



DARE COUNTY AIRPORT AUTHORITY

Dare County Regional Airport
P.O. Box 429 ~ 410 Airport Road
Manteo, NC 27954
(252) 475-5570 ~ Fax (252) 473-1196



**DARE COUNTY AIRPORT AUTHORITY
MINUTES of the
February 23, 2022 MEETING**

- Members Present:** Charlie Davidson, Fred Newberry, Joe Blakaitis, William Pope, George Henderson, David Crownover
- Members Absent:** Jack Shea, Pete Burkheimer, Wally Overman
- Also Attending:** Robert Hobbs, Hornthal, Riley, Ellis & Maland; David Daniels, Airport Director; Margaret Stauffer, Finance Officer & Clerk to the Board; John Massey, Talbert & Bright
- Public Attending:** Sam Long & Brady Lozaw, Venable Group

Chairman Davidson called the February 23, 2022 meeting of the Dare County Airport Authority to order at approximately 4:00 pm.

ITEM 1 - Public Comments:

No Comments submitted prior to the meeting.

ITEM 2 – Potter & Company, CPA Audit Contract 6/30/22:

Director Daniels stated a copy of the contract was included in the agenda package for their review. That is the normal Annual Audit Contract for the Fiscal Year-Ending 6/30/22. The amount total amount is \$20,000, increase of \$1,000 from last year. The Director also suggested that when it was time for the presentation to the board that they come in person.

Joe Blakaitis asked if this contract has been reviewed by the Airport Attorney. Airport Attorney Hobbs replied that he does not recall reviewing this document in prior years.

Joe Blakaitis purposed to table the Motion for later in the agenda to give the Attorney sometime to compare this contract with last year’s contract. Several members would like the Airport Attorney to review the document.

ITEM 3 - Engineer's Report:

John Massey updated by phone on the following: (see attached)

Runway 23 RPZ Land Acquisition –

Owners of 1099 and 1115 Driftwood Drive (City Beverage) submitted a counteroffer to the Airport Authority on September 22, 2021. A response to the Counteroffer was sent by the Airport to City Beverage on October 27, 2021. The response sent to the property owner requested justification for the purchase price proposed by owners in the counteroffer letter. On February 7, 2022 David received an email from Jackson Dixon with what the Owner feels are comparable sales to the City Beverage property as well as further justification to their counter offer.

TBI reached out to the Greg Bourne, the original appraiser, to get his thoughts on the information provided by the property owner. He noted that all of the properties mentioned by the City Beverage owner occurred after his appraisal was completed.

Since we are so far apart between the offer price and what City Beverage is requesting, the additional information provided by the owner may not allow NCODA to consider 47% increase over the review appraisal price. One option is to have Greg Bourne update his appraisal. He indicated that he could have it completed in 60 days and the cost would be \$3,850. TBI will help the airport coordinate with NCDOA to obtain their approval to proceed with the updated appraisal.

On October 20, 2021, an offer to purchase was made for 1133 Driftwood Drive (Roughton). Property owner was also provided with relocation assistance documentation on December 18, 2021. Mr. Roughton signed the offer to purchase on February 14, 2022. The Airport is working towards closing on the property with Mr. Roughton.

Apron Pavement Rehabilitation –

A construction progress meeting was held on February 23, 2022, for the apron pavement rehabilitation project. The contract time commenced on Monday November 8th. Hatchell has complete placement of aggregate base course. Hatchell has started setting forms for concrete placement and expects to start concrete placement on 2/28/22. Contract time is 150 calendar days and construction will be completed in early April. Hatchell has been impacted due to a delay in the new drainage grates to be installed with the new drainage structures. The grates and structures were ordered on November 8, 2022. The current scheduled delivery date for the drainage box tops, which include the grates is early April. Hatchell has installed the bottom portion of the drainage boxes and new drainage pipe to minimize impacts to the project schedule. Currently Hatchell is proceeding with concrete placement and will just leave out small areas of concrete surrounding the drainage boxes until the top slab of the structures are delivered. Hatchell indicated that they are working to complete the main portion of the apron within contract time, if possible, and just fill in the small areas of concrete in early April once the top of the drainage structures is delivered.

Airfield Lighting System Rehabilitation

TBI has prepared a work authorization for the design and bidding phase for the rehabilitation of the Runway 5-23 and parallel taxiway lighting system. This project would also include design to replace the existing REIL lights, replace the existing PAPI systems, replace the rotating beacon, install a backup generator for the airfield lighting vault and installation of new area lighting adjacent to the terminal apron.

The work authorization was completed in December and coordinated with David Daniels and NCDOA. The Request for Aid was submitted by the Airport on February 7th. The airport is still awaiting the grant agreement. The authority can consider approval of the grant budget and local match so that the grant agreement can be signed once received from NCDOA. This will obligate the unallocated 2018 Non-Primary Entitlement funds and will utilize FY 2019 NPE funds.

MOTION: Joe Blakaitis motioned to approve Airfield Lighting System Rehabilitation Grant #36237.35.18.1 for \$200,030 with a local match of \$20,003 and budget. Authorize the Chairmen to sign the grant agreement when available from NCDOA.
SECOND: Bill Pope
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

MOTION: Joe Blakaitis motioned to approve Joe Blakaitis motioned to approve Talbert & Bright's Work Order #21-02 in the amount of \$200,003 for the design and bidding of the Airfield Lighting System Rehabilitation unpawn receipt of the grant from NCDOA.
SECOND: Bill Pope
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

MOTION: Bill Pope motioned to approve to accept the Grant Agreement in the amount of \$482,223 for the 1133 Driftwood property. Authorize the Chairman to sign the Grant Agreement when available from NCDOA.
SECOND: Pete Burkhimer
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

MOTION: Joe Blakaitis motioned to approved for an updated appraisal in the amount of \$3,850 pending the NCDOA approval.
SECOND: Bill Pope
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

ITEM 4 - Attorney's Report:

Attorney Hobbs – returns to Agenda Item #2 Audit Contract. He had time to review and research the audit document and found that this is a Local Government Form from the State Treasures Office. It is a state mandated form and ever audit that is run through the LGC uses this standard form. There is nothing to review and does recommending the board for approval.

MOTION: Bill Pope motioned to approve the audit contract for 6/30/22 as presented.
SECOND: Pete Burkhimer
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

TEM 5 – Chairman’s Report:

Chairman Davidson asked the other members if they have heard of an event that the First Flight Society and/or the OBX History Month and an event in April? No members have heard of it.

ITEM 6 - Director’s Report

Director Daniels – presented the budget for the following Capital Project Ordinances for approval:
(see attached)

MOTION: Pete Burkhimer motioned to approve the budget for the Design and Bidding for the Airfield Lighting System Rehabilitation Capital Project Ordinance in the amount of \$200,030.
SECOND: Joe Blakaitis
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

MOTION: Bill Pope motioned to approve the budget for the Runway 23 Land Purchase Capital Project Ordinance in the amount of \$482,223. No local match required. The authority will be reimbursed after closing.
SECOND: Pete Burkhimer
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

Capital Project Ordinance budget amendments:

MOTION: Bill Pope motioned to approve the Apron Rehabilitation Phase II Capital Project Ordinance Budget Amendment for Talbert & Bright’s Work Order #2301-1803 in the amount of \$243,400.
SECOND: Joe Blakaitis
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

MOTION: Pete Burkheimer motioned to approve the Land Acquisition Services for Runway 23 RPZ Capital Project Ordinance Budget Amendment for Talbert & Bright's Work Order #2301-1801 additional surveying services for the amount of \$15,525.

SECOND: Joe Blakaitis

DISCUSSION: None

OPPOSED: None

OUTCOME: Carried

- NCAA Annual Conference let Marge if you plan on attending the conference in April.
- Reminder that the OBXA lease is coming up for renewal in April sometime and it was suggested that the facilities committee review and update it.

ITEM 7 – Consent Agenda

Review/Approve DCAA minutes for January 26, 2022 as presented.

MOTION: Bill Pope motioned to approve the Consent Agenda minutes for the January 26, 2022 as presented.

SECOND: George Henderson

DISCUSSION: None

OPPOSED: None

OUTCOME: Carried

ITEM 8 - Committee Reports:

Hiring Committee: by Chairman Davidson stated that the committee had many discussions with the county HR Dept. There was about 35 applications submitted and it is now narrowed down to 6 possible candidates. The next step is to complete the interviews within the next week.

ITEM 9 - Comments from the Authority Members:

Chairman Davidson - Gail Halvorsen passed away February 16, 2022 and the paper had a very nice article on the "Candy Bomber".

Fred Newberry – asked Airport Engineer about the FAA Infrastructure funding detail and weather our airport is eligible? John Massey replied that they are aware of the new law and will let the authority know if there will be funds available to use.

Sam with OBXA suggested using their hangar for the after meeting farewell the Director Daniels.

ITEM 10 - Adjourn

MOTION: Bill Pope motioned to adjourn.
SECOND: Pete Burkhimer
DISCUSSION: None
OPPOSED: None
OUTCOME: Carried

The meeting was adjourned at 5:12 PM ET

Margaret Stauffer, Clerk to the Board
Dare County Airport Authority

GUEST SIGN-IN SHEET

D.C.A.A. MEETING

February 23, 2022

NAME & ADDRESS

REPRESENTING

Sam Long

OBXA

Brady Lozaw

OBXA

**DARE COUNTY AIRPORT AUTHORITY
410 AIRPORT ROAD, MANTEO, NC
Wednesday, February 23, 2022
AGENDA**

4:00 PM CONVENE AUTHORITY FOR MONTHLY MEETING

ITEM 1 PUBLIC COMMENTS

ITEM 2 POTTER & CO. CPA - AUDIT CONTRACT FY 6/30/22

ITEM 3 ENGINEER'S REPORT

ITEM 4 ATTORNEY'S REPORT

ITEM 5 CHAIR'S REPORT

ITEM 6 DIRECTOR'S REPORT

ITEM 7 CONSENT AGENDA
a.) Minutes for January 26, 2022

ITEM 8 COMMITTEE REPORT

ITEM 9 COMMENTS FROM THE AUTHORITY MEMBERS

ITEM 10 ADJOURN

The	Governing Board Board of Commissioners
of	Primary Government Unit Dare County Airport Authority
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name Potter & Company, PA
	Auditor Address 106 Welton Way, Mooresville, N.C. 28117

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/22	Audit Report Due Date 10/31/22
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Must be within four months of FYE

hereby agree as follows:

- The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.
- At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

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

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

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)(G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

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

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

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

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

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

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

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

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

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

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

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

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

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

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

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

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

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

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

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

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

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

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

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

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

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

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

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

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

FEES FOR AUDIT SERVICES

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

Financial statements were prepared by: Auditor Governmental Unit Third Party

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

Name: Title and Unit / Company: Email Address:

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

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

3. Prior to 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. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

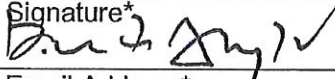
Primary Government Unit	Dare County Airport Authority
Audit Fee	\$ 17,500
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ N/A
Writing Financial Statements	\$ 2,500
All Other Non-Attest Services	\$ See engagement letter
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 14,250.00

DPCU FEES (if applicable)

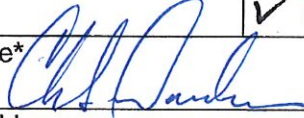
Discretely Presented Component Unit	N/A
Audit Fee	\$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Potter & Company, PA	
Authorized Firm Representative (typed or printed)* Robert W. Taylor	Signature* 
Date* 01/17/22	Email Address* btaylor@gotopotter.com

GOVERNMENTAL UNIT

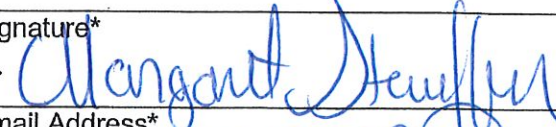
Governmental Unit* Dare County Airport Authority	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	✓ 02/23/2022
Mayor/Chairperson (typed or printed)* ✓ CHARLES S. DAVIDSON	Signature* ✓ 
Date ✓ 02/23/2022	Email Address ✓ AIRMAX103@gmail.com

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

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

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

Primary Governmental Unit Finance Officer* (typed or printed) ✓ Margaret Stauffer	Signature* ✓ 
Date of Pre-Audit Certificate* ✓ 2-23-2022	Email Address* ✓ marge.stauffer@darenc.com

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

DISCRETELY PRESENTED COMPONENT UNIT

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

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

DPCU – PRE-AUDIT CERTIFICATE

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

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

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

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

PRINT



POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

February 4, 2022

To the Board of Directors
Dare County Airport Authority
Manteo, North Carolina

We are pleased to confirm our understanding of the services we are to provide the Dare County Airport Authority for the year ended June 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the Dare County Airport Authority which comprise of the statement of net position as of June 30, 2022, the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Dare County Airport Authority'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 the Dare County Airport Authority's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis.
2. GASB required supplementary pension, LEOSA and OPEB reporting.

We have also been engaged to report on supplementary information other than RSI that accompanies the Dare County Airport Authority'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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements.

1. Schedule of revenues and expenditures – budget to actual

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 judgement of a reasonable user made based on the financial statements.

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

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Dare County Airport Authority and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of the 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 and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to 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, 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, and they may bill you for responding to this inquiry.

Audit Procedures – Internal Control

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

Audit Procedures - Compliance

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

The auditors' procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid antifraud and abuse. It is the responsibility of management of the government, with the oversight of those charged with governance, to ensure that the government's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provision of laws and regulations that determine the reported amounts and disclosures in the government's financial statements. Therefore, management's responsibilities for compliance with laws and regulations applicable to its operations, include, but are not limited to, those related to Medicare and Medicaid antifraud and abuse statutes.

Other Services

We will also assist in preparing the financial statements and related notes of the Dare County Airport Authority in conformity with accounting principles generally accepted in the United States of America 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 judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside 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) additional information that we may request for the purpose of the audit; and 3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

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

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that 1) you are responsible for presentation of the supplementary information in accordance with GAAP; 2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; 3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reason 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 other studies. You are also responsible for providing management's view on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services 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.

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

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

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

Robert W. Taylor, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in September 2022 and to issue our reports no later than October 31, 2022.

Our fee for these services will be \$20,000. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary for other audit procedures not anticipated, procedures of a bookkeeping nature, preparation of schedules or reconciliations for the audit, including adjusting journal entries or fixed asset reconciliations, we will discuss these procedures with Management and bill you at the following discounted hourly rates:

	<u>Discounted Hourly Rates</u>
Partner	\$275
Manager	195
Other Team Members	140
Clerical	55

Reporting

We will issue a written report upon completion of our audit of the Dare County Airport Authority's financial statements. Our report will be addressed to the Board of Directors of the Dare County Airport Authority. 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.

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

We appreciate the opportunity to be of service to the Dare County Airport Authority 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,

POTTER & COMPANY, P.A.



Robert W. Taylor, CPA/PFS

RESPONSE: This letter correctly sets forth the understanding of the Dare County Airport Authority.

By: ✓ Margaret Ayler

Title: ✓ Finance officer

Date: ✓ 2-23-2022



Personal attention. Verifiable results.

CERTIFIED PUBLIC ACCOUNTANTS | BUSINESS CONSULTANTS | WEALTH ADVISORS | HEALTHCARE PRACTICE CONSULTANTS

Report on the Firm's System of Quality Control

To: The Owners of Potter & Company, P.A. and the Peer Review Committee of the North Carolina Association of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Potter & Company, P.A. (the firm) in effect for the year ended December 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and audits of employee benefit plans. As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.



DMJ & Co., PLLC

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Member of CPAmerica, Inc.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Potter & Company, P.A., in effect for the year ended December 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Potter & Company, P.A. has received a peer review rating of *pass*.

DMG & Co., PLLC

Certified Public Accountants
Greensboro, North Carolina

June 27, 2019

Talbert & Bright Engineers Update

February 23, 2022

Runway 23 RPZ Land Acquisition

Owners of 1099 and 1115 Driftwood Drive (City Beverage) submitted a counteroffer to the Airport Authority on September 22, 2021. A response to the Counteroffer was sent by the Airport to City Beverage on October 27, 2021. The response sent to the property owner requested justification for the purchase price proposed by owners in the counteroffer letter. On February 7, 2022 David received an email from Jackson Dixon with what the Owner feels are comparable sales to the City Beverage property as well as further justification to their counter offer.

TBI reached out to the Greg Bourne, the original appraiser, to get his thoughts on the information provided by the property owner. He noted that all of the properties mentioned by the City Beverage owner occurred after his appraisal was completed.

Since we are so far apart between the offer price and what City Beverage is requesting, the additional information provided by the owner may not allow NCODA to consider 47% increase over the review appraisal price. One option is to have Greg Bourne update his appraisal. He indicated that he could have it completed in 60 days and the cost would be \$3,850. TBI will help the airport coordinate with NCODA to obtain their approval to proceed with the updated appraisal.

On October 20, 2021, an offer to purchase was made for 1133 Driftwood Drive (Roughton). Property owner was also provided with relocation assistance documentation on December 18, 2021. Mr. Roughton signed the offer to purchase on February 14, 2022. The Airport is working towards closing on the property with Mr. Roughton.

Apron Pavement Rehabilitation

A construction progress meeting was held on February 23, 2022, for the apron pavement rehabilitation project. Contract time commenced on Monday November 8th. Hatchell has complete placement of aggregate base course. Hatchell has started setting forms for concrete placement and expects to start concrete placement on 2/28/22. Contract time is 150 calendar days and construction will be completed in early April. Hatchell has been impacted due to a delay in the new drainage grates to be installed with the new drainage structures. The grates and structures were ordered on November 8, 2022. The current scheduled delivery date for the drainage box tops, which include the grates is early April. Hatchell has installed the bottom portion of the drainage boxes and new drainage pipe to minimize impacts to the project schedule. Currently Hatchell is proceeding with concrete placement and will just leave out small areas of concrete surrounding the drainage boxes until the top slab of the structures are delivered. Hatchell indicated that they are working to complete the main portion of the apron within contract time, if possible, and just fill in the small areas of concrete in early April once the top of the drainage structures is delivered.

Airfield Lighting System Rehabilitation

TBI has prepared a work authorization for the design and bidding phase for the rehabilitation of the Runway 5-23 and parallel taxiway lighting system. This project would also include design to replace the existing REIL lights, replace the existing PAPI systems, replace the rotating beacon, install a backup generator for the airfield lighting vault and installation of new area lighting adjacent to the terminal apron.

The work authorization was completed in December and coordinated with David Daniels and NCDOA. The Request for Aid was submitted by the Airport on February 7th. The airport is still awaiting the grant agreement. The authority can consider approval of the grant budget and local match so that the grant agreement can be signed once received from NCDOA.

This will obligate the unallocated 2018 Non-Primary Entitlement funds and will utilize FY 2019 NPE funds.

DARE COUNTY AIRPORT AUTHORITY

Capital Project Ordinance

For

Airfield Lighting System Rehabilitation, PAPI System Replacement,

Airfield Lighting Standby Generator and Apron Area Lighting

at the Dare County Regional Airport

BE IT ORDAINED by the Dare County Airport Authority of Dare County, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statues of North Carolina, the following Capital Project Ordinance is adopted:

Section 1: The project authorized is for the Airfield Lighting System Rehabilitation, PAPI System Replacement, Airfield Lighting Standby Generator and Apron Area Lighting to be financed by the Federal NPE Grant funds from the Fiscal year 2018, 2019 funds and by using the In-Kind funds allocated to the Airport as local match.

Section 2: The following budget shall be conducted within the Capital Projects Fund (fund #95).

Section 3: The following revenues are anticipated to be available to complete the project:

State Aid (Grant 36237.35.18.1)	\$ 180,027
Trans from DCAA Oper Fund	\$ 20,003

Section 4: The following amount is appropriated for the project:

Airfield Lighting System Rehabilitation TBI Project # 2301-2102	\$ 200,030
--	------------

Section 5: The Finance Officer is directed to report, on a monthly basis, the financial status of the project as a part of the normal monthly reporting process currently in place.

Section 6: Copies of this capital project ordinance shall be furnished to the Budget Officer, the Finance Officer and to the Clerk to the Dare County Authority.

Adopted this 23rd day of February, 2022

[SEAL]

Charles Davidson, Chair DCAA

Margaret L. Stauffer, Clerk to the DCAA

DARE COUNTY AIRPORT AUTHORITY

Capital Project Ordinance

For

Runway 23 Land Purchases

at the Dare County Regional Airport

BE IT ORDAINED by the Dare County Airport Authority of Dare County, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statues of North Carolina, the following Capital Project Ordinance is adopted:

Section 1: The project authorized is for the Runway 23 Land Purchases to be financed by the State Aid grant from the North Carolina Department of Transportation Fiscal year 2019, 2020, 2021 funds and by using the In-Kind funds allocated to the Airport as local match.

Section 2: The following budget shall be conducted within the Capital Projects Fund (fund #95).

Section 3: The following revenues are anticipated to be available to complete the project:

State Aid (Grant 36244.46.8.1)	953785-422270-10775	\$ 434,000
Trans from DCAA Oper Fund	953785-499400-10775	\$ 48,223

Section 4: The following amount is appropriated for the project:

Rwy 23 Land Purchases		
TBI Project # 2301-1801	955785-737101-10775	\$ 482,223

Section 5: The Finance Officer is directed to report, on a monthly basis, the financial status of the project as a part of the normal monthly reporting process currently in place.

Section 6: Copies of this capital project ordinance shall be furnished to the Budget Officer, the Finance Officer and to the Clerk to the Dare County Authority.

Adopted this 23rd day of February, 2022

[SEAL]

Charles Davidson, Chair DCAA

Margaret L. Stauffer, Clerk to the DCAA

DARE COUNTY AIRPORT AUTHORITY

Capital Project Ordinance

For

APRON Rehabilitation Phase II at the Dare County Regional Airport

BE IT ORDAINED by the Dare County Airport Authority of Dare County, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is adopted:

Section 1: The project authorized is the Aircraft Parking Apron Rehabilitation Phase II – Design and Bidding. It shall be financed by the State Aid grant from the North Carolina Department of Transportation Fiscal year 2019, 2020, 2021 funds and by using the In-Kind funds allocated to the Airport as local match.

Section 2: The following budget shall be conducted within the Capital Projects Fund (fund #95).

Section 3: The following revenues are anticipated to be available to complete the project:

State Aid	Prior Amount	Increase	Amended Total
953785-422270-10771	\$ 2,476,183	\$ 219,060	\$ 2,695,243

Trans from DCAA Oper Fund	Prior Amount	Increase	Amended Total
953785-499400-10771	\$ 275,132	\$ 24,340	\$ 299,472

Section 4: The following amount is appropriated for the project:

APRON Rehabilitation – Phase II

TBI Project # 2301-1803	Prior Amount	Increase	Amended Total
955785-737620-10771	\$ 2,751,315	\$ 243,400	\$ 2,994,715

Section 5: The Finance Officer is directed to report, on a monthly basis, the financial status of the project as a part of the normal monthly reporting process currently in place.

Section 6: Copies of this capital project ordinance shall be furnished to the Budget Officer and/or the Finance Officer and to the Clerk to the Dare County Authority.

Adopted this 23rd day of February, 2022

[SEAL]

Charles Davidson, Chair DCAA

Margaret L. Stauffer, Clerk to the DCAA

DARE COUNTY AIRPORT AUTHORITY

Capital Project Ordinance

For

Land Acquisition Services for Runway 23 RPZ

at the Dare County Regional Airport

BE IT ORDAINED by the Dare County Airport Authority of Dare County, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statues of North Carolina, the following Capital Project Ordinance is adopted:

Section 1: The project authorized is for the Land Acquisition for runway 23 approach to be financed by the State Aid grant from the North Carolina Department of Transportation Fiscal year 2019-2021 funds and by using the In-Kind funds allocated to the Airport as local match.

Section 2: The following budget shall be conducted within the Capital Projects Fund (fund #95).

Section 3: The following revenues are anticipated to be available to complete the project:

State Aid 953785-422270-10772	Prior Amount \$ 145,700	Increase \$13,972	Amended Total \$ 159,672
Trans from DCAA Oper Fund 953785-499400-10772	Prior Amount \$ 16,189	Increase \$1,553	Amended Total \$ 17,742

Section 4: The following amount is appropriated for the project:

Land Acquisition Services TBI Project # 2301-1801 955785-737101-10772	Prior Amount \$ 161,889	Increase \$15,525	Amended Total \$ 177,414
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Section 5: The Finance Officer is directed to report, on a monthly basis, the financial status of the project as a part of the normal monthly reporting process currently in place.

Section 6: Copies of this capital project ordinance shall be furnished to the Budget Officer, the Finance Officer and to the Clerk to the Dare County Authority.

Adopted this 23rd^h day of February, 2022

[SEAL]

Charles Davidson, Chair DCAA

Margaret L. Stauffer, Clerk to the DCAA