issued directly by the Town of Davidson. Details regarding the refund requests are available in the Finance Office.
- c. Approval of FY2026 Audit Contract and Engagement Letter**

**Summary:** The Town is required to have an annual audit per state law. This will be the second year RH CPA's will provide audit services. The contract and engagement letter are attached. Total cost for these services will be: \$35,700.

**d. Consider Approval of Noise Ordinance Variance Request – Sigma Alpha Epsilon at Davidson College on April 8, 2026**

**Summary:** Sigma Alpha Epsilon at Davidson College has requested a noise ordinance variance for Wednesday, April 8, 2026, from 9:00 p.m. to 11:00 p.m., for a chapter event at the fraternity house on campus. Staff have reviewed and have no objections.

**e. Consider Approval of Noise Ordinance Variance Request – Sigma Alpha Epsilon at Davidson College on April 18, 2026**

**Summary:** Sigma Alpha Epsilon at Davidson College has requested a noise ordinance variance for Saturday, April 18, 2026, from 9:00 p.m. to 12:00 a.m., for a chapter event at the fraternity house on campus. Staff have reviewed and have no objections.

**f. Consider Approval of Noise Ordinance Variance Request – Davidson College Spring Concert April 24, 2026**

**Summary:** Davidson College has requested a noise ordinance variance for Friday, April 24, for Spring Concert on the Old Tennis Court Lawn from 8:00 p.m. to 12:00 a.m. Staff has reviewed and have no objections.

**g. Consider Approval of Resolution 2026-03 Declaring Surplus Property and Authorizing Disposal**

**Summary:** Resolution 2026-03 declares the retiring Police Officer's service side arm surplus to the Town of Davidson and authorizes the Town Manager to present the service side arm to Anthony Sosnowski.

**h. Consider Approval of Resolution 2026-04 Evergreen Fund**

**Summary:** The Town's Comprehensive Plan calls for exploring the establishment of a "buffer" fund to invest in future green building or renewable energy opportunities. The Evergreen Fund is in support of the Town's Strategic Plan sustainability goal by providing funding opportunities for Climate Action Plan implementation. The Evergreen Fund is meant to build and provide funding capacity for sustainability-related projects that otherwise may not be possible due to cost or available project funding. This item was previously discussed at the March 10 meeting. The Board is asked to approve Resolution 2026-04 establishing the Town of Davidson Evergreen Fund.

**i. Consider Approval of Resolution 2026-06 Authorizing the Conveyance of 545 Annie Lowery Way to an Income-Qualified Buyer**

**Summary:** The Town owns a town home located at 545 Annie Lowery Way at Parkside Commons in Davidson. This property is designated as an affordable home in the Town of Davidson's Affordable Housing Program. The Town plans to sell the unit to buyers who meet the requirements of the Affordable Housing Program

and will attach covenants and terms to the conveyance so the property will remain in the Affordable Housing Program for a designated term. The Town Clerk will publish a notice summarizing the contents of the attached resolution and the property may be sold after 10 days. This item includes a resolution which authorizes the conveyance of the property and authorizes the Town Manager to execute all necessary documents.

**j. Consider Approval of Resolution 2026-07 Authorizing the Conveyance of 549 Annie Lowery Way to an Income-Qualified Buyer**

**Summary:** The Town owns a town home located at 509 Annie Lowery Way at Parkside Commons in Davidson. This property is designated as an affordable home in the Town of Davidson's Affordable Housing Program. The Town plans to sell the unit to buyers who meet the requirements of the Affordable Housing Program and will attach covenants and terms to the conveyance so the property will remain in the Affordable Housing Program for a designated term. The Town Clerk will publish a notice summarizing the contents of the attached resolution and the property may be sold after 10 days. This item includes a resolution which authorizes the conveyance of the property and authorizes the Town Manager to execute all necessary documents.

**VI. BUSINESS ITEMS**

**a. Consider Approval of Demolition of Structures at 228 Sloan Street and 248 Jetton Street**

**Presenter:** Austin Nantz, Assistant Town Manager

**Summary:** At the March 10 meeting, staff discussed the recommendation regarding the demolition of the Town-owned homes at 228 Sloan Street and 248 Jetton Street. The structures are vacant and in varying states of disrepair. Their removal will improve site conditions and position the properties for potential future affordable housing development.

**Action/Proposed Motion:** Motion to approve demolition of the structures at 228 Sloan Street and 248 Jetton Street.

**b. Consider Approval of the 2026 - 2027 Strategic Plan**

**Presenter:** Austin Nantz, Assistant Town Manager

**Summary:** The proposed 2026-2027 Strategic Plan was developed through a comprehensive and collaborative process involving the Board of Commissioners and the Town's management team and key staff members. The final recommended plan includes edits from the March 4 public work session, and discussion at the March 10 regular board of commissioners' meeting. The attached plan for consideration and approval outlines seven goal areas with associated strategies to guide policy direction, resource allocation, and organizational focus over the next two years.

**Action/Proposed Motion:** Motion to approve the 2026-2027 Strategic Plan.

**c. Consider Approval of Resolution 2026-05 Interlocal Agreement with Town of Mooresville for Maintenance of Pedestrian Safety Signals (RRFBs)**

**Presenter:** Jesse Bouk, Public Works Director

**Summary:** Rectangular Rapid Flashing Beacons (RRFBs) are pedestrian-activated, LED-based warning devices installed at uncontrolled, marked crosswalks to increase driver yielding throughout Town. It has been a challenge to find private sector vendors for repairs. The Town has explored multiple options, and staff recommends proceeding with an interlocal agreement with the Town of Mooresville. The initial agreement would cost the Town \$50,000 in FY2027, paid from Pedestrian Safety budget in CIF.

**Action/Proposed Motion:** Motion to approve Resolution 2026-05 Interlocal Agreement with Town of Mooresville for Maintenance of Pedestrian Safety Signals (RRFBs).

## **VII. SUMMARIZE MEETING ACTION ITEMS**

Town Manager will summarize items where the board has requested action items for the staff.

## **VIII. ADJOURN**



**A PROCLAMATION**  
**Celebrating the 40<sup>th</sup> Anniversary**  
**of the Davidson Horticulture Symposium**

**WHEREAS**, what began as a garden club in the home of Mrs. Robert Cashion in January 1957 with eight members, became the beginning of what was to culminate in 1985, when the Davidson Garden Club sponsored the first Davidson Horticulture Symposium at Davidson College; and

**WHEREAS**, over the years distinguished itself philanthropically by giving aid locally and throughout the state, such as to Hurricane Katrina victims, through supporting the Davidson Lands Conservancy, preserving a major Mecklenburg County wetland, statewide gardens, and purchasing trees for the Davidson College Campus and in Town; and

**WHEREAS**, by improving foundational plantings at the Armour Street Theatre, donating trees to the Memorial Garden at Roosevelt Wilson Park, and raising funds for Trees Davidson so the entrance to Fisher Farm Park would be lined with trees; and

**WHEREAS**, planting the rose garden and installing irrigation for the U.S. Post Office gardens, and worked with the Town of Davidson to design landscaping at Beaty Park; and

**WHEREAS**, we recognize the Davidson Garden Club for receiving an award from the Garden Clubs of North Carolina, and all their contributions to the Town of Davidson.

**NOW, THEREFORE**, I, Mayor Rusty Knox along with the Board of Commissioners of the Town of Davidson, do hereby proclaim our support and admiration to the Davidson Garden Club and celebrate the 40<sup>th</sup> year of the Davidson Horticultural Symposium. We are grateful for the hard work and enduring beauty to the public spaces in our Town, and we commend them for this remarkable history and service commitment to our entire community.

**Proclaimed** this 10<sup>th</sup> day of March 2026.

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Rusty Knox Mayor



**A PROCLAMATION**  
**Child Abuse Prevention Month**

**WHEREAS**, North Carolina’s 2026 Child Prevention Month theme “Positive Childhoods Start with Us”, highlights that our role in building strong communities is critical for working in partnerships with child advocates to support families with children and build hope for Positive Childhood Experiences; and

**WHEREAS**, childhood trauma can have long-term psychological, emotional, and physical effects throughout an individual’s lifetime and impact future generations of their family; and

**WHEREAS**, childhood trauma, including abuse and neglect, is a serious problem affecting every community, and finding solutions requires input and action from everyone; and

**WHEREAS**, children who live in families with access to concrete economic and social support are less likely to experience abuse and neglect; and

**WHEREAS**, we can nurture positive childhoods because of the partnerships created between families, prevention advocates, child welfare professionals, education, health, community, and faith-based organizations, businesses, law enforcement agencies, and local, state, and national governments; and

**WHEREAS**, we recognize the need to prioritize kids and invest in more prevention initiatives like home visiting and family-strengthening policies, economic supports, and community-based child abuse prevention programs at the national, state, and local levels.

**NOW, THEREFORE**, I, Rusty Knox, Mayor of the Town of Davidson, do hereby proclaim April as Child Abuse Prevention Month and urge all citizens to recognize this month by building a narrative of hope for children and families through collaboration and the creation of an ecosystem of primary prevention that does not currently exist in this country.

**Proclaimed** this 24th day of March 2026.

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Rusty Knox  
Mayor



**A PROCLAMATION**  
**National Donate Life Month**

**WHEREAS**, National Donate Life Month is celebrated every April; and

**WHEREAS**, This April's Donate Life Month theme is "*Leave a Legacy*" and uses trees as a symbol of life and connection. Just like trees grow and support each other in a forest, donation connects people – donors, recipients, and their families. Like a tree that grows and stands for generations, a donor's gift leaves a legacy of hope and life; and

**WHEREAS**, National Donate Life Month is a time to educate about organ, eye and tissue donation, and to honor and remember donors and the lives they have saved and healed; and

**WHEREAS**, Organ, eye, and tissue donations are life-giving acts of compassion to those in need; and

**WHEREAS**, The decision to be an organ, eye and tissue donor gives hope to the 100,000 people on the national organ transplant waiting list who are waiting for a second chance at life; and

**WHEREAS**, Tissue transplants save and heal lives each year, with approximately 2.5 million performed annually, benefiting individuals with various conditions, including severe burns, ligament tears, and those needing corneal or heart valve replacements; and

**WHEREAS**, North Carolinians can personally authorize their donation when applying for or renewing their licenses or ID cards at the Department of Motor Vehicles or online at [www.donatelifenc.org](http://www.donatelifenc.org); and

**WHEREAS**, Healthcare professionals, volunteers, educators, government agencies, faith-based and community groups, and private organizations can advocate to boost the number of organ, eye, and tissue donors throughout North Carolina.

**NOW, THEREFORE**, I, Mayor Rusty Knox of the Town of Davidson, do hereby proclaim April 2026 as Donate Life Month and support all people in leading healthy, productive, and successful lives, and encourage residents to consider giving the precious gift of life by becoming registered organ, eye, and tissue donors.

**Proclaimed this 24th day of March 2026.**

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Rusty Knox  
Mayor



## A PROCLAMATION

### Esophageal Cancer Awareness Month in the Town of Davidson

**WHEREAS**, Esophageal Cancer is one of the fastest-increasing cancer concerns among men with the risks being 3 to 4 times more likely to develop than in women; and

**WHEREAS**, Esophageal Cancer is one of the fastest growing cancers in the United States and has been for the past 30 – 40 years; and

**WHEREAS**, Esophageal Cancer is among the deadliest of cancers, with only about one in five patients surviving five years; and

**WHEREAS**, Esophageal Cancer has low survival rates because it is usually discovered at advanced stages when treatment outcomes are poor; and

**WHEREAS**, Esophageal Cancer in the U.S. is most often caused by persistent heartburn or gastroesophageal reflux disease (GERD), yet many who are at risk are unaware of the potential danger GERD can present when it occurs over several weeks or months; and

**WHEREAS**, Esophageal Cancer can be a silent killer with patients often unaware that the heartburn, cough, hoarse voice, sore throat, chest pain, or other symptoms they suffer can be signs of GERD and are reasons to discuss screening for Esophageal Cancer with their health care provider; and

**WHEREAS**, Esophageal Cancer can develop from GERD when fluids from the stomach splash into the esophagus, creating cellular change resulting in a precancerous condition known as Barrett's Esophagus, which can lead to a 30-fold increase in a patient's risk of developing Esophageal Cancer; and

**WHEREAS**, Esophageal Cancer can be prevented through early detection of its precursor, Barrett's Esophagus, which can be eliminated with curative outpatient techniques; and

**WHEREAS**, The Esophageal Cancer Action Network, ECAN, is working to improve public awareness throughout the nation of the link between Heartburn and Cancer and supports progress in early detection and treatment of Esophageal Cancer; and

**WHEREAS**, Esophageal Cancer awareness along with improvements in prevention, early detection and treatment strategies will enhance the health and well-being of citizens of the Town of Davidson.

**NOW, THEREFORE**, I, Rusty Knox, Mayor of the Town of Davidson, North Carolina, do hereby proclaim **April 2026 as Esophageal Cancer Awareness Month** in the Town of Davidson.

**Proclaimed** this 24<sup>th</sup> day of March, 2026.

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Rusty Knox  
Mayor



February 10, 2026

**SECOND TUESDAY MEETING  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its regularly scheduled meeting on Tuesday, February 10, 2026 in the Town Hall and Community Center Council Chamber. Present were Mayor Rusty Knox, Commissioners Ryan Fay, Steve Justus, Tracy Mattison-Brandon, Autumn Rierson Michael, and Connie Wessner. Town Manager Jamie Justice, Assistant Town Manager Austin Nantz, Town Attorney Karen Wolter, and Town Clerk Betsy Shores were also present.

- **CALL TO ORDER**

Mayor Knox called the meeting to order at 6:00 p.m.

- **ANNOUNCEMENTS**

Town Clerk/Communications Director Betsy Shores announced the following: Summer Camp Registration with the Parks & Recreation Department is just around the corner. The 2026 Summer Camp Guide will be available on Monday, February 16. Registration for Town of Davidson residents opens on Monday, February 23 at 9:00 a.m. and registration for non-Davidson residents opens on Sunday, March 1 at 9:00 a.m.

The Town of Davidson is partnering with NAMI, the National Alliance on Mental Illness Charlotte Chapter for two upcoming events:

On Thursday, February 19, at 6:30 p.m., the Town of Davidson, the NAMI, and HopeWay will host a panel discussion of leading experts in the fields of Artificial Intelligence and teen mental health titled Guiding Healthy Minds: Supporting Youth in Responsible AI Relationships. The event will take place in the Auditorium of the Davidson Town Hall and Community Center. There is no cost to attend, and registration is encouraged.

On Saturday, February 21, from 12:00 p.m. to 3:00 p.m., the community is invited to DeStress Davidson, a collaborative event to support individuals looking for ways to destress during daily life stressors. Try out multiple de-stress activities, enjoy local food, and connect with area providers to extend your wellness. Find what works for you, learn with our leaders, and take home a practice that will give you a moment of quiet, calm, reset, and de-stress. There is no cost to attend, and registration is encouraged.

Mayor Knox read a proclamation for **Recognition of Hough High School Huskies Football Team Winning the North Carolina State Championship**. Mayor Knox presented the proclamation to Hough High School Football Coach Baker and players that were present at the meeting.

- **CHANGES/ADOPTION OF THE AGENDA**

There were no changes to the agenda.

***Mayor Pro Tem Rierson Michael made a motion to adopt the agenda. The motion passed unanimously (5-0).***

- **BUSINESS ITEMS**

(a) Police Chief Philip Geiger presented the **proposed ordinance seeking to address the operation of bicycles, e- bikes, and personal conveyance vehicles** in the Town of Davidson.

The Davidson Police Department and many of our regional neighbors have seen a marked increase in the number of individuals operating electric-assisted bicycles and other variants that do not meet the current legal standards. This proposed ordinance will provide educational and enforcement options to enhance safety throughout the town for all residents.

The Board of Commissioners will be asked to adopt the ordinance at the February 24 meeting.

(b) Principal Planner Trey Akers presented an update on the **Davidson Comprehensive Plan Implementation**.

Adopted in January 2020 following an 18-month public engagement and plan drafting process, the Comprehensive Plan serves as the Town's long-range vision and guiding framework for the next 30 years. The Town's Strategic Plan is built off the priorities from the Comprehensive Plan. The Comprehensive Plan contains sets of goals and policies intended to achieve the community's vision and features 225 Action Items and Key Metrics to implement the plan. These measures are updated annually and, beginning this year, are reflected in an interactive online dashboard that displays progress. The presentation included achievements and progress made in 2025.

(c) Assistant Town Manager Austin Nantz discussed with the Board of Commissioners the Pre-Construction Services Agreement with JE Dunn for the Fire Station 1 Project using the Construction Manager at Risk (CMAR) delivery method.

The agreement authorizes JE Dunn to provide pre- construction services, including cost estimating, constructability and phasing reviews, value engineering, scheduling, and coordination with the design team. These services will support design completion, provide a solid foundation for establishing a Guaranteed Maximum Price (GMP), enhance cost certainty, and reduce construction risk prior to consideration of a construction phase agreement.

The Board of Commissioners will be asked to consider approval of the agreement with J.E. Dunn on the February 24, 2026 consent agenda.

- **SUMMARIZE MEETING ACTION ITEMS**

Town Manager Justice summarized the meeting action items.

- **CLOSED SESSION**

*Mayor Pro Tem Rierson Michael made a motion to move to closed session pursuant to North Carolina General Statute §143-318.11 (a) (6)– Personnel and invite Human Resources Director Amber Levi to join the session at 7:21 p.m. The motion passed unanimously (5-0).*

*Commissioner Wessner made a motion to end closed session and resume open session at 8:18 p.m. The motion passed unanimously (5-0).*

- **ADJOURN**

*Commissioner Justus made a motion to adjourn the meeting. The motion passed unanimously (5-0).*

The meeting adjourned at 8:20 p.m.

**Attest:**

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Elizabeth K. Shores  
Town Clerk

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Rusty Knox  
Mayor



February 24, 2026

**FOURTH TUESDAY MEETING  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its regularly scheduled meeting on Tuesday, January 27, 2026 in the Town Hall and Community Center Council Chamber. Present were Mayor Knox, Commissioners Ryan Fay, Steve Justus, Tracy Mattison-Brandon, Autumn Rierson Michael, and Connie Wessner. Town Manager Jamie Justice, Assistant Town Manager Austin Nantz, Town Attorney Kevin Bringewatt, and Town Clerk Betsy Shores were also present.

- **CALL TO ORDER**

Mayor Knox called the meeting to order at 6:00 p.m.

- **ANNOUNCEMENTS**

Town Clerk/Communications Director Betsy Shores announced the following:

As a reminder, Summer Camp Registration with the Parks & Recreation Department is now open for Town of Davidson residents and registration for non-Davidson residents opens on Monday, March 2 at 9:00 a.m.

The Mecklenburg County Government Live Well Meck Tour is coming to Davidson on Saturday, March 7, from 12:00 p.m. - 1:30 p.m. in the Lower Level of the Davidson Town Hall & Community Center. Come hear the latest Community Health Assessment for Davidson and share your thoughts on a healthy future for Mecklenburg County.

Town of Davidson and Town of Cornelius residents are invited to the Charlotte Knights game on Thursday, April 23, 2026, for the Cornelius/Davidson Town Takeover event. Join us at the ballpark as we bring together the Cornelius and Davidson communities for a town appreciation event!

The Charlotte Knights will host the Nashville Sounds at 7:04 PM, with the first pitch thrown by Town of Davidson Mayor Rusty Knox.

- **CHANGES/ADOPTION OF THE AGENDA**

No changes to the agenda.

***Commissioner Mattison-Brandon made a motion to adopt the agenda. The motion passed unanimously (5-0).***

- **QUARTERLY COMMISSIONER REPORTS**

Each board member provided an update of the outside Board to which they have been appointed.

Centralina Regional Council - Commissioner Autumn Rierson Michael  
Charlotte Regional Transportation Planning Organization – Mayor Knox  
CMS Community Capital and Bond Committee - Commissioner Ryan Fay  
Lake Norman Chamber of Commerce – Commissioner Tracy Mattison Brandon  
Lake Norman Transportation Commission – Mayor Knox  
Metropolitan Transit Commission - Mayor Rusty Knox  
Visit Lake Norman - Commissioner Steve Justus

- **PUBLIC COMMENT**

The public comment period opened at 6:15 p.m. and closed at 6:21 p.m. Two people spoke during the public comment period.

Steve Sonnenberg spoke about the proposed Strategic Plan.

Mecklenburg County Commissioner Mark Jerrell thanked the Board of Commissioners on behalf of the Mecklenburg County Board of Commissioners.

- **CONSENT AGENDA**

Approval of Draft January Meeting Minutes  
Approval to Authorize the Town Manager to Negotiate and Execute Agreement for Fire Station 1 CMAR Partner, J. E. Dunn  
Approval of Noise Ordinance Variance Request – Sigma Alpha Epsilon at Davidson College on February 27, 2026  
Approval of Noise Ordinance Variance Request – Sigma Alpha Epsilon at Davidson College on March 25, 2026  
Approval of Amendment to the 2026 Meeting Schedule

***Commissioner Wessner made a motion to approve the consent agenda. The motion passed unanimously (5-0).***

- **BUSINESS ITEMS**

(a) Transportation Planner Andrew Golden presented the **Mobility and Vision Zero Sub-Committee 2026 Recommendations**. The Mobility Plan, adopted by the Board of Commissioners in August 2019, is a local comprehensive transportation plan that provides a town-wide vision and coordinated recommendations for multi-modal travel and access within and through town. The Vision Zero Action Plan, adopted by the Board of Commissioners in June 2023, is a local plan for the Town to achieve and maintain zero fatalities and serious injuries on the roadway. It tracks and evaluates implementation of priority actions that are designed to create a culture of safety that prioritizes the lives of all road users.

Last year, the Vision Zero Task Force merged with the Mobility Plan Sub- Committee to create the Mobility and Vision Zero Sub-Committee. This group met in January 2026 and focused their recommendations on increasing bicycle safety and infrastructure throughout town, continuing public education on transportation safety, and providing more alternatives to vehicular transportation.

(b) Police Chief Phil Geiger reviewed with the Board of Commissioners the **proposed Town of Davidson Municipal Code related to the regulation of Bicycles, E-Bikes, and Personal Conveyance Vehicles**. The Davidson Police Department and many of our regional neighbors have seen a marked increase in the number of individuals operating electric-assisted bicycles and other variants that do not meet the current legal standards. This ordinance will provide educational and enforcement options to enhance safety throughout the Town for all residents. This item was previously discussed at the February 10th Board of Commissioners Meeting.

*Commissioner Wessner made a motion to adopt Ordinance 2026-02 for the Town of Davidson Municipal Code related to the regulation of Bicycles, E-Bikes, and Personal Conveyance Vehicles. The motion passed unanimously (5-0).*

- **SUMMARIZE MEETING ACTION ITEMS**

Town Manager Justice summarized the meeting action items.

- **ADJOURN**  
*Commissioner Wessner made a motion to adjourn the meeting. The motion passed unanimously (5-0).*

The meeting adjourned at 7:03 p.m.

**Attest:**

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk

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Rusty Knox  
Mayor



February 12-13, 2026

**2026 STRATEGIC PLANNING RETREAT  
TOWN OF DAVIDSON BOARD OF COMMISSIONERS**

The Town of Davidson Board of Commissioners held its Strategic Planning Retreat on Thursday, February 12 and Friday, February 13 at the Carolina Inn, Pinehurst NC. Present were Mayor Rusty Knox and Commissioners Ryan Fay, Steve Justus, Tracy Mattison Brandon, Autumn Rierson Michael, and Connie Wessner. Town Manager Jamie Justice, Assistant Town Manager Austin Nantz, Town Clerk/Communications Betsy Shores, Economic Development Director Kim Fleming, Finance Director Pieter Swart, Deputy Fire Chief Will Keller, Human Resources Director Amber Levi, Parks and Recreation Director Leslie Willis, Planning Director Jason Burdette, Police Chief Phil Geiger, Project Manager Doug Wright, Public Works Director Jesse Bouk, Sustainability Manager Kayla Kovach, and Town Attorney Karen Wolter were also present.

- **Welcome and Introductions**

Mayor Knox opened the retreat at 8:00 a.m. on Thursday, February 12.

- **Develop the Strategic Plan with Faster Glass**

Meeting facilitators David Phillips and Kristy Phillips, with Faster Glass, worked with the Board of Commissioners and management team to develop the 2026-2027 Strategic Plan. The retreat included workstyles exercises, review of the 2024-2025 Strategic Plan Goals and Strategies, and building of the 2026-2027 Strategic Plan. The retreat also included a panel discussion from Village of Pinehurst Town Manager Doug Willardson and Mayor Pro Tem John Taylor.

No actions were taken during the two-day retreat.

The retreat ended at 1:30 pm on Friday, February 13.

**Attest:**

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Elizabeth K. Shores  
Town Clerk

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Rusty Knox  
Mayor

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

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

and	Auditor Name RH CPAs, PLLC
	Auditor Address 629 Green Valley Road, Suite 201 Greensboro, NC 27208

*Hereinafter referred to as Auditor*

for	Fiscal Year Ending 06/30/26	Date Audit Will Be Submitted to LGC 12/31/26
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*Must be within six months of FYE*

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by “U.S. Auditing Standards – AICPA (Clarified),” referred to as generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). Budgetary comparison information shall be prepared in accordance with applicable GASB standards. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented as required supplementary information and shall not be included in the basic financial statements. Any other budgetary comparison information shall be presented only as supplementary information for funds required to be budgeted under NCGS Chapter 159, Article 3.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. If the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period, the Auditor shall perform the audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). The Governmental Unit is subject to federal single audit requirements in accordance with Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F (*Uniform Guidance*) and the State Single Audit Implementation Act. Currently the threshold is \$1,000,000 for federal and state single audits, or such other threshold as applicable for the fiscal year under audit. This audit and all associated audit documentation may be subject to review by federal and State agencies in accordance with federal and State laws, including the staff of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501) the Auditor and Governmental Unit(s) should discuss, in advance of the execution of this contract, the responsibility for submission of the audit and the accompanying data collection form (form SF-FAC) to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512) to ensure proper submission.

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

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards* (2018 revision or subsequent revisions, as applicable) issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he or she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and to the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon the Auditor's receipt of an updated peer review report. If the audit firm receives a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed, and the report of audit submitted to LGC Staff, within six months of fiscal year end. At the time of the execution of this contract, if the parties know that the anticipated submission date of the audit exceeds six months after fiscal year end, a written explanation shall be provided to the Secretary of the LGC on this contract form (see the space provided on Page 7). If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as they relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth the Auditor's findings, together with his or her recommendations for improvement. That written report shall include all matters determined to be "significant deficiencies and material weaknesses" in accordance with AU-C §265 "Communicating Internal Control Related Matters Identified in an Audit" of GAAS. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an Auditor issues an AU-C §260 report, "Auditor's Communication With Those Charged With Governance," commonly referred to as a "Governance Letter," LGC staff does not require the report to be submitted unless the Auditor cites significant findings or issues from the audit, as defined in AU-C §260 paragraphs 12 - 14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious for which the Auditor consulted outside the engagement team and, in the Auditor's judgment, are significant and relevant to those charged with governance, and other findings or issues that the Auditor believes are significant and relevant. If matters identified during the audit were required to be reported as described in AU-C §260 paragraphs 12 - 14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.
10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal Single Audit Act and the State Single Audit Act. This does not include fees for any pre-issuance reviews that may be required by the North Carolina Association of Certified Public Accountants (NCACPA) Peer Review Committee or North Carolina State Board of CPA Examiners (see Paragraph 13).
11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.
12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.
13. If the audit firm is required by the Secretary of the Local Government Commission to obtain a pre-issuance review or take corrective action as a result of peer review findings or quality control deficiencies, such corrective action shall be consistent with the authority and requirements of the North Carolina State Board of Certified Public Accountant Examiners, the AICPA Peer Review Program, and established Local Government Commission practice, including the use of report addenda or other remedial measures, as appropriate.

14. In accordance with G.S. 159-34, the Finance Officer of the Unit is responsible for filing the audited financial statements with the Secretary of the Local Government Commission.

The Auditor may upload the audit report and related documents through the LGC's electronic submission system; however, submission shall not be deemed complete until the Finance Officer has reviewed and certified the submission.

The Auditor, Finance Officer, other Unit staff member designated by the Finance Officer, or a third party approved by the Unit may enter all Data Input Report information except the information on the "transmittal doc info" tab. The "transmittal doc info" tab must be completed by the Auditor.

The Finance Officer shall review, approve, and certify the accuracy and completeness of the Data Input Report (DIR) in the LGC's LOGOS system prior to LGC review, regardless of whether the DIR is prepared by the Auditor or the Unit.

Finance Officer certification is required for any corrected or revised submissions.

Finance Officer certification of the DIR shall be completed in a timely manner following notification that the DIR is ready for review and within time frames prescribed by the LGC. Failure to complete certification in a timely manner may result in the audit being considered late due to unit action rather than auditor performance.

The Auditor shall conduct the audit in accordance with generally accepted auditing standards and shall ensure that the financial statements are prepared in accordance with generally accepted accounting principles as of the fiscal year end. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented in required supplementary information, separate from the basic financial statements, and shall not be included in the audit opinion. The Auditor shall confirm that such information reconciles to the financial statements and is consistent with applicable accounting guidance and any LGC reporting requirements.

The Finance Officer shall certify in a timely manner that all data inputted in LOGOS used for preparation of the financial statements and required supplementary information is complete and accurate.

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

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and preaudited if the change includes a change in audit fee (preaudit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.
17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Paragraph 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.
18. Special provisions should be limited. Please list any special provisions in an attachment.
19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in The Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and Finance Officer also shall be included on this contract.
20. The contract shall be executed, preaudited (preaudit requirement does not apply to hospitals) and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

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

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

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

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

27. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 or 2024 Revision* (as applicable). Preparing financial statements in their entirety shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

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

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

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

29. Information based on the audited financial statements shall be submitted to the Secretary of the LGC through the LGC's LOGOS system, including completion of the Data Input Report (DIR). Submission is not complete and shall not be accepted by the LGC until the Finance Officer has reviewed and certified the DIR in accordance with Paragraph 14 of this contract.

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

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

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

33. **Applicable to audits with fiscal year ends of June 30, 2025, and later.** The Unit authorizes the LGC to grant access to the LGC's LOGOS system, including the Data Input Report (DIR), to employees of the contracted audit firm who are associated with and acting on behalf of the firm for purposes of performing audit and reporting services under this contract. Such access shall be limited to the scope necessary to perform contracted services and shall not relieve the Auditor or the Unit of their respective responsibilities under this contract.

34. Changes or edits to the text of this contract form are not permitted, except for the Secretary's authority to revise or update this contract form pursuant to LGC Rule 20 NCAC 03. 0502.

**For contracts with an anticipated audit submission date exceeding six months after fiscal year end, please use this space to explain the reason for the late submission, as required by Paragraph 6 of this contract form:**

**FEEES FOR AUDIT SERVICES**

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

Financial statements were prepared by:  Auditor  Governmental Unit  Third Party

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

<b>Name:</b>	<b>Title and Unit / Company:</b>	<b>Email Address:</b>
Pieter Swart	Finance Director / Town of Davidson	pswart@townofdavidson.org

OR Not Applicable  (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

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

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit firm for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the Unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in Rule 20 NCAC .0503 shall be submitted to the Secretary of the LGC for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

<b>Primary Government Unit</b>	Town of Davidson
Audit Fee (financial and compliance if applicable)	\$ 21,380
Fee per Major Program (if not included above)	\$ 4,000 per major program (2 major programs anticipated)
<b>Additional Fees Not Included Above (if applicable):</b>	
Financial Statement Preparation (incl. notes and RSI)	\$ 6,320
All Other Non-Attest Services	\$
<b>TOTAL AMOUNT NOT TO EXCEED</b>	<b>\$ 35,700</b>

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

**SIGNATURE PAGE**

**AUDIT FIRM**

Audit Firm* RH CPAs, PLLC	
Authorized Firm Representative (typed or printed)* Diana Hardy	Signature*
Date* 02/25/26	Email Address* dhardy@rh-accounting.com

**GOVERNMENTAL UNIT**

Governmental Unit* Town of Davidson	
Date Governing Board Approved Audit Contract* <b>(Enter date in box to right)</b>	
Mayor/Chairperson (typed or printed)* Rusty Knox	Signature*
Date	Email Address* rknox@townofdavidson.org

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

**GOVERNMENTAL UNIT – PREAUDIT CERTIFICATE**

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

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

Sum Obligated by This Transaction:	\$ 35,700
Primary Governmental Unit Finance Officer* (typed or printed) Pieter Swart	Signature*
Date of Preaudit Certificate*	Email Address* pswart@townofdavidson.org

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

**DISCRETELY PRESENTED COMPONENT UNIT**

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

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

**DPCU – PREAUDIT CERTIFICATE**

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

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

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

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

**PRINT**



February 25, 2026

To the Honorable Mayor and Board of Commissioners  
Town of Davidson, North Carolina

We are pleased to confirm our understanding of the services we are to provide Town of Davidson for the year ended June 30, 2026.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the Town of Davidson as of and for the year ended June 30, 2026. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town of Davidson's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Davidson's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Total Pension Liability as a Percentage of Covered Payroll for the Law Enforcement Officers' Special Separation Allowance
- 3) Schedule of Changes in Total Pension Liability – Law Enforcement Officers' Special Separation Allowance
- 4) Schedule of the Proportionate Share of the Net Pension Liability (Asset) for Local Government Employees' Retirement System
- 5) Schedule of Contributions to Local Government Employees' Retirement System

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

- 1) Schedule of expenditures of Federal and State awards
- 2) Individual Fund Statements and Schedules

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

- 1) Statistical Section

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

Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

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

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

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

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

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

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

A presumed risk of management override of controls exists. We consider timing, resources, and control design to be the underlying drivers for this type of risk.

Expenses related to federal or state grants are assessed as higher risk due to the nature of timing and considerations for compliance requirements.

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

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

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

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

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

### **Audit Procedures—Compliance**

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

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

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

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

You are also responsible for making drafts of financial statements, schedule of expenditures of federal and state awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws,

regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report.

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

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

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

### **Other Services**

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

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

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

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

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

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

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

We expect to begin our audit approximately during June 2026 and to issue our reports no later than December 31, 2026. Diana E. Hardy, CPA, CFE is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$35,700.

- Financial Audit - \$21,380
- Financial statement preparation - \$6,320
- Single Audits at \$4,000 each. We anticipate 2 Single Audits for a total of \$8,000

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our initial invoice of one-half of total fees will be rendered at the commencement of the audit. Our remaining invoices for these fees will be rendered each month as work progresses and are payable on presentation, up to 75% with a final bill produced after presentation to the Board of Commissioners. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town's personnel to assist in the preparation of schedules and analysis of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

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

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

#### *Changing Laws and Regulations*

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

#### *Incorrect Accounting Methods or Errors in Client Records*

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

#### *Failure to Prepare for the Engagement*

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

### *Starting and Stopping Our Work*

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

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$100-\$400 per hour.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by these addresses. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by use in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues, or anticipated profits, or disclosure or communication of confidential or proprietary information.

In the event we are required to respond to a court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our hourly rates, as set forth above, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared, the terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

### **Reporting**

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

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

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

Very truly yours,

*RH CPAs, PLLC*

**RESPONSE:**

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

Management signature: \_\_\_\_\_

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

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

Governance signature: \_\_\_\_\_

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

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

March 3, 2026  
Town of Davidson Board of Commissioners  
Davidson, NC 28036

Dear Members of the Board,

I am writing as the President of Sigma Alpha Epsilon at Davidson College to request a noise variance for our social event later this semester. One of our events is SAE x Conner Eating Wedding Reception, 4/8/2026 9:00pm - 11:00 pm. This event will take place at the Sigma Alpha Epsilon house on the Davidson College campus, with a professional band performing on the back lawn.

Because amplified music may exceed the Town of Davidson's 60 dBA sound ordinance limit, we are seeking a variance for the duration of the band's performance. We will take steps to be good neighbors: the stage and speakers will be oriented away from nearby residences, we will actively monitor volume throughout the night, and all amplified sound will end by 11:00 p.m. In addition, we will notify residents within a three-block radius in advance by delivering door hangers or mailbox notes. We are happy to expand the notification area at the Board's direction.

Our chapter leadership will be on site to ensure the event is safe, orderly, and respectful of the community. Campus staff and our chapter officers will be the points of contact throughout the event.

Thank you very much for your consideration of this request. Please let me know if there are any questions or if we can provide additional information. We would greatly appreciate the opportunity to have this variance considered. Sincerely,

Andrew Nelsen

President, Sigma Alpha Epsilon — Davidson College

March 3, 2026  
Town of Davidson Board of Commissioners  
Davidson, NC 28036

Dear Members of the Board,

I am writing as the President of Sigma Alpha Epsilon at Davidson College to request a noise variance for our social event later this semester. One of our events is SAE x Conner Eating House Parents Weekend, 4/18 9:00pm - 12:00 pm. This event will take place at the Sigma Alpha Epsilon house on the Davidson College campus, with a professional band performing on the back lawn. Because amplified music may exceed the Town of Davidson's 60 dBA sound ordinance limit, we are seeking a variance for the duration of the band's performance. We will take steps to be good neighbors: the stage and speakers will be oriented away from nearby residences, we will actively monitor volume throughout the night, and all amplified sound will end by 12:00 a.m. In addition, we will notify residents within a three-block radius in advance by delivering door hangers or mailbox notes. We are happy to expand the notification area at the Board's direction.

Our chapter leadership will be on site to ensure the event is safe, orderly, and respectful of the community. Campus staff and our chapter officers will be the points of contact throughout the event.

Thank you very much for your consideration of this request. Please let me know if there are any questions or if we can provide additional information. We would greatly appreciate the opportunity to have this variance considered.

Sincerely,

Andrew Nelsen

President, Sigma Alpha Epsilon — Davidson College



March 10, 2026

Town of Davidson Board of Commissioners  
216 South Main Street  
Davidson, NC 28036

Dear Board of Commissioners:

As the advisor to the Davidson College Union Board, I work with the student leaders to help them plan successful and safe events each year at the College. One of their signature events is an annual spring concert. This event is held outside on campus on Old Tennis Court Lawn. This year, this event will be Friday, April 24, 2026, between 8pm and midnight. Because the music could go over the decibel limit of 60 dBa for the Town of Davidson's sound ordinance, we would like to request a variance for this event.

In addition to requesting the variance, we also plan to alert neighbors within a three-block radius of campus by placing notecards on their doors or in their mailboxes with a notification about the additional noise days in advance of the event. We are happy to increase the area in which we notify residents or use other methods for getting this message out. Thank you for your consideration of this request! Please let me know what questions you have for me.

Thank you!

Brandon Lokey  
Associate Director of Student Activities  
Alvarez College Union  
704-894-2143  
brlokey@davidson.edu



Resolution 2026-03

**Declaring Property Surplus and Authorizing Disposal**

**WHEREAS**, Captain Anthony Sosnowski will retire from the Town of Davidson Police Department on March 31, 2026; and

**WHEREAS**, in accordance with NC G.S. 20-187.2, Antony Sosnowski has requested his badge; and

**WHEREAS**, in accordance with NC G.S. 20-187.2, Anthony Sosnowski has requested his service side arm, a Glock 19 MOS, 9mm, Serial Number CBFK323.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and Board of Commissioners, do hereby declare the service side arm surplus to the Town of Davidson and authorize the Town Manager to present said badge and service side arm to Anthony Sosnowski.

Adopted on the \_\_\_\_\_ day of \_\_\_\_\_ 2026.

\_\_\_\_\_  
Rusty Knox  
Mayor

**ATTEST:**

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk

Attest:

\_\_\_\_\_  
Rusty Knox, Mayor

\_\_\_\_\_  
Elizabeth K. Shores, Town Clerk



**RESOLUTION 2026-04**  
**Town of Davidson Evergreen Fund**

**WHEREAS**, The Town of Davidson has identified Sustainability as an ongoing strategic focus; and

**WHEREAS**, the Town desires to lower the environmental burden of its facilities and operations through sustainable practices identified in the Climate Action Plan; and

**WHEREAS**, the Town needs to provide funding capacity for projects which will further the implementation of the Climate Action Plan by intentionally setting aside funds; and

**WHEREAS**, utility credits, tax rebates, and energy savings from sustainability-related projects can be used to fund future Climate Action Plan projects.

**NOW THEREFORE BE IT RESOLVED** by the Town of Davidson Board of Commissioners:  
Creates the Evergreen Fund to commit funds for:

- Capital improvements that reduce the Town's dependence on non-renewable energy sources
- Sustainable design, construction, and landscaping
- Implementation of strategies from the Climate Action Plan that ultimately conserve resources, including but not limited to strategies focusing on land, energy, water, and waste.

The Town Manager is directed to provide an annual update on the status of the Evergreen Fund and include the Evergreen Fund in the annual budget ordinance as necessary. The Finance Director is directed to create the accounts necessary to track the Evergreen Fund on monthly reporting and the annual financial reports of the Town.

Adopted on the \_\_\_\_ of March \_\_\_\_.

Attest:

\_\_\_\_\_  
Rusty Knox  
Mayor

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk



**RESOLUTION 2026-06**  
**APPROVING CONVEYANCE OF 545 ANNIE LOWERY WAY**

**WHEREAS**, North Carolina General Statutes 160A-267 authorizes a municipality to convey in fee simple interest the private sale of real property for low or moderate income housing; and

**WHEREAS**, the Town of Davidson owns a home located at 545 Annie Lowery Way, Parcel ID 00324421, identified in Exhibit A, designated as a property in the Town of Davidson's Affordable Housing Program; and

**WHEREAS**, the Town of Davidson will convey 545 Annie Lowery Way to identified buyers who meet the requirements of the Town's Affordable Housing Program; and

**WHEREAS**, the Town of Davidson will attach covenants and terms to the conveyance so the property will remain in the Affordable Housing Program for a designated term.

**NOW THEREFORE BE IT RESOLVED** the Town of Davidson Board of Commissioners does hereby resolve:

- 1) The Town Clerk will publish notice summarizing the contents of this resolution and the property may be sold after the 10 days publication of this notice;
- 2) The Town Manager is authorized to execute all documents necessary to convey in fee simple title the real properties identified above to qualified buyers;
- 3) The conveyance documents will include terms and conditions of the Affordable Housing Program to assure the properties remain in the program for a designated term.

Adopted on the \_\_\_\_ day of \_\_\_\_\_ 2026.

Attest:

\_\_\_\_\_  
Rusty Knox  
Mayor

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk

Approved form: \_\_\_\_\_  
Town Attorney





**RESOLUTION 2026-07**  
**APPROVING CONVEYANCE OF 549 ANNIE LOWERY WAY**

**WHEREAS**, North Carolina General Statutes 160A-267 authorizes a municipality to convey in fee simple interest the private sale of real property for low or moderate income housing; and

**WHEREAS**, the Town of Davidson owns a home located at 549 Annie Lowery Way, Parcel ID 00324422, identified in Exhibit A, designated as a property in the Town of Davidson's Affordable Housing Program; and

**WHEREAS**, the Town of Davidson will convey 549 Annie Lowery Way to identified buyers who meet the requirements of the Town's Affordable Housing Program; and

**WHEREAS**, the Town of Davidson will attach covenants and terms to the conveyance so the property will remain in the Affordable Housing Program for a designated term.

**NOW THEREFORE BE IT RESOLVED** the Town of Davidson Board of Commissioners does hereby resolve:

- 1) The Town Clerk will publish notice summarizing the contents of this resolution and the property may be sold after the 10 days publication of this notice;
- 2) The Town Manager is authorized to execute all documents necessary to convey in fee simple title the real properties identified above to qualified buyers;
- 3) The conveyance documents will include terms and conditions of the Affordable Housing Program to assure the properties remain in the program for a designated term.

Adopted on the \_\_\_\_ day of \_\_\_\_\_ 2026.

Attest:

\_\_\_\_\_  
Rusty Knox  
Mayor

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk

Approved form: \_\_\_\_\_  
Town Attorney





## **AGENDA MEMO**

**To:** Davidson Board of Commissioners

**From:** Austin Nantz, Assistant Town Manager

**Date:** March 24, 2026

**Re:** Consider Approval of Demolition of Structures at 228 Sloan Street and 248 Jetton Street

### **ITEM SUMMARY/OVERVIEW**

At the March 10 meeting, staff discussed the recommendation regarding the demolition of the Town-owned homes at 228 Sloan Street and 248 Jetton Street. The structures are vacant and in varying states of disrepair. Their removal will improve site conditions and position the properties for potential future affordable housing development.

### **ACTION/PROPOSED MOTION**

Motion to approve demolition of the structures at 228 Sloan Street and 248 Jetton Street.

### **RELATED TOWN GOALS**

#### **Strategic Plan Alignment**

**Affordable Living, Equity & Inclusion** - Work together to foster a culture of equity, belonging, inclusion, and advance the Town's Affordable Housing program. Provide, create, and support opportunities for all. Treat everyone with respect, dignity, and recognize every voice.

**Healthy, Livable, & Vibrant Community** - Promote collaborative efforts to create livable spaces and healthy places to enhance quality of life for all residents.

#### **Core Values**

Citizens are the heart of Davidson, so town government will treat all people fairly, with courtesy and respect.

Davidson must be a safe place to live, work, and raise a family, so the town will work in partnership with the community to prevent crime and protect lives, property, and the public realm.

### **NEXT STEPS**

The Board of Commissioners will be asked to approve demolition of the structures at 228 Sloan Street and 248 Jetton Street at the March 24, 2026 meeting.

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# Consider Approval of Demolition of Structures at 228 Sloan Street and 248 Jetton Street



**Austin Nantz**  
Assistant Town Manager  
Board of Commissioners Meeting  
March 24, 2026

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# History

## 2017

- Town purchased 228 Sloan for future affordable development.

## 2019

- Town purchased 5 naturally occurring affordable homes in Historic West Davidson to avoid market rate development.

## 2025

- Town Purchased 248 Jetton for future affordable development.

## 2026

- 5 of the 7 homes remain affordable.
  - 1 affordable deed restricted homeownership unit
  - 4 affordable rentals
- 2 homes recommended for demolition for future development.



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# Overview

## Evaluation of structures on 248 Jetton and 228 Sloan

- Professional Inspections
- Engineering Report
- Site Visits with Habitat and Charlotte-Mecklenburg Historic Landmarks Commission (CMHLC)

## Recommendation

- Demolition of 248 Jetton and 228 Sloan
  - Advanced age and deteriorating condition, prohibitive cost of rehab, attractive nuisance
  - Optimize land use and opportunity to provide additional affordable units



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# 228 Sloan Street

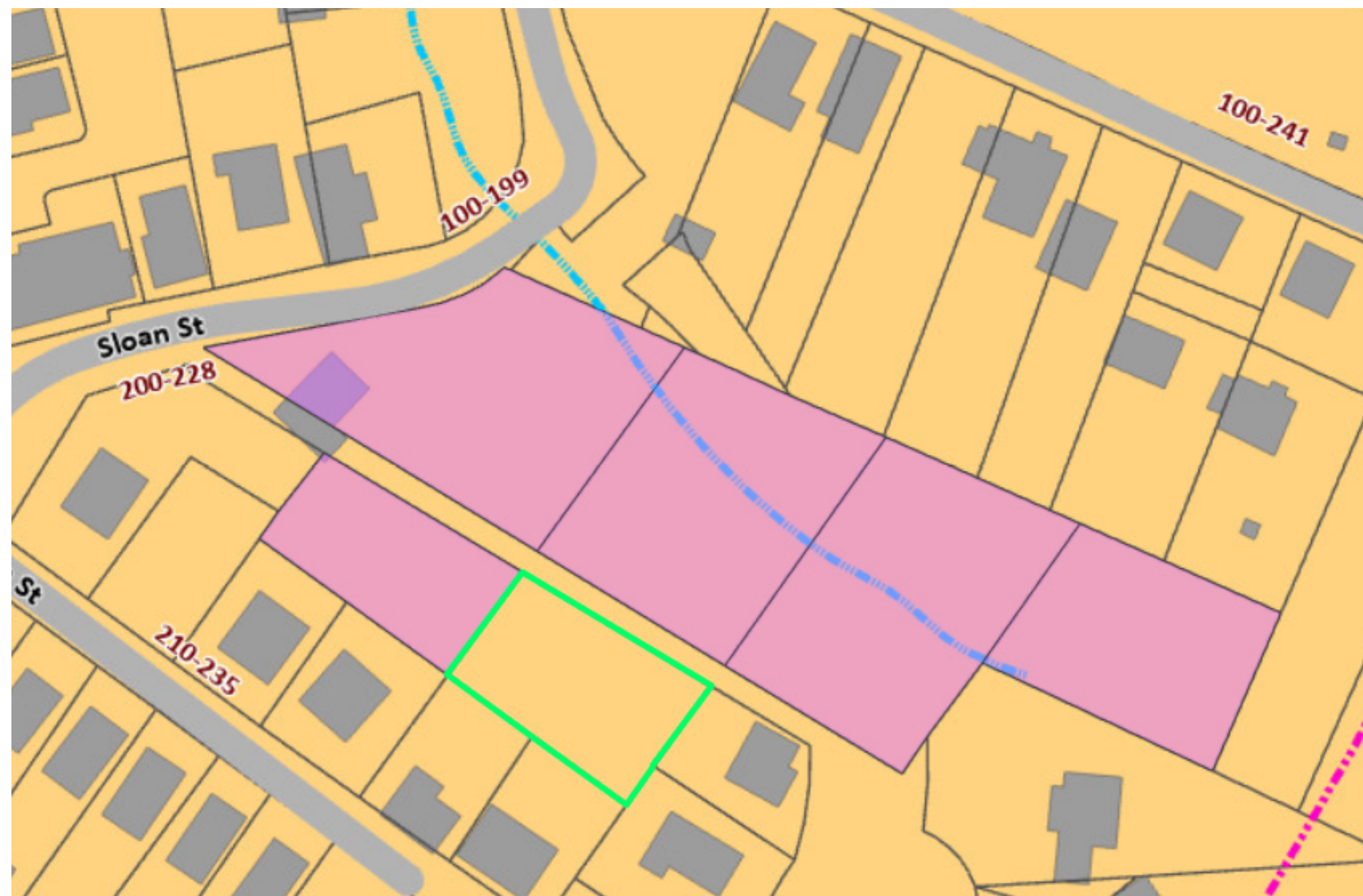


- Built in 1906
- 0.40 Acres
- 1,200 Sq. Ft.
- 3-bedroom, 1 bathroom
- Purchased by Town in 2017
- Non-Contributing Structure (National Reg.)



# 228 Sloan Street and Surrounding Parcels

- Combine with existing Town-Owned parcels
- 1.79 Acres
- Up to 12 Units



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# 248 Jetton Street

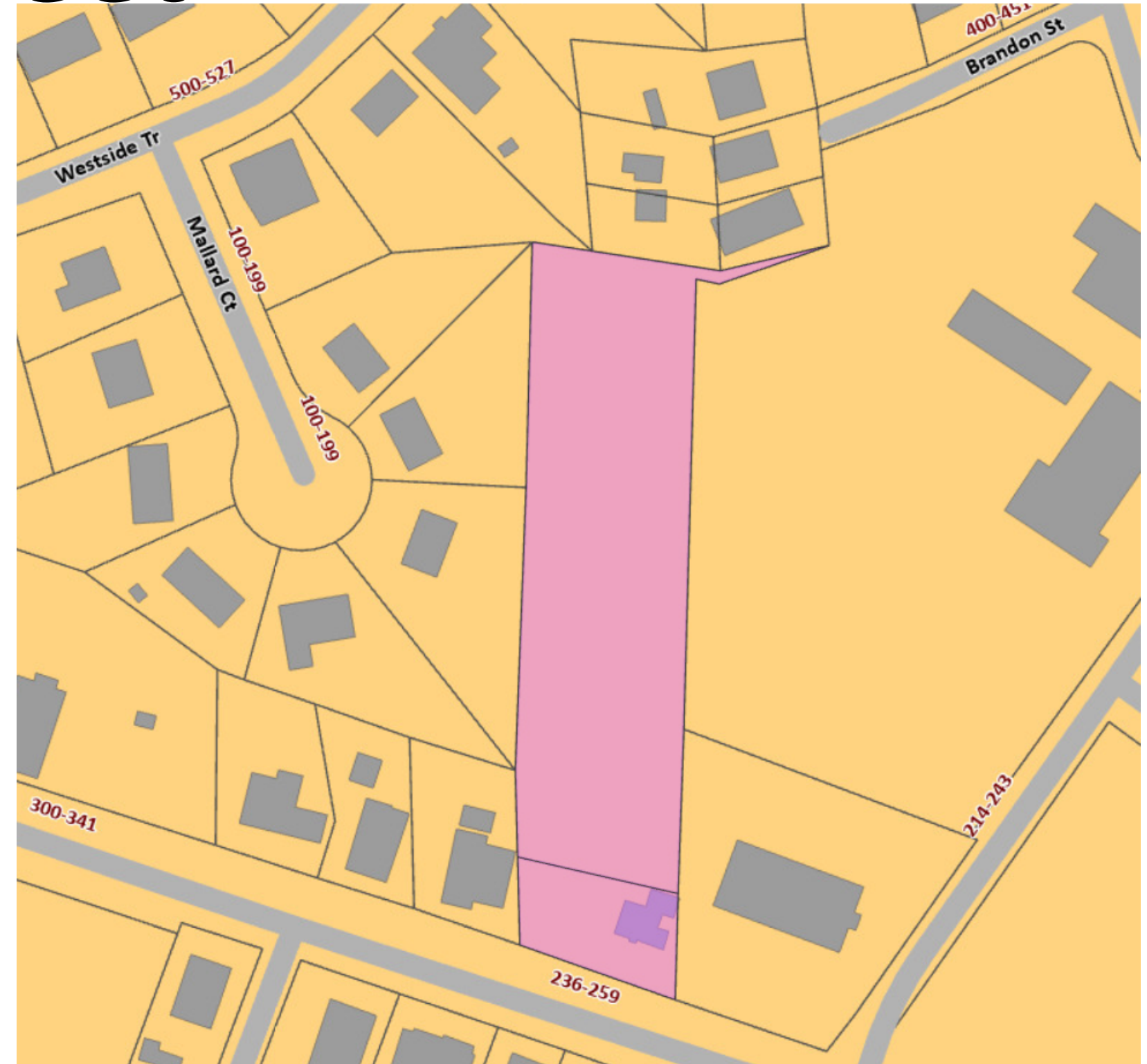


- Built in 1945
- 0.18 Acres
- 768 Sq. Ft.
- 2-bedroom, 1 bathroom
- Purchased by Town in 2025
- Non-contributing Structure (National Reg.)



# 248 and 250 Jetton Street

- Combine with existing Town-owned parcel
- 1.383 Acres
- Up to 12 Units



248 Jetton Street and 228 Sloan Street



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# Future Development Potential

- Current site capacity is limited to just two households
- Proposed redevelopment of these sites provides an opportunity to produce high-quality housing for up to 24 families. This is a twelvefold increase in community impact.



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# QUESTIONS?



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Motion:

Approve demolition of the structures at  
228 Sloan and 248 Jetton Street.



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## **AGENDA MEMO**

**To:** Davidson Board of Commissioners  
**From:** Austin Nantz, Assistant Town Manager  
**Date:** March 24, 2026  
**Re:** Consider Approval of the 2026 - 2027 Strategic Plan

### **ITEM SUMMARY/OVERVIEW**

The proposed 2026-2027 Strategic Plan was developed through a comprehensive and collaborative process involving the Board of Commissioners and the Town's management team and key staff members. The final recommended plan includes edits from the March 4 public work session, and discussion at the March 10 regular board of commissioners' meeting. The attached plan for consideration and approval outlines seven goal areas with associated strategies to guide policy direction, resource allocation, and organizational focus over the next two years.

### **ACTION/PROPOSED MOTION**

Motion to approve the 2026-2027 Strategic Plan.

### **RELATED TOWN GOALS**

#### **Strategic Plan Alignment**

Healthy, Livable, & Vibrant Community - Promote collaborative efforts to create livable spaces and healthy places to enhance quality of life for all residents.

Historic Preservation - Preserve the historic character of our Town, including its people, places, & stories. Honor the history of our residents through their lived experiences.

Connecting People and Places - Expand, improve, and diversify the town's transportation network to provide residents and visitors with safe, convenient, accessible, reliable, and efficient multi-modal travel choices to connect people across the community.

Affordable Living, Equity & Inclusion - Work together to foster a culture of equity, belonging, inclusion, and advance the Town's Affordable Housing program. Provide, create, and support opportunities for all. Treat everyone with respect, dignity, and recognize every voice.

Sustainability and Natural Assets - Preserve Davidson's natural assets and develop, implement, and actively encourage innovative solutions to environmental, energy, and climate-based challenges.

Economic Development - Attract diverse commercial development contributing to Davidson's

unique economy and support new initiatives to create local jobs and add to the vibrancy of the community. Operational Excellence - Provide efficient and high-quality public services and facilities through thoughtful and proactive planning, responsible stewardship of Town resources and a professional and committed workforce.

### **Core Values**

Citizens are the heart of Davidson, so town government will treat all people fairly, with courtesy and respect. Open communication is essential to an engaged citizenry, so town government will seek and provide accurate, timely information and promote public discussion of important issues.

Davidson must be a safe place to live, work, and raise a family, so the town will work in partnership with the community to prevent crime and protect lives, property, and the public realm.

Davidson's historic mix of people in all income levels and ages is fundamental to our community, so town government will encourage opportunities, services, and infrastructure that allow people of all means to live and work here.

Davidson's traditional character is that of a small, historic college town, so land planning will reflect its historic patterns of village-centered growth including connection of neighborhoods, preservation of our historic resources, conservation of rural area, and provision of public spaces.

Citizens entrust town government with the stewardship of public funds, so government will provide high quality services at a reasonable cost.

Davidson's economic health is essential to its remaining a sustainable community, so town government will judiciously encourage and guide the location of new business opportunities.

### **NEXT STEPS**

If approved, town staff will begin implementation in cooperation with the Board.

Town of Davidson  
2026-2027 Strategic Plan

**Goal A: Well-Planned & Thriving Community**

*Cultivate a healthy, safe, and resilient Davidson.*

Strategy-A.1	Promote dynamic community participation through civic engagement and foster a culture where residents are heard, valued, and connected to local decision-making.
Strategy-A.2	Encourage a unique, well-planned built environment by promoting high-quality buildings, welcoming public spaces, and development that respects and enhances Davidson’s character.
Strategy-A.3	Enhance community well-being by strengthening opportunities for active living, social connection, and mental health support.
Strategy-A.4	Provide a safe and secure community utilizing public safety best practices and standards.
Strategy-A.5	Ensure continuity of operations and reliable delivery of essential Town Services before, during, and after any disruptive event.

**Goal B: Historic Preservation**

*Preserve the unique historic character of our Town, including its people, places, & stories.*

Strategy-B.1	Advance and realize priorities and track progress from the Historic Preservation Plan (HPP).
Strategy-B.2	Honor and share the diverse lived experiences of residents to inform our present and future, strengthen community identity, foster belonging, and build understanding.
Strategy-B.3	Model desired behaviors to support historic preservation efforts. Encourage citizen initiative and engagement to safeguard and steward the Town’s historic resources through promotion of voluntary preservation, adaptive reuse, and community-led initiatives that protect architectural and cultural heritage and maintain the integrity of historic districts.

Town of Davidson  
2026-2027 Strategic Plan

**Goal C: Mobility**

***Expand, improve, and diversify the Town’s transportation network to provide residents and visitors with safe, convenient, accessible, reliable, and efficient multi-modal travel choices to connect people across the community.***

Strategy-C.1	Advance and realize the priorities from the Mobility Plan to create a safe, connected, and efficient multi-modal transportation system that enhances quality of life, supports economic vitality, and accommodates future growth.
Strategy-C.2	Maintain focus on pedestrian safety by advancing and realizing priorities from the Vision Zero Action Plan.
Strategy-C.3	Advance local and regional transit initiatives and encourage alternatives to single occupancy vehicle usage by prioritizing accessibility, safety, and connections.
Strategy-C.4	Support the Town’s growing inventory of roads, sidewalks, and greenways by aligning and scaling maintenance resources—including staffing, equipment, materials, and facilities—to ensure timely, consistent upkeep.

**Goal D: Affordable Living & Housing**

***Support affordable living in Davidson by expanding and preserving affordable housing options and establishing strategic partnerships.***

Strategy-D.1	Advance and realize the priorities identified in the Affordable Housing Needs Assessment Implementation Strategy.
Strategy-D.2	Continue to Phase 2 with Development Finance Initiative(DFI) to formalize a development agreement leveraging Town-owned or strategic sites for affordable housing, with clear feasibility, partnerships, incentives, and timelines to deliver long-term affordable units.
Strategy-D.3	Evaluate the best use of Town-owned land considered for affordable housing.
Strategy-D.4	Partner with local organizations to determine the need for critical supportive services for residents.

Town of Davidson  
2026-2027 Strategic Plan

**Goal E: Sustainability and Natural Assets**

***Preserve Davidson’s natural assets and develop, implement, and actively encourage innovative solutions to environmental, energy, and climate-based challenges.***

Strategy-E.1	Advance and realize the priorities identified in the Climate Action Plan (CAP).
Strategy-E.2	Model desired behaviors supporting sustainability, environmental awareness, and education and encourage citizen initiative and engagement.
Strategy-E.3	Conserve and steward natural assets within the Town.

**Goal F: Economic Development**

***Attract diverse commercial development contributing to Davidson's unique economy and support new initiatives to create local jobs and add to the vibrancy of the community.***

Strategy-F.1	Showcase the downtown small business district as a vibrant, welcoming cultural, social, and economic hub that attracts visitors, inspires community pride, and delivers memorable experiences.
Strategy-F.2	Leverage external resources and partnerships with focused economic development efforts in the following areas: Highway 73 / East Davidson, Historic Downtown, future transit corridor, South Main, Circles @ 30.
Strategy-F.3	Foster a resilient, diverse, and thriving small business ecosystem by supporting locally owned businesses.

Town of Davidson  
2026-2027 Strategic Plan

**Goal G: Operational Excellence**

*Provide efficient and high-quality public services and facilities through thoughtful and proactive planning, responsible stewardship of Town resources, and a professional and committed workforce.*

Strategy-G.1	Maintain long-term fiscal sustainability through disciplined budgeting, transparent reporting, prudent reserves, strategic investment, strong internal controls, and grant funding.
Strategy-G.2	Evaluate and implement technology solutions that improve operational efficiency, enhance transparency, and strengthen cybersecurity.
Strategy-G.3	Support a comprehensive talent investment and retention approach that prioritizes competitive compensation and benefits, continuous professional development, and a positive, supportive workplace culture to attract, retain, and grow a high-performing and resilient workforce aligned with the Town’s long-term service and organizational goals.
Strategy-G.4	Adopt a resident centered approach to all Town services and ensure that services are delivered with professionalism, responsiveness, and a commitment to continuous improvement.
Strategy-G.5	Ensure proactive and accessible communication with stakeholders through multiple, user-friendly channels.



## **AGENDA MEMO**

**To:** Davidson Board of Commissioners

**From:** Jesse Bouk, Public Works Director

**Date:** March 24, 2026

**Re:** Consider Approval of Resolution 2026-05 Interlocal Agreement with Town of Mooresville for Maintenance of Pedestrian Safety Signals (RRFBs)

### **ITEM SUMMARY/OVERVIEW**

Rectangular Rapid Flashing Beacons (RRFBs) are pedestrian-activated, LED-based warning devices installed at uncontrolled, marked crosswalks to increase driver yielding throughout Town. It has been a challenge to find private sector vendors for repairs. The Town has explored multiple options, and staff recommends proceeding with an interlocal agreement with the Town of Mooresville. The initial agreement would cost the Town \$50,000 in FY2027, paid from Pedestrian Safety budget in CIF.

### **ACTION/PROPOSED MOTION**

Motion to approve Resolution 2026-05 Interlocal Agreement with Town of Mooresville for Maintenance of Pedestrian Safety Signals (RRFBs).

### **RELATED TOWN GOALS**

#### **Strategic Plan Alignment**

#### **Core Values**

Citizens entrust town government with the stewardship of public funds, so government will provide high quality services at a reasonable cost.

Citizens need to move easily throughout the town and region, so government will provide a variety of options, such as sidewalks, bike paths, greenways, connected streets, and transit.

### **NEXT STEPS**

If approved, the agreement will be executed and expenses planned in the FY 27 budget.

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# Consider Approval of Interlocal Agreement with Town of Mooresville for Maintenance of Pedestrian Safety Signals



**Jesse Bouk**  
Public Works Director  
Board of Commissioners Meeting  
March 24 ,2026

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# 2026-2027 Strategic Plan Goals

## **Strategic Plan Goal C – Mobility**

C.2 - Maintain focus on pedestrian safety by advancing and operationalizing priorities from the Vision Zero Action Plan.

C.4 - Support the Town's growing inventory of roads, sidewalks, and greenways by aligning and scaling maintenance resources—including staffing, equipment, and materials—to ensure timely, consistent upkeep.



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# Vision Zero Action Plan

## **Improve Visibility at Crossings**

Drivers are less likely to yield to pedestrians or other roadway users where view of the crossing or intersection is blocked. Interventions that clear obstructions, add overhead lighting, or improve pavement markings are effective to improve visibility.



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# Pedestrian Safety Signals(RRFB's)Challenges

- Rectangular Rapid Flashing Beacons (RRFB's) are pedestrian-activated, LED-based warning devices installed at uncontrolled, marked crosswalks to increase driver yielding.
- Important devices for Pedestrian Safety. Currently 18 and plans to install 16 more.
- It has been a challenge to find private sector vendors for repairs.
- The community expects reliability and service of the RRFB's.
- The Town has explored multiple options, and staff recommends proceeding with an interlocal agreement with the Town of Mooresville.



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# Town of Mooresville Proposal

- \$50,000 per year plus cost of materials.
  - Funded from Pedestrian Safety Budget in CIF.
- Preventative Maintenance twice a year, plus on-call repair within 2 weeks of contact with Mooresville.
- One-year term; Option to renew annually with 5% annual increase.
- Annual termination date option prior to budget.



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# Benefits of the Interlocal Agreement

- The Town of Mooresville is a reliable and qualified partner in close proximity to Davidson.
- Davidson and Mooresville have a well-established relationship.
- Formal interlocal agreement with another municipality.
- This agreement allows both municipalities to benefit from the service provided to Davidson and the additional staffing for Mooresville.



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# QUESTIONS?



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# MOTION:

Approve Resolution 2026-05 RRFB Signal Maintenance Interlocal Agreement with Mooresville.



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**RESOLUTION 2026-05**

**RESOLUTION TO APPROVE INTERLOCAL AGREEMENT BETWEEN THE TOWN OF MOORESVILLE AND THE TOWN OF DAVIDSON FOR MAINTENANCE OF SIGNALIZED TRAFFIC CONTROL DEVICES**

**WHEREAS**, The Town of Mooresville has established, operated, and supported signalized traffic control devices in its own jurisdiction and has assisted the Town of Davidson in maintaining its signalized traffic control devices within Davidson’s jurisdiction; and

**WHEREAS**, The Town of Davidson recognizes that the delivery of maintenance services by the Town of Mooresville is a much-needed service to the citizens of Davidson.

**NOW THEREFORE BE IT RESOLVED** the Town of Davidson Board of Commissioners does hereby resolve:

1. The Interlocal Agreement Between Town of Davidson and the Town of Mooresville for Maintenance of Signalized Traffic Control Devices attached hereto as **Exhibit A** is hereby APPROVED.
2. The Town Manager is hereby authorized to take such measures as necessary to execute and comply with the terms of **Exhibit A**.

Adopted on the \_\_\_\_ day of \_\_\_\_ 2026.

Attest:

\_\_\_\_\_  
Rusty Knox  
Mayor

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk

Approved form: \_\_\_\_\_  
Town Attorney

# EXHIBIT A

## Interlocal Agreement Between Town of Davidson and the Town of Mooresville for Maintenance of Signalized Traffic Control Devices

This Interlocal Agreement is entered into as of the date and year of its last execution by and between Town of Davidson (“Davidson”), and the Town of Mooresville (“Mooresville”), individually referred to herein as a “Party” or collectively as the “Parties.”

### WITNESSETH

WHEREAS, North Carolina General Statute §§160A-300; 20-158 and 136-30 authorizes the power to control vehicles at intersections and elsewhere using traffic signals and devices on roadways; and

WHEREAS, Mooresville has established, operated, and supported signalized traffic control devices in its own jurisdiction and has assisted Davidson in maintaining its signalized traffic control devices within Davidson’s jurisdiction; and

WHEREAS, Davidson recognizes that the delivery of maintenance services by Mooresville is a much-needed service to the citizens of Davidson; and

WHEREAS, North Carolina General Statute §160A-461 authorizes units of local government in North Carolina to enter agreement with each other to execute any undertaking; and

WHEREAS, the Parties desire to establish a plan for the maintenance, repair, and funding therefor of Davidson’s signalized traffic control devices; and

WHEREAS, Mooresville has the ability and capacity to perform the maintenance contemplated herein.

NOW THEREFORE, in consideration of the mutual terms, covenants, and conditions set forth herein, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Davidson and Town hereby agree as follows:

1. **Purpose and Authority.** The purpose of this Agreement is to establish an interlocal agreement, as provided by Chapter 160A, Article 20 of the North Carolina General Statutes, which allows one or more units of local government to enter into contracts or agreements of a reasonable duration in order to execute any undertaking, and to establish an agreement for the funding and the provision of maintenance and repair services for signalized traffic controls in the Town of Davidson.

2. **Term.** The term of this agreement shall become effective after full execution on July 1, 2026 and shall continue for one year (the “Initial Term”). This Agreement shall automatically renew for additional one (1) year terms unless terminated in accordance with the provisions contained herein (each a “Renewal Term”).

3. **Services Provided by the Town.** Mooresville shall provide 6-month and 12-month preventive maintenance services on all rectangular rapid flashing beacons (“RRFBs”) and

any necessary repair work on the same. In providing these services, Mooresville shall ensure the following:

- a. A response time of no more than two (2) weeks after receiving a repair request;
- b. All maintenance activities performed will be in accordance with North Carolina Department of Transportation (“NCDOT”) and Manual on Uniform Traffic Control Devices (“MUTCD”) policies and procedures;
- c. Two (2) technicians will be assigned to make repairs and complete maintenance activities; and
- d. The use of a bucket truck when needed for repair or maintenance services, to be operated solely by a Mooresville employee.

Davidson reserves the right to inspect all work undertaken pursuant to this Agreement. Davidson acknowledges that repair and maintenance of RRFBs do not qualify as emergency or after-hour work and that Mooresville shall not be required to provide said services on such a basis. Mooresville shall maintain records that clearly itemize the work performed and parts serviced or replaced during either a service call or while providing preventative maintenance services. Maintenance records shall be provided to Davidson upon request.

**Funding Provided by Davidson.** Davidson agrees to appropriate funds and pay Mooresville an amount of \$50,000.00 (“Payment”) for the Initial Term and to increase said Payment by five percent (5%) in each Renewal Term from the Payment of the most recent preceding term. Such Payment shall be paid by July 31st of each year. In addition to the Payment, Davidson shall reimburse Mooresville for the actual costs of any routine expendable material used to make RRFB repairs required during maintenance activities pursuant to periodic invoices submitted by Mooresville. Davidson shall provide all materials for significant RRFB repair or replacement.

4. **Personnel.** Personnel of Mooresville assigned to work on Davidson RRFBs shall remain Mooresville employees and Mooresville shall be responsible for providing all employee benefits.

5. **Ownership and Disposition.** The Parties do not contemplate any joint ownership of real property or equipment under the terms of this Agreement. Therefore, should this Agreement terminate for any reason, each Party shall maintain ownership of its own property and equipment without further effect.

6. **Amendment.** This Agreement may only be amended by a written agreement signed by all Parties and approved by each of the Parties’ respective Boards.

7. **Termination.** This Agreement may be terminated by either party upon ninety (90) days' prior written notice to the other party; provided that such termination shall only be effective at the end of a fiscal year.

8. **Dispute Resolution.** In the event of a dispute arising from this Agreement, and as a condition precedent to any party filing any action because of a dispute, the parties agree to take the following actions:

- a. An authorized representative of each party shall meet to informally resolve the dispute; and
- b. If the authorized representatives are unable to successfully resolve the dispute, the parties agree to attend mediation with a third-party mediator to attempt to resolve the dispute.
- c. If the parties, after taking the steps provided hereinabove, are unable to successfully mediate their dispute, then either party may file an action in the Iredell County Superior Court for a determination of the parties' respective rights and liabilities.

9. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. Any legal action, suit, or proceeding arising out of or related to this Agreement shall be instituted in the state courts of Iredell County, North Carolina. The Parties hereto irrevocably submit to the exclusive jurisdiction of such court in any legal suit, action, or proceeding and waive any defenses it may have based on jurisdiction or venue.

10. **Enforceability.** In the event any court of competent jurisdiction shall hold any provision of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

11. **Notices.** All notices and communications shall be in writing and deemed to be given when sent by U.S. Mail, postage prepaid, or delivered personally to each of the parties as follows:

Town of Davidson:  
Town of Davidson  
Attn : Town Manager  
P.O. Box 579  
Davidson, NC 28036

Town of Mooresville:  
Town of Mooresville  
Attn: Town Manager  
413 N. Main Street  
Mooresville, NC 28115

With a copy to:  
Town Attorney  
P.O. Box 579  
Davidson, NC 28036

With a copy to:  
Town Attorney  
413 N. Main Street  
Mooresville, NC 28115

12. **Survival.** Those sections of this Agreement which by their nature would reasonably be expected to continue after the termination of this Agreement shall survive the termination of this Agreement.

13. **Familiarity and Compliance with Laws and Ordinances.** In performing their obligations pursuant to this Agreement, the Parties shall comply with all laws, regulations, ordinances, codes, standards, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

14. **Construction of Terms.** Each of the Parties has agreed to the use of the particular language provisions of this Agreement and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the drafters, but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the Parties.

15. **Indemnification.** To the extent permitted by applicable law, each Party (as the “Indemnifying Party”) agrees to protect, defend, indemnify, and hold the other Parties, their officers, employees, and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind in connection with or arising out of this Agreement and/or the performance hereof that are due to the negligence or international misconduct of the Indemnifying Party, its officers, employees, subcontractors or agents. To the extent permitted by applicable law, the Indemnifying Party further agrees to investigate, handle, respond to, provide defense for, and defend the same as its sole expense and agrees to bear all other costs and expenses related thereto.

16. **Limitation of Liability and Exclusive Remedies.** To the fullest extent permitted by law, and except as expressly provided in this Agreement, no Party shall be liable to the other Parties to this Agreement or to any third party for any consequential, indirect, special damages, lost profits, or attorneys’ fees in connection with any matters relating to this Agreement, and all Parties hereto waive any right they may have under this Agreement, at law or in equity to recover such damages, profits or fees from such other Party.

17. **No Third-Party Beneficiaries.** This Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than Town of Davidson and the Town of Mooresville.

18. **Entire Agreement.** This Agreement represents the entire agreement between the Parties and supersedes all prior negotiations, representations, or agreements, either oral or written.

19. **Severance.** In the event any portion of this Agreement is adjudged to be not enforceable or found invalid, such provision shall be stricken and the remaining provisions shall be valid and enforceable.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals, by authority duly given. Adopted by each Party on the date and year as indicated below, to be effective on the date of its last adoption.

**TOWN OF DAVIDSON**

\_\_\_\_\_  
James Justice, Town Manager

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

ATTEST:

\_\_\_\_\_  
Betsy Shores, Town Clerk

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

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

\_\_\_\_\_  
Pieter Swart, Chief Financial Officer

**TOWN OF MOORESVILLE**

\_\_\_\_\_  
Tracey Jerome, Town Manager

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

ATTEST:

\_\_\_\_\_  
Jane Crosby, Town Clerk

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

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

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Christopher Quinn, Chief Financial Officer