



State Auditor  
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## INVESTIGATIVE SPECIAL REPORT

North Carolina  
Office of the State Auditor  
Investigative Division

**1-800-730-TIPS**

March 9, 2026

# City of Rocky Mount Comprehensive Plan

## WHY WE CONDUCTED THIS REPORT

The Office of the State Auditor (OSA) received an allegation that during a January 27, 2025 City Council meeting, the City of Rocky Mount's (the City) Interim City Manager Peter Varney (Varney) announced the termination of a **\$795,500** installment contract with AECOM Technical Services of North Carolina (AECOM) even though the City Council had not voted to terminate the contract. The allegation stated that the termination of this contract cost hundreds of thousands of taxpayer dollars and that there was no transparency regarding the process behind the termination of the contract or the work completed by AECOM up to the point where the contract was terminated. Pursuant to N.C.G.S §§ 147-64.6(c) (16) and 147-64.6B, OSA launched an investigation into this matter.

## WHAT WE FOUND

### AECOM CONTRACT

On January 12, 2024, on behalf of the City, former City Manager Keith Rogers (Rogers) entered into a contract with AECOM to develop the City's 2050 Comprehensive Plan.

The Plan was intended to integrate land use, development patterns, transportation, housing, economic development, and other initiatives impacting the quality of life in the City.

The contract was valued at \$795,500 in total. By the time it was terminated, AECOM had received payments amounting to \$385,610 from the city.

### CITY COUNCIL NOTIFIED OF CONTRACT

During the July 8, 2024 City Council meeting, Rogers informed the council members that the City had entered into a consulting agreement with AECOM.

City Council members noted that although the City Council had previously discussed spending up to \$1 million for a comprehensive planning effort, the AECOM contract was executed without a presentation to the City Council, a formal Request for Proposals (RFP) for the consulting services, the City Council's approval, or the City Council's involvement in selecting stakeholders to serve on the project's Steering Committee.

The City's procurement policy requires City Council approval and a formal procurement process for service contracts exceeding \$90,000. The AECOM contract exceeded this threshold by more than \$700,000. Council members emphasized the importance of being informed of contractual engagements and having an opportunity to review and evaluate agreements prior to execution.

### COMPREHENSIVE PLAN UPDATE

The agenda for the September 9, 2024 City Council Committee of the Whole (the Committee) meeting included a memorandum, dated September 5, 2024, from Varney to the Mayor and City. The memorandum stated that during the Committee's meeting on September 9, the City's Development Services Director and an AECOM representative would "update the City Council on the purpose and goals of the [Comprehensive Plan], the work elements that have been completed to date, the work elements that remain to be completed, the estimated completion date, the [S]teering [C]ommittee membership, and extent of public involvement."

1 <https://www.rockymountnc.gov/DocumentCenter/View/1259/2024-07-08---Minutes-PDF>.

2 "The Committee of the Whole is the entire City Council meeting as a committee to discuss matters the City Manager and City Council deem as requiring a more in-depth explanation, study, or discussion." <https://www.rockymountnc.gov/194/Committee-of-the-Whole>; <https://www.rockymountnc.gov/DocumentCenter/View/1390/09092024-Agenda-PDF>.

3 <https://www.rockymountnc.gov/DocumentCenter/View/1390/09092024-Agenda-PDF>.

## WHAT WE FOUND cont.

Varney's memorandum also solicited the City Council's view as to whether AECOM's visioning project aligned with the Council's goals for a comprehensive plan. A review of pages 14–25 of the Committee's September 9, 2024 meeting minutes highlighted the following:

- The former City Manager independently awarded a contract to AECOM without seeking the advice or consent of the City Council. Council members also expressed concerns about the amount of the contract and noted that the former City Manager did not follow the City's procurement policy in awarding the contract.
- An overview of the purpose of a comprehensive plan and the reason for updating the City's Plan was presented by the City's Director of Development Services.
- The AECOM contract is divided into eight tasks that are further organized into five phases. At the time of the September 9, 2024 meeting, the project was in Phase 2.
- The roles, responsibilities, and composition of the Steering Committee. Council members raised concerns regarding the exclusion of community groups and the City's major employers from the Steering Committee.

### AECOM CONTRACT TERMINATION

The concerns raised at the September 9, 2024 meeting were reiterated by most of the council members at an October 28, 2024 City Council Work Session. Consequently, on November 15, 2024, Varney formally notified AECOM that the contract would terminate effective December 15, 2024. Varney's termination notice also requested that AECOM provide the City all outstanding deliverables, or any draft versions, no later than December 2, 2024.

OSA determined that the City had paid AECOM a total of \$385,610 at the time the contract was terminated.

During a City Council meeting on January 27, 2025, Varney reported that the City had terminated the contract with AECOM and would begin soliciting proposals for a planning firm to assist in preparing the City's 2050 Comprehensive Plan. Varney stated that the Council planned to use the community feedback AECOM collected during its workshops in this process.

The City posted a bid for its 2050 Comprehensive Plan on its website in April 2025. At the July 14, 2025 Council meeting, the Council approved the award of the Comprehensive Plan bid to Benchmark CMR, Inc. d.b.a. Benchmark Planning for a total cost not to exceed \$180,250. The Mayor and City Clerk were authorized to award the bid on behalf of the City.

## RECOMMENDATIONS

To prevent similar issues in the future, the City Manager, in coordination with City Council and Mayor as required, should ensure that the handling of all future contracts—from procurement to termination—is conducted in a transparent manner and complies with the City's Procurement Policy and all applicable State procurement laws.

4 <https://www.rockymountnc.gov/DocumentCenter/View/5016/item4A>. "The minutes from the Committee of the Whole are approved during a regular meeting and are recorded within the minutes from that City Council meeting." <https://www.rockymountnc.gov/194/Committee-of-the-Whole>.

5 See, e.g., Section 8.1(5) of the City's Procurement Policy, requiring that service contracts exceeding \$90,000 receive approval from the City Manager and City Council and be executed by the City's Mayor. The AECOM contract, which exceeded \$90,000, was not approved by City Council, nor was it executed by the City's Mayor.

6 Section 5.3 of the City's Local Preference for Procurement of Eligible Goods and Services Policy (Procurement Policy) requires that bids be evaluated based on the award criteria outlined in the RFP to determine the lowest responsible and responsive bidder. Additionally, Section 8.1(4) of the City's Procurement Policy mandates a formal bid process for personal services contracts "estimated to cost \$90,000 or more." Based on our investigation, the AECOM contract, valued at \$795,500, was not awarded based on a formal bid process.

7 <https://www.rockymountnc.gov/DocumentCenter/View/5308/2025-04-14-----Short-Agenda>.

8 <https://www.rockymountnc.gov/DocumentCenter/View/5308/2025-04-14-----Short-Agenda>