CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

I.  ADDITIONAL AGENDA

II.  APPROVAL OF CONSENT AGENDA

   II.A  Renewal Contract for Inmate Labor with North Carolina Department of Public Safety

   II.B  2020_2021 Microsoft and Tyler Technology Software Renewals

   II.C  D&D General Store Contract Renew

   II.D  Approve Extension of Existing Service Agreement with Bill2Pay, LLC

   II.E  Memorandum of Agreement (MOA) between Lee County Schools and the Lee County Health Department

   II.F  Duke Life Point Central Carolina Medical Group. LLC, d/b/a Carolina Women’s Health Center & Lee County Health Department Contract for FY 20-21

   II.G  Approval of Budget Amendment #06/01/20/1
II.H Minutes from the May 18, 2020 Regular Meeting

II.I Employee Wellness Program Contract

II.J Contract with DLP Central Carolina Medical Group, LLC

III. PUBLIC HEARING

III.A Hold a Public Hearing on a Grant to Pfizer Inc. from the NC Biotechnology Center and Request a Vote on the Agreement

III.B To Hold a Public Hearing on Economic Development Expenditures for a Second Spec Building to be Built at Central Carolina Enterprise Park

IV. PUBLIC COMMENTS

V. OLD BUSINESS

VI. NEW BUSINESS

VI.A Juvenile Crime Prevention Council Presentation of Annual Funding Plan and request for membership renewal

VI.B 2009 Tax Bill Write Off

VI.C Discussion on Fire Tax District Funding

VI.D FY 2020-2021 Recommended Budget Presentation

VI.E FY 2021-2025 Recommended Capital Improvements Program (CIP)

VI.F Approval of resolution related to $8,250,000 installment financing

VI.G Approval of bid for Courthouse and Government Center renovations.

VII. MANAGERS REPORTS

VIII. COMMISSIONERS COMMENTS

ADJOURN
NC DEPARTMENT OF CORRECTION
DIVISION OF PRISONS
INMATE LABOR CONTRACT

FACILITY NAME AND NUMBER  Sanford Correctional Center #4360
AGENCY NAME AND BILLING ADDRESS  Lee County Operational Service (LCOS), P.O. Box 1968, Sanford
NC 27331, Attn: Russell Spivey

Project Beginning Date: July 1, 2020  Project Ending Date: June 30, 2021

PROJECT DESCRIPTION: Duties will include, but are not limited to, janitorial, grounds/building maintenance, cleaning park/recreation area maintenance, public works projects, roadside cleaning, recycling projects and other governmental agency projects.

PROJECT COST

LABOR:
Number of Laborers 6x $1.00 per 8 hour work day = 6x260 = $1560. Total Projected Labor Cost

ADMINISTRATIVE:

Administrative Cost WAIVED/Not Waived

(Region Director Signature) Date

PROJECT TOTAL COST TO BE BILLED $1560.00 ("Total Projected Labor Cost" plus "Administrative cost"

above)

INVOICE TO BE SUBMITTED: Monthly  Quarterly  Semi-annually  Annually

Other (specify) __________

APPROVED BY:

1. Governmental Agency authority  Date

2. Facility Head  Date

3. Region Director  Date

4. Program Services Manager  Date

Form Distribution by Program Services: Original -Facility  Copy -Program Services, Region Office, and Accounting
NORTH CAROLINA DEPARTMENT OF CORRECTION
DIVISION OF PRISONS
INMATE LABOR AGREEMENT

DATE: 05/01/2020

For the purpose of employing inmate labor from the Division of Prisons, the following terms are agreed upon by the Division of Prisons and the Lee County Operational Services (LCOS).

I. Logistics

A. Inmate labor will be supplied by Division of Prisons. All inmates assigned to labor contracts will be English speaking or have completed English as a second language training.

B. Inmates will be provided lunch by Division of Prisons.

C. Transportation will be supplied by LCOS. Work schedules will also be furnished by LCOS.

D. Inmates may work eight (8) hours per day, seven (7) days per week. This will include travel time to and from the correctional facility. Schedules may be varied or staggered depending upon the assigned work station. Inmates may be authorized to work in excess of eight (8) hours per day, with the authorization of Division of Prisons. (Note: The agency will be billed $1.00 per 8 hour workday, even if the inmate(s) work less than an eight (8) hour day.)

E. No inmate will be allowed to work in an area that is not supervised by a Custodial Agent.

F. No inmate will be allowed to work on school property, e.g., private or public elementary, middle or high schools, while students are on the property. No sex offender inmate will be assigned or allowed to work on the property of any educational facility, e.g., private or public elementary, middle, high school, community college or university, etc.

G. The Division of Prisons has zero-tolerance for undue familiarity or sexual abuse with an offender. It is the contract agency’s duty to report any allegations of inmate sexual violence either by another inmate, correctional staff, correctional agents, agency vendors and/or volunteers. (see Section VIII below)

II. Work Station/Duties

A. Work stations may be any property owned or leased by LCOS.

B. Inmates are allowed to perform manual labor tasks such as the following:

1. Floor care duties including sweeping, mopping, vacuuming and buffing.
Inmates are not allowed to operate motorized floor cleaning equipment designed to transport the operator.

2. Furniture, fixtures, windows and cabinetry cleaning, dusting and/or polishing that is done from the floor or a step ladder.

3. Custodial duties such as emptying trash cans, carrying out trash, restocking supplies in restrooms, moving furniture, and setting up furniture.

4. Motor vehicle maintenance, washing and vacuuming which does not require the inmate to be on elevated surfaces more than four feet tall, without appropriate fall protection. Acceptable fall protection would include ladders, standard railings on working surfaces, properly erected scaffolding or a personal fall arrest system. **Inmates are not allowed to operate motor vehicles for any reason and cannot be allowed to have the keys for operating a motor vehicle for any reason.**

5. Grounds care duties including litter pick up, grass mowing, weed eating, pruning, hedge trimming, leaf blowing, raking, applying herbicides and pesticides, setting out and taking up small plants and bushes. Inmates must be trained by managers and supervisors in the safe operation of any powered equipment. Inmates can be trained to operate riding mowers. All equipment must have manufacturer and OSHA required warning labels, safety guards and devices in good condition. Inmates applying herbicides and pesticides must be trained and closely supervised by a duly licensed applicator responsible to insure the inmate follow regulations and safe work practices. Inmates must receive hazard communication training on all chemicals they work with. They must be provided with all necessary personal protective equipment for the task they are performing.

6. Minor building maintenance duties including painting, caulking, clearing rain gutters and power washing that can be done from the ground, ladder, properly constructed and erected scaffolding or with an approved personal fall arrest system.

7. Right of way & drainage maintenance using bush axes & shovels.

Inmate labor contract duties and tasks are expected to be for basic manual labor, such as those listed above, and normally utilizing manual tools such as shovels, brooms, mops, bush axes, etc. Inmates can be trained to use basic powered lawn care equipment, including riding mowers. This list of tasks is not exclusive of others but anything outside the scope of these types of work activities should be discussed with, and approved by, the correctional facility's management before assigning the inmate to perform the proposed duties.

C. Inmates are not allowed to perform hazardous duties such as the following:

1. Work with electric transmission utility line crews in any capacity.

2. Work within ten feet of any unguarded, energized electrical transmission lines or high voltage equipment, and/or within ten feet of any conductive object involved in a task near unguarded, energized electrical transmission lines or high voltage equipment.
3. Enter any permit required confined space including but not limited to sewer manholes, lift stations, water tanks, chlorine contact chambers, utility vaults, salt bins, etc.

4. Disturb any suspected or confirmed asbestos containing materials including but not limited to thermal system insulation, vinyl floor tiles, flooring mastic, roofing, roofing felts, exterior shingle siding, acoustical ceiling tiles, fireproofing materials, solid wallboard (transite), cement water pipes, cement asbestos, sheetrock or fire doors. Typical work activities which would disturb suspected or confirmed asbestos containing materials are normally part of renovation or demolition projects which require removal or destruction of existing materials, equipment or structures.

5. Disturb any suspected or confirmed lead based paint by sanding, scraping, cutting, sawing, welding or power washing. Typical work activities which could disturb suspected or confirmed lead based paint are normally part of remodeling, renovation, repair, window case replacement, electrical/plumbing/carpentry work and preparing surfaces for painting.

6. Perform or participate in sandblasting work.

7. Operate heavy equipment or aerial man lifts of any kind. Some examples of prohibited equipment are: tractors, bull dozers, back hoes, cranes, grade alls, road construction equipment, fork lifts, boom trucks, etc. (However, inmates are allowed to perform maintenance and repair work on this type of equipment.)

8. Perform any task that requires the use of a respirator due to exceeding the contaminant’s permissible exposure limits.

9. Work over or in water where a drowning hazard exists, without the appropriate protection, such as: standard railings, personal fall arrest systems, personal flotation devices, ring buoys and/or skiffs, as required by the OSHA standards.

10. Work in trenches or excavations four feet deep or greater.

11. Work on or adjacent to public roads and highways without the proper Manual on Uniform Traffic Control Device (MUTCD) work zone safety set up utilizing the correct traffic control devices and high visibility vests, provided by Division of Prisons.

12. Operate chain saws.

13. Sit, stand or ride on any piece of equipment in a manner not consistent with the design of said vehicle or machinery while that equipment has its motor running or is moving. Examples of prohibited practices include, but are by no means limited to: standing on mower deck, riding in bucket of a loader, riding seated on a trailer hitch.

This list of tasks is not exclusive of others that might be considered too hazardous for inmate labor contracts. Any tasks or duties similar to these or in question, in regards to personnel safety, should be addressed with the correctional facility’s management before assigning the inmate to perform the proposed duties. Failure to follow these guidelines may result in suspension of this contract and the removal of inmate labor.

III. Supervision
DC-251 (Revised April 2010)

A. **LCOS** agrees all inmate project supervisors will receive the Department of Corrections Inmate Orientation Training. Project Supervisors, upon successful participation in Orientation Training, are designated as Custodial Agents. New employees will be scheduled to receive this orientation training prior to being allowed to supervise inmate projects without being accompanied by Correctional Officers.

B.

1. Custodial Agent will be on-site at each workstation.

2. Each Custodial Agent will provide the inmate with a job description and will provide the Department of Correction with a periodic inmate work performance evaluation if requested for classification purposes.

3. The Custodial Agents of the inmates working under labor contract will provide all safety training, appropriate to the hazards and duties of each task to be performed by the inmate, in accordance with OSHA regulations. This training will include the hazards associated with the task, the proper and safe use of any equipment assigned for performing the work, the hazards associated with any chemicals used in the work, the proper safe work methods for performing the task and the correct use of any personal protective equipment needed to perform the task. This training will be ongoing and documented by the managers and supervisors for the duration of the inmate labor contract. These training records will be made available upon request from any DOP or DOC facility, region or state official, and/or safety inspectors. The training documentation must be signed and dated by the inmate and manager/ supervisor who conducted the training.

4. Work schedules will be provided by **LCOS**.

5. Custodial Agents will designate break areas and ensure that inmates are supervised during all breaks.

6. Custodial Agents are to receive annual Orientation training.

7. Custodial Agents are to receive briefing in Undue Familiarity and Prison Rape Elimination Act (PREA) as part of Orientation training.

IV. **Safety Equipment**

A. The Division of Prisons will provide state issued steel-toed shoes. No inmate will be allowed to work without steel-toed shoes.

B. Inmates are required to wear DOP issued high visibility vests where required by safety rules and regulations and/or by Division of Prisons manager’s request.

C. The town/county/DOT and State will furnish all other personal protective equipment needed according to the OSHA standards, other regulatory guidelines and hazard analyses of the task to be performed. All equipment to be used by inmates in the performance of their assigned tasks must meet all safety requirements for guarding, warning labels, condition and operation as required by OSHA and the manufacturer.
DC-251 (Revised April 2010)

D. The Custodial Agents of the town/county/DOT and State shall insure that all inmates utilize all required safety equipment and safe work procedures in the performance of their assigned tasks.

E. The town/county/DOT and State supervisors, who act as the Custodial Agents shall insure that all inmates have completed all required safety training in the use of approved equipment, hazards communication and the proper use of personal protective equipment. All training has been documented and maintained on file by the agency.

F. Inmate injury due to failure to follow safety regulations and/or use required safety equipment may result in suspension of this contract and removal of inmate labor.

V. Waiver and Billing Information

It is agreed that the North Carolina Department of Correction will waive administrative cost, transportation and custody supervision cost.

VI. Medical

Whenever any inmate assigned to the State Department of Correction shall suffer accidental injury or accidental death arising out of and in the course of employment, to which the inmate has been assigned, the provisions of G.S. 97-13, shall apply. The governmental agency shall compensate the Department of Correction.

The following procedures are to be followed when an inmate sustains an injury while on work assignment for an agency:

1) If the injury is serious or life threatening: the agency will contact EMS and have the injured inmate transported to the nearest medical facility. The agency must immediately notify the inmate’s prison facility of the incident.

2) If the injury is non-serious or is non-life threatening: When the agency has trained first aid personnel on-site at the time the inmate is injured, they may provide the inmate first aid, and immediately notify the inmate’s prison facility of the incident.

3) If the injury is non-serious or is non-life threatening: and the agency does not have trained first aid personnel onsite to render first aid that may be needed, the agency is to transport the inmate to the nearest medical facility for treatment and immediately notify the inmate’s prison facility of the incident.

4) If the injury is non-serious or is non-life threatening: and the agency can not provide first aid or transportation to the nearest medical facility, the agency is to immediately notify the inmate’s prison facility to transport the inmate for first aid.
DC-251 (Revised April 2010)

When any inmate injury occurs on a labor contract project, whether first-aid and/or medical assistance is rendered, the agency is to provide the inmate’s prison facility written documentation of the incident as soon as possible.

VII. Inmate Conduct

LCOS reserves the right to refuse or return an inmate should safety, security or order is questionable and agrees to follow North Carolina Department of Correction rules and regulations as stipulated in the Supervisory Orientation Training session. Division of Prisons will be the sole party responsible for issuing disciplinary action against any inmate employed by LCOS. Any misconduct will be reported immediately to Division of Prisons facility superintendent. Either party with a 30-day notice may terminate the contract at any time.

VIII. PREA

The Department of Correction has zero-tolerance for behavior with an offender that is unduly familiar or sexually abusive. Departmental staff, correctional agents, agency vendors and volunteers are strictly prohibited from engaging in personal dealings or any conduct of a sexual nature with offenders. Conversation and conduct with offenders is to be professional at all times. Sexual acts between an offender and departmental staff, correctional agents, agency vendors and volunteers violates the federal Prison Rape Elimination Act of 2003 (PREA) and is punishable as a Class E felony in North Carolina. Under North Carolina and federal law an offender CAN NOT consent to engage in sexual activity with departmental staff, correctional agents, agency vendors and volunteers, and all such activity legally is against the will of the offender—no matter what the offender says. Additionally, it is a criminal offense for any person to sell or give any inmate any intoxicating drink, barbiturate or stimulant drug, or any narcotic, poison or poisonous substance, except upon the prescription of a physician, or to convey to or from an inmate any letters or oral messages or any instrument or weapon by which to effect an escape, or that will aid in an assault or insurrection, or to trade with an inmate for clothing or stolen goods or to sell an inmate any article forbidden by prison rules.

“As a valued Correctional Agent of the Division of Prisons, it is important to remember that any knowledge of or a report of any incidents of unduly familiar and sexual abuse involving a labor contract inmate, you have a duty to report this information immediately to your contact person at the facility of housing for the inmate and/or to the office of the Division of Prisons. You may also report the information to the Office of PREA Administration at prea@doc.state.nc.us. By signing this contract you acknowledge that you understand and will abide by this policy as outlined above.”
REQUEST: Approve funding and agreement renewals for Microsoft and Tyler Technology software for FY 2020-21 budget.

BUDGET IMPACT: Tyler Technology: $72,594.88 Microsoft: $76,714.95

ATTACHMENTS: Microsoft Software Assurance Benefits.doc
Microsoft year 3 quote
Tyler Technologies Renewal Quote

PRIOR BOARD ACTION: Agreements approved annually by Board of Commissioners

RECOMMENDATION: Pre-approve for the 2020_2021 budget, the funding release for the Microsoft and Tyler Technology software agreement renewals.

SUMMARY: Each year at this time I ask the Board of Commissioners to approve in advance the funding authority for our Microsoft and Tyler Technology software systems. Both of these agreements currently are in the budget that I have submitted to the County Manager. I would not request a purchase order for these items until the new budget was passed but I need to move forward with the Board's pre-approval so that these purchase orders can be obtained as soon as July 1 arrives. The Microsoft and Tyler Technology software agreements...
ensure that we are in compliance from a licensing and support perspective for the software
products used by County staff (i.e. Munis, Tyler Content Manager, Office applications such as
Word, Excel, Powerpoint, Outlook, Windows desktop and server operating systems, etc.)
Microsoft pricing is via TIPS state contract and Tyler Technology pricing is sole source
proprietary software. Thank you for your consideration.
Software Assurance Benefits

Software Assurance Benefits are included within the EA. Entitlement is based on SA coverage or spend. Microsoft Software Assurance is a maintenance offer that helps your organization get the most from Microsoft software through a broad range of benefits. From deployment planning and staff training to product support and software upgrades, Software Assurance benefits help you increase worker productivity, accelerate organizational performance, and realize a return on your software investment faster.

**New Version Rights**
Enable organizations to deploy new releases of Microsoft software as soon as they become available.

**Spread Payments**
Provides companies that want greater flexibility in managing technology expenditures the ability to make annual payments, instead of one upfront payment.

**Desktop Deployment Planning Services**
Enable you to assess and evaluate the business value of upgrading your Microsoft Office and Windows Client software, and deploy it more easily.

**Information Work Solution Services**
Get more from your productivity applications and fully leverage the capabilities of your IT infrastructure.

**Windows Preinstallation Environment**
IT Professionals can build custom solutions that speed software deployment through automation, so they spend less time and effort keeping desktops updated.

**Windows Vista Enterprise**
Helps large organizations lower deployment and management costs and better protect critical data.

**Training Vouchers**
Provide your IT teams with free training on select courses designed by Microsoft and delivered by Microsoft Certified Partners in your area.

**Microsoft E-Learning**
Uses simulations, demonstrations, animations, hands-on exercises, and assessment to help employees upgrade skills and knowledge.

**Home Use Program**
Allows workers more flexible workspace options so they can be connected and productive from home.

**Employee Purchase Program**
Gives employees significant discounts over retail pricing on Microsoft’s most popular productivity and consumer products.

**Enterprise Source Licensing Program (ESLP)**
Provides eligible customers with 1,500 or more licensed desktops access to Microsoft Windows source code for internal development and support.

**24 x 7 Problem Resolution Support**
Lets you stay continuously connected with Microsoft for your support needs through phone and Web support.

**Corporate Error Reporting**
Reports system crashes and gives IT staff the ability to monitor and review error information to control deployment of fixes.

**“Cold” Backups for Disaster Recovery**
Provides complimentary “cold” backup server licenses in the event of a disaster.

**TechNet Plus and TechNet Managed Newsgroups**
Gives access to TechNet Managed Newsgroups and subscription media, featuring Microsoft Knowledge Base, software updates, utilities, drivers, and how-to articles.

**Windows Fundamentals for Legacy PCs for Software Assurance**
A Windows-based operating system for customers with legacy PCs who are running legacy operating systems and are not in a position to purchase new hardware.

**Extended Hotfix Support**
Enables hotfixes for products on-demand, which means there are no initial registrations or fees prior to the time you need to activate the benefit.
## Proforma Invoice US-SCO-753609

**Invoice Address**

Lee County Government  
106 Hillcrest Dr.  
PO Box 1968  
SANFORD, NC 27330

**Shipping Address**

Lee County Information Technology  
106 Hillcrest Dr  
SANFORD, NC 27330

**License Address**

Lee County Government  
106 Hillcrest Dr.  
PO Box 1968  
SANFORD, NC 27330

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## Proforma Invoice US-SCO-753609

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Windows Server Standard Core 2 Lic Core Lic | 07/01/2018 | NON-SPEC/AL | Government 1 Year SA Add Prod | LEVEL D | MNT | IEA ADD G | 48 | 18.31 | 0.00 | 878.88
Windows Server DataCenter Core 2 Lic Core Lic | 07/01/2018 | NON-SPEC/AL | Government License and 1 Year SA Add Prod Added at Signing | LEVEL D | LIC&MNT | IEA ADD G | 20 | 298.97 | 0.00 | 5,979.40

Total USD excl. Tax: **76,714.95**
Tax: **0.00**
Total USD incl. Tax: **76,714.95**

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Total Tax Amount: **0.00**

Order Accepted by: Signature and Date

### Payment Terms
30 Days net

### Bank Information
HSBC-USD, USA-14203 Buffalo, BLZ , Acc. No.: 000255319
Rtg. No.: 021001088, SWIFT: MRMDUS33

## Remittance
Tyler Technologies, Inc.  
(Fein 75-2303920)  
P.O. Box 203556  
Dallas, TX 75320-3556

### Questions
Tyler Technologies - ERP & Schools  
Phone: 1-800-772-2260 Press 2, then 1  
Fax: 1-866-673-3274  
Email: ar@tylertech.com

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To: LEE COUNTY FINANCE DEPARTMENT  
106 HILCREST DRIVE  
SANFORD, NC 27331

Ship To: LEE COUNTY FINANCE DEPARTMENT  
106 HILCREST DRIVE  
SANFORD, NC 27331

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**Contract No.: LEE COUNTY FINANCE**

1. **Renewal: MUNsupport-D-GL**  
   SUPPORT & UPDATE LICENSING - ACCTG/GL/BUDGET/AP  
   Maintenance Plan: ; Start: 09/05/2020, End: 09/04/2021; Term: 12 months  
   
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2. **Renewal: MUNsupport-D-FA**  
   SUPPORT & UPDATE LICENSING - FIXED ASSETS  
   Maintenance Plan: ; Start: 09/05/2020, End: 09/04/2021; Term: 12 months  
   
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3. **Renewal: MUNsupport-C-HR**  
   SUPPORT & UPDATE LICENSING - HUMAN RESOURCES MANAGEMENT  
   Maintenance Plan: ; Start: 09/05/2020, End: 09/04/2021; Term: 12 months  
   
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4. **Renewal: MUNSupport-D-CRYW**  
   SUPPORT & UPDATE LICENSING - CRYSTAL REPORTS  
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5. **Renewal: MUNsupport-D-OFF**  
   SUPPORT & UPDATE LICENSING - MUNIS OFFICE  
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6. **Renewal: MUNsupport-D-NCST**  
   SUPPORT & UPDATE LICENSING - NC SALES TAX REIMB  
   Maintenance Plan: ; Start: 09/05/2020, End: 09/04/2021; Term: 12 months  
   
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7. **Renewal: MUNsupport-C-PR**  
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8. **Renewal: MUNsupport-D-PA**  
   SUPPORT & UPDATE LICENSING - PROJECT ACCOUNTING  
   Maintenance Plan: ; Start: 09/05/2020, End: 09/04/2021; Term: 12 months  
   
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9. **Renewal: MUNsupport-D-PO**  
   SUPPORT & UPDATE LICENSING - PURCHASE ORDERS  
   Maintenance Plan: ; Start: 09/05/2020, End: 09/04/2021; Term: 12 months  
   
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THIS IS NOT AN INVOICE PROFORMA
Remittance
Tyler Technologies, Inc.
(FeIN 75-2303920)
P.O. Box 203556
Dallas, TX 75320-3556

Questions
Tyler Technologies - ERP & Schools
Phone: 1-800-772-2260 Press 2, then 1
Fax: 1-866-673-3274
Email: ar@tylertech.com

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<td>Renewal: MUNSUPPORT-D-PORTAL SUPPORT &amp; UPDATE LICENSING - ROLE TAILORED DASHBOARD</td>
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Does not include any applicable taxes
Order Total: $72,594.88

Comments: Upon acceptance please email your purchase order to PO@tylertech.com
MEETING DATE: June 1, 2020

SUBJECT: D&D General Store Contract Renew

DEPARTMENT: Social Services

CONTACT PERSON: Angelina Noel, Social Services Director

TYPE: Consent Agenda

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>Approve to renew the contract with D&amp;D General Store for NEMT.</th>
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</thead>
<tbody>
<tr>
<td>BUDGET IMPACT</td>
<td>The FY 20-21 budget includes $35,000 in estimated revenues and expenditures. NEMT is 100% funded by state and federal dollars, no county match.</td>
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<tr>
<td>ATTACHMENTS</td>
<td>D&amp;D NEMT contract.pdf</td>
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<tr>
<td>PRIOR BOARD ACTION</td>
<td>None</td>
</tr>
<tr>
<td>RECOMMENDATION</td>
<td>Approve the contract renewal for D&amp;D General Store.</td>
</tr>
</tbody>
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SUMMARY

Non-Emergency Medicaid Transportation is a mandated service that Lee County Social Services is required to provide for eligible individuals receiving Medicaid. The attached contract is a renewal for D&D General Store to continue providing services to our NEMT population. Lee County Social Services completes the eligibility determination for NEMT services and when eligible provides gas vouchers to recipients that they may redeem at the D&D General Store. D&D General Store accepts gas vouchers from Lee County Social Services for NEMT clients needing gas to get to doctor appointments and other authorized medical trips. D&D General Store submits redeemed vouchers to Lee County Social Services monthly to request payment for fuel provided to NEMT clients. NEMT is 100% funded by federal/state dollars. Lee County Social Services requests reimbursement for expenditures monthly for NEMT gas vouchers through the DMA 2055 process.
Contract # Fiscal Year Begins 2020 Ends 2021

This contract is hereby entered into by and between the Lee County Department of Social Services (the "County") and Steel Bridge Enterprises (D&D General Store) (the "Contractor") (referred to collectively as the "Parties"). The Contractor's federal tax identification number or Social Security Number is 27-3180975 and DUNS Number (required if funding from a federal funding source).

1. Contract Documents: This Contract consists of the following documents:
   (1) This contract
   (2) The General Terms and Conditions (Attachment A)
   (3) The Scope of Work, description of services, and rate (Attachment B)
   (4) Federal Certification Regarding Drug-Free Workplace & Certification Regarding Nondiscrimination (Attachment C)
   (5) Conflict of Interest (Attachment D)
   (6) No Overdue Taxes (Attachment E)
   (7) Federal Certification Regarding Environmental Tobacco Smoke (Attachment F)
   (8) Federal Certification Regarding Lobbying (Attachment G)
   (9) Federal Certification Regarding Debarment (Attachment H)
   (10) If applicable, HIPAA Business Associate Addendum (checklist and forms)
   (11) Certification of Transportation (Attachment J)
   (13) Certain Reporting and Auditing Requirements (Attachment L)
   (14) State Certification (Attachment M)
   (15) Attachment N - Non-Discrimination, Clean Air, Clean Water
   (16) Contract Determination Questionnaire (required)

These documents constitute the entire agreement between the Parties and supersede all prior oral or written statements or agreements.

2. Precedence among Contract Documents: In the event of a conflict between or among the terms of the Contract Documents, the terms in the Contract Document with the highest relative precedence shall prevail. The order of precedence shall be the order of documents as listed in Paragraph 1, above, with the first-listed document having the highest precedence and the last-listed document having the lowest precedence. If there are multiple Contract Amendments, the most recent amendment shall have the highest precedence and the oldest amendment shall have the lowest precedence.

3. Effective Period: This contract shall be effective on 07/01/2020 and shall terminate on 06/30/2021, This contract must be twelve months or less.

4. Contractor's Duties: The Contractor shall provide the services and in accordance with the approved rate as described in Attachment B, Scope of Work.

5. County's Duties: The County shall pay the Contractor in the manner and in the amounts specified in the Contract Documents. The total amount paid by the County to the Contractor under this contract shall not exceed $35,000.00. This amount consists of $ in Federal funds (CFDA # ), $ in State Funds, $ in County funds

   x☐ a. There are no matching requirements from the Contractor.

   ☐ b. The Contractor's matching requirement is $ , which shall consist of:
      ☐ In-kind
      ☐ Cash
      ☐ Cash and In-kind

      The contributions from the Contractor shall be sourced from non-federal funds. The total contract amount including any Contractor match shall not exceed $35,000.00.

6. Reversion of Funds: Any unexpended grant funds shall revert to the County Department of Social Services/Human Services upon termination of this contract.
7. Reporting Requirements:
Contractor shall comply with audit requirements as described in N.C.G.S. § 143C-6-22 & 23 and OMB Circular- CFR Title 2 Grants and Agreements, Part 200, and shall disclose all information required by 42 USC 455.104, or 42 USC 455.105, or 42 USC 455.106.

8. Payment Provisions:
Payment shall be made in accordance with the Contract Documents as described in the Scope of Work, Attachment B.

9. Contract Administrators: All notices permitted or required to be given by one Party to the other and all questions about the contract from one Party to the other shall be addressed and delivered to the other Party's Contract Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Contract Administrators are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Contract Administrator by giving timely written notice to the other Party.

For the County:

<table>
<thead>
<tr>
<th>IF DELIVERED BY US POSTAL SERVICE</th>
<th>IF DELIVERED BY ANY OTHER MEANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name &amp; Title Angelina Noel, Director</td>
<td>Name &amp; Title Angelina Noel, Director</td>
</tr>
<tr>
<td>County Lee County DSS</td>
<td>County Lee County DSS</td>
</tr>
<tr>
<td>Mailing Address PO BOX 1066</td>
<td>Street Address PO BOX 1066</td>
</tr>
<tr>
<td>City, State, Zip Sanford NC 27331</td>
<td>City, State, Zip Sanford NC 27331</td>
</tr>
<tr>
<td>Telephone 919-718-4690</td>
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<tr>
<td>Fax 919-718-4635</td>
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<tr>
<td>Email <a href="mailto:anel@leeccountync.gov">anel@leeccountync.gov</a></td>
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For the Contractor:

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<th>IF DELIVERED BY ANY OTHER MEANS</th>
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<tbody>
<tr>
<td>Name &amp; Title Daniel Doby, Owner</td>
<td>Name &amp; Title Daniel Doby, Owner</td>
</tr>
<tr>
<td>Company Name Steele Bridge Enterprises / D&amp;D General Store</td>
<td>Company Name Steele Bridge Enterprises / D&amp;D General Store</td>
</tr>
<tr>
<td>Mailing Address 3201 Carbonton Road</td>
<td>Street Address 3201 Carbonton Road</td>
</tr>
<tr>
<td>City State Zip Sanford, NC 27330</td>
<td>City State Zip Sanford, NC 27330</td>
</tr>
<tr>
<td>Telephone (919)842-5676 / (919)499-8908</td>
<td></td>
</tr>
<tr>
<td>Fax</td>
<td></td>
</tr>
<tr>
<td>Email <a href="mailto:steelbridgeinc@hotmail.com">steelbridgeinc@hotmail.com</a></td>
<td></td>
</tr>
</tbody>
</table>

10. Supplementation of Expenditure of Public Funds:
The Contractor assures that funds received pursuant to this contract shall be used only to supplement, not to supplant, the total amount of federal, state and local public funds that the Contractor otherwise expends for contract services and related programs. Funds received under this contract shall be used to provide additional public funding for such services; the funds shall not be used to reduce the Contractor's total expenditure of other public funds for such services.

11. Disbursements:
As a condition of this contract, the Contractor acknowledges and agrees to make disbursements in accordance with the following requirements:
(a) Implement adequate internal controls over disbursements;
(b) Pre-audit all vouchers presented for payment to determine:
- Validity and accuracy of payment
- Payment due date
- Adequacy of documentation supporting payment
- Legality of disbursement
(c) Assure adequate control of signature stamps/plates;
(d) Assure adequate control of negotiable instruments; and
(e) Implement procedures to insure that account balance is solvent and reconcile the account monthly.

12. Outsourcing to Other Countries:
The Contractor certifies that it has identified to the County all jobs related to the contract that have been outsourced to other countries, if any. The Contractor further agrees that it will not outsource any such jobs during the term of this contract without providing notice to the County.

13. Federal Certifications:
Individuals and Organizations receiving federal funds must ensure compliance with certain certifications required by federal laws and regulations. The contractor is hereby complying with Certifications regarding Nondiscrimination, Drug-Free Workplace Requirements, Environmental Tobacco Smoke, Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions, and Lobbying. These assurances and certifications are to be signed by the contractor’s authorized representative.

14. Specific Language Not Previously Addressed:
(can be deleted if not needed)

15. Signature Warranty: The undersigned represent and warrant that they are authorized to bind their principals to the terms of this agreement.

The Contractor and the County have executed this contract in duplicate originals, with one original being retained by each party.

Signature  
Date

Printed Name
Title

COUNTY

Signature  (must be legally authorized to sign contracts for County DSS)  Date

Printed Name  Title

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

Signature of County Finance Officer  Date
GENERAL TERMS AND CONDITIONS

Relationships of the Parties

Independent Contractor: The Contractor is and shall be deemed to be an independent contractor in the performance of this contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the County.

Subcontracting: The Contractor shall not subcontract any of the work contemplated under this contract without prior written approval from the County. Any approved subcontract shall be subject to all conditions of this contract. Only the subcontractors specified in the contract documents are to be considered approved upon award of the contract. The County shall not be obligated to pay for any work performed by any unapproved subcontractor. The Contractor shall be responsible for the performance of all of its subcontractors.

Assignment: No assignment of the Contractor's obligations or the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the County may: (a) Forward the Contractor's payment check directly to any person or entity designated by the Contractor, or (b) Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check. In no event shall such approval and action obligate the County to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all contract obligations.

Beneficiaries: Except as herein specifically provided otherwise, this contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this contract, and all rights of action relating to such enforcement, shall be strictly reserved to the County and the named Contractor. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the County and Contractor that any such person or entity, other than the County or the Contractor, receiving services or benefits under this contract shall be deemed an incidental beneficiary only.

Indemnification: The Contractor agrees to indemnify and hold harmless the County, the State of North Carolina, and any of their officers, agents and employees, and Federal Government from any claims of third parties arising out of any act or omission of the Contractor in connection with the performance of this contract to the extent permitted by law.

Default and Termination

Termination Without Cause: The County may terminate this contract without cause by giving 30 days written notice to the Contractor.

Termination for Cause: If, through any cause, the Contractor shall fail to fulfill its obligations under this contract in a timely and proper manner, the County shall have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the County, become its property and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Contractor shall not be relieved of liability to the County for damages sustained by the County by virtue of the Contractor's breach of this agreement, and the County may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the County from such breach can be determined. In case of default by the Contractor, without limiting any other remedies for breach available to it, the County may procure the contract services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by the Contractor shall be an act of default under this contract.

Waiver of Default: Waiver by the County of any default or breach in compliance with the terms of this contract by the Contractor shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this contract unless stated to be such in writing, signed by an authorized representative of the County and the Contractor and attached to the contract.

Availability of Funds: The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the County.

Force Majeure: Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

Survival of Promises: All promises, requirements, terms, conditions, provisions, representations,
guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

Intellectual Property Rights

Copyrights and Ownership of Deliverables: All deliverable items produced pursuant to this contract are the exclusive property of the County. The Contractor shall not assert a claim of copyright or other property interest in such deliverables.

Compliance with Applicable Laws

Compliance with Laws: The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

Equal Employment Opportunity: The Contractor shall comply with all federal and State laws relating to equal employment opportunity.

Health Insurance Portability and Accountability Act (HIPAA): The Contractor agrees that, if the County determines that some or all of the activities within the scope of this contract are subject to the Health Insurance Portability and Accountability Act of 1996, P.L. 104-91, as amended ("HIPAA"), or its implementing regulations, it will comply with the HIPAA requirements and will execute such agreements and practices as the County may require to ensure compliance.

Confidentiality

Confidentiality: Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the County. The Contractor acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this contract.

Data Security: The Contractor shall adopt and apply data security standards and procedures that comply with all applicable federal, state, and local laws, regulations, and rules.

Duty to Report: The Contractor shall report a suspected or confirmed security breach to the County’s Contract Administrator within twenty-four (24) hours after the breach is first discovered, provided that the Contractor shall report a breach involving Social Security Administration data or Internal Revenue Service data within one (1) hour after the breach is first discovered.

During the performance of this contract, the contractor is to notify the County contract administrator of any contact by the federal Office for Civil Rights (OCR) received by the contractor.

Cost Borne by Contractor: If any applicable federal, state, or local law, regulation, or rule requires the County or the Contractor to give affected persons written notice of a security breach arising out of the Contractor’s performance under this contract, the Contractor shall bear the cost of the notice.

Oversight

Access to Persons and Records: The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. Additionally, as the State funding authority, the Department of Health and Human Services shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.

Record Retention: Records shall not be destroyed, purged or disposed of without the express written consent of the County. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to Federal policy and regulations, record retention may be longer than five years. Records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later. The record retention period for Temporary Assistance for Needy Families (TANF) and MEDICAID and Medical Assistance grants and programs must be retained for a minimum of ten years.
Miscellaneous

Choice of Law: The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, are governed by the laws of North Carolina. The Contractor, by signing this contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

Amendment: This contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the County and the Contractor.

Severability: In the event that a court of competent jurisdiction holds that a provision or requirement of this contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this contract shall remain in full force and effect.

Headings: The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

Gender and Number: Masculine pronouns shall be read to include feminine pronouns and the singular of any word or phrase shall be read to include the plural and vice versa.

Time of the Essence: Time is of the essence in the performance of this contract.

Key Personnel: The Contractor shall not replace any of the key personnel assigned to the performance of this contract without the prior written approval of the County. The term "key personnel" includes any and all persons identified as such in the contract documents and any other persons subsequently identified as key personnel by the written agreement of the parties.

Care of Property: The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this contract and will reimburse the County for loss of, or damage to, such property. At the termination of this contract, the Contractor shall contact the County for instructions as to the disposition of such property and shall comply with these instructions.

Travel Expenses: Reimbursement to the Contractor for travel mileage, meals, lodging and other travel expenses incurred in the performance of this contract shall not exceed the rates published in the applicable State rules or approved local government travel policy. International travel shall not be reimbursed under this contract.

Sales/Use Tax Refunds: If eligible, the Contractor and all subcontractors shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this contract, pursuant to G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

Advertising: The Contractor shall not use the award of this contract as a part of any news release or commercial advertising.
ATTACHMENT B – Scope of Work

Federal Tax Id. or SSN  27-3190975
Contract #

A. CONTRACTOR INFORMATION

1. Contractor Agency Name:  Steele Bridge Enterprises (D&D General Store)
2. If different from Contract Administrator Information in General Contract:
   Address

   Telephone Number:  Fax Number:  Email:

3. Name of Program (s):
4. Status:  □ Public  □ Private, Not for Profit  x□ Private, For Profit
5. Contractor's Financial Reporting Year July 2020 through June 2021

B. Explanation of Services to be provided and to whom (include SIS Service Code):
   Service Code 380- Medicaid Transportation

C. Rate per unit of Service (define the unit):

   1. If Standard Fixed Rate, Maximum Allowable, (See Rates for Services Chart)

   2. Negotiated County Rate.

      Each gas voucher, not to exceed the amount indicated on the gas voucher by DSS
      staff when determining eligibility.

D. Number of units to be provided: Number of individuals to be served varies and
   requests for service will be determined by the medical need, recipient eligibility and will
   be contingent upon funding.

E. Details of Billing process and Time Frames; Invoices are to be submitted for payment
   by the fifth working day of each month.

F. Area to be served/Delivery site(s):  Lee County residents who meet eligibility criteria
   and who are authorized by the Lee County Department of Social Services.

(Signature of County Authorized Person)  (Signature of Contractor)

(Date Submitted)  5-14-20

(Date Submitted)

Contract-Scope of Work (7-2008)
FEDERAL CERTIFICATIONS

The undersigned states that:

1. He or she is the duly authorized representative of the Contractor named below;

2. He or she is authorized to make, and does hereby make, the following certifications on behalf of the Contractor, as set out herein:
   a. The Certification Regarding Nondiscrimination;
   b. The Certification Regarding Drug-Free Workplace Requirements;
   c. The Certification Regarding Environmental Tobacco Smoke;
   d. The Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions; and
   e. The Certification Regarding Lobbying;

3. He or she has completed the Certification Regarding Drug-Free Workplace Requirements by providing the addresses at which the contract work will be performed;

4. [Check the applicable statement]

[ ] He or she has completed the attached Disclosure Of Lobbying Activities because the Contractor has made, or has an agreement to make, a payment to a lobbying entity for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action;

OR

[ ] He or she has not completed the attached Disclosure Of Lobbying Activities because the Contractor has not made, and has no agreement to make, any payment to any lobbying entity for influencing or attempting to influence any officer or employee of any agency, any Member of Congress, any officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action.

5. The Contractor shall require its subcontractors, if any, to make the same certifications and disclosure.

Signature

Title

Steel Bridge Enterprises, Inc

Contractor Name

Date 5-14-20

[This Certification Must be Signed by the Same Individual Who Signed the Proposal Execution Page]

I. Certification Regarding Nondiscrimination

The Contractor certifies that it will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (h) the Food Stamp Act and USDA policy, which prohibit discrimination on the basis of religion and political beliefs; and (i) the requirements of any other nondiscrimination statutes which may apply to this Agreement.
II. Certification Regarding Drug-Free Workplace Requirements

1. The Contractor certifies that it will provide a drug-free workplace by:
   
a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor’s workplace and specifying the actions that will be taken against employees for violation of such prohibition;

b. Establishing a drug-free awareness program to inform employees about:
   i. The dangers of drug abuse in the workplace;
   ii. The Contractor’s policy of maintaining a drug-free workplace;
   iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
   iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

c. Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (a);

d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the agreement, the employee will:
   i. Abide by the terms of the statement; and
   ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;

e. Notifying the Department within ten days after receiving notice under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction;

f. Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
   i. Taking appropriate personnel action against such an employee, up to and including termination; or
   ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

2. The sites for the performance of work done in connection with the specific agreement are listed below (list all sites; add additional pages if necessary):

   **Address**

   **Street** 3201 Carbonton Road

   **City, State, Zip Code** Sanford NC 27330
3. Contractor will inform the Department of any additional sites for performance of work under this agreement.

4. False certification or violation of the certification may be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment. 45 C.F.R. 82.510.

III. Certification Regarding Environmental Tobacco Smoke

Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children’s services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000.00 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor certifies that it will comply with the requirements of the Act. The Contractor further agrees that it will require the language of this certification be included in any subawards that contain provisions for children’s services and that all subgrantees shall certify accordingly.

IV. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

Instructions

[The phrase "prospective lower tier participant" means the Contractor.]

1. By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.


5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

Certification

1. The prospective lower tier participant certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

V. Certification Regarding Lobbying

The Contractor certifies, to the best of his or her knowledge and belief, that:

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

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

3. The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) who receive federal funds of $100,000.00 or more and that all subrecipients shall certify and disclose accordingly.

4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for each such failure.

VI. Disclosure Of Lobbying Activities

Instructions

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.
Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

1. Identify the status of the covered Federal action.

2. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

3. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

4. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.

5. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

6. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

7. Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001." 

8. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.

9. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).

10. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

11. Check the appropriate boxes. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.

12. Check the appropriate boxes. Check all boxes that apply. If other, specify nature.

13. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.

14. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.

15. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

---

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D. C. 20503.
Disclosure Of Lobbying Activities  
(Approved by OMB 0344-0046)

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

<table>
<thead>
<tr>
<th>1. Type of Federal Action:</th>
<th>2. Status of Federal Action:</th>
<th>3. Report Type:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. contract</td>
<td>a. Bid/offer/application</td>
<td>a. initial filing</td>
</tr>
<tr>
<td>b. grant</td>
<td>b. Initial Award</td>
<td>b. material change</td>
</tr>
<tr>
<td>c. cooperative agreement</td>
<td>c. Post-Award</td>
<td></td>
</tr>
<tr>
<td>d. loan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. loan guarantee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. loan insurance</td>
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<td></td>
</tr>
</tbody>
</table>

For Material Change Only:
Year: ___________ Quarter: ___________
Date Of Last Report: ___________

<table>
<thead>
<tr>
<th>4. Name and Address of Reporting Entity:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime</td>
</tr>
<tr>
<td>Subawardee Tier (if known) ____________</td>
</tr>
<tr>
<td>Congressional District (if known)</td>
</tr>
</tbody>
</table>

Congressional District (if known) ___________

<table>
<thead>
<tr>
<th>6. Federal Department/Agency:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>7. Federal Program Name/Description:</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFDA Number (if applicable)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8. Federal Action Number (if known)</th>
</tr>
</thead>
</table>

| 9. Award Amount (if known) $ |

<table>
<thead>
<tr>
<th>10. a. Name and Address of Lobbying Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>(If individual, last name, first name, MI):</td>
</tr>
</tbody>
</table>

(attach Continuation Sheet(s) SF-LLL-A, if necessary)

<table>
<thead>
<tr>
<th>b. Individuals Performing Services (including address if different from No. 10a.) (last name, first name, MI):</th>
</tr>
</thead>
</table>

(attach Continuation Sheet(s) SF-LLL-A, if necessary)

<table>
<thead>
<tr>
<th>11. Amount of Payment (check all that apply):</th>
</tr>
</thead>
</table>

$ ___________________________ actual planned

<table>
<thead>
<tr>
<th>12. Form of Payment (check all that apply):</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. cash</td>
</tr>
<tr>
<td>b. In-kind; specify: Nature ________________</td>
</tr>
<tr>
<td>Value ____________________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>13. Type of Payment (check all that apply):</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. retainer</td>
</tr>
<tr>
<td>b. one-time fee</td>
</tr>
<tr>
<td>c. commission</td>
</tr>
<tr>
<td>d. contingent fee</td>
</tr>
<tr>
<td>e. deferred</td>
</tr>
<tr>
<td>f. other; specify: ____________________</td>
</tr>
</tbody>
</table>

| 14. Brief Description of Services Performed or to be Performed and Date(s) of Services, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11 (attach Continuation Sheet(s) SF-LLL-A, if necessary): |

<table>
<thead>
<tr>
<th>15. Continuation Sheet(s) SF-LLL-A attached:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
</tbody>
</table>

Signature: ___________________________
Print Name: ___________________________
Title: ________________________________
Telephone No: _________________________
Date: ________________________________

Federal Use Only

Authorized for Local Reproduction
Standard Form - LLL
CONFLICT OF INTEREST ACKNOWLEDGEMENT AND POLICY

State of NC
County Harnett

I, Melanie C. Holly, Notary Public for said County and State, certify that Daniel B. Deloy personally appeared before me this day and acknowledged that he/she is owner of Steel Bridge Enterprises INC.

[Name of Organization]

and by that authority duly given and as the act of the Organization, affirmed that the foregoing Conflict of Interest Policy was adopted by the Board of Directors/Trustees or other governing body in a meeting held on the 19th day of May, 2020.

Sworn to and subscribed before me this 19th day of May

Melanie C. Holly
(Official Seal)

My Commission expires 01-29-2020

Instruction for Organization:
Sign and attach the following pages after adopted by the Board of Directors/Trustees or other governing body OR replace the following with the current adopted conflict of interest policy.

Steel Bridge Enterprises INC
Name of Organization

Signature of Organization Official
Conflict of Interest Policy Example

The Board of Directors/Trustees or other governing persons, officers, employees or agents are to avoid any conflict of interest, even the appearance of a conflict of interest. The Organization's Board of Directors/Trustees or other governing body, officers, staff and agents are obligated to always act in the best interest of the organization. This obligation requires that any Board member or other governing person, officer, employee or agent, in the performance of Organization duties, seek only the furtherance of the Organization mission. At all times, Board members or other governing persons, officers, employees or agents, are prohibited from using their job title, the Organization's name or property, for private profit or benefit.

A. The Board members or other governing persons, officers, employees, or agents of the Organization should neither solicit nor accept gratuities, favors, or anything of monetary value from current or potential contractors/vendors, persons receiving benefits from the Organization or persons who may benefit from the actions of any Board member or other governing person, officer, employee or agent. This is not intended to preclude bona-fide Organization fund raising-activities.

B. A Board or other governing body member may, with the approval of Board or other governing body, receive honoraria for lectures and other such activities while not acting in any official capacity for the Organization. Officers may, with the approval of the Board or other governing body, receive honoraria for lectures and other such activities while on personal days, compensatory time, annual leave, or leave without pay. Employees may, with the prior written approval of their supervisor, receive honoraria for lectures and other such activities while on personal days, compensatory time, annual leave, or leave without pay. If a Board or other governing body member, officer, employee or agent is acting in any official capacity, honoraria received in connection with activities relating to the Organization are to be paid to the Organization.

C. No Board member or other governing person, officer, employee, or agent of the Organization shall participate in the selection, award, or administration of a purchase or contract with a vendor where, to his knowledge, any of the following has a financial interest in that purchase or contract:
   1. The Board member or other governing person, officer, employee, or agent;
   2. Any member of their family by whole or half blood, step or personal relationship or relative-in-law;
   3. An organization in which any of the above is an officer, director, or employee;
   4. A person or organization with whom any of the above individuals is negotiating or has any arrangement concerning prospective employment or contracts.

D. Duty to Disclosure -- Any conflict of interest, potential conflict of interest, or the appearance of a conflict of interest is to be reported to the Board or other governing body or one's supervisor immediately.

E. Board Action -- When a conflict of interest is relevant to a matter requiring action by the Board of Directors/Trustees or other governing body, the Board member or other governing person, officer, employee, or agent (person(s)) must disclose the existence of the conflict of interest and be given the opportunity to disclose all material facts to the Board and members of committees with governing board delegated powers considering the possible conflict of interest. After disclosure of all material facts, and after any discussion with the person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

In addition, the person(s) shall not participate in the final deliberation or decision regarding the matter under consideration and shall leave the meeting during the discussion of and vote of the Board of Directors/Trustees or other governing body.

F. Violations of the Conflicts of Interest Policy -- If the Board of Directors/Trustees or other governing body has reasonable cause to believe a member, officer, employee or agent has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Board of Directors/Trustees or other governing body determines the member, officer, employee or agent has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

NCDHHS COI1015 (Rev. 4/11)
G. Record of Conflict -- The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement that presents a possible conflict of interest, the content of the discussion, including any alternatives to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Approved by:

##ContractorName## Steel Bridge Enterprises INC.

Name of Organization

Signature of Organization Official

S-14-2D

Date
State Grant Certification – No Overdue Tax Debts

Instructions: Steel Bridge Enterprises Inc. should complete this certification for all state funds received. Entity should enter appropriate data in the yellow highlighted areas. The completed and signed form should be provided to the state agency funding the grant to be attached to the contract for the grant funds. A copy of this form, along with the completed contract, should be kept by the funding agency available for review by the Office of State Budget and Management.

Note: If you have a contract that extends more than one state fiscal year, you will need to obtain an updated certification for each year of the contract.

Steel Bridge Enterprises Inc d.b.a. D&D General Store
3201 Carbonton Rd.
Sanford, NC 27330

[05/18/2020]

To: State Agency Head and Chief Fiscal Officer

Certification:

We certify that the [Steel Bridge Enterprises Inc.] does not have any overdue tax debts, as defined by N.C.G.S. 105-243.1, at the federal, State, or local level. We further understand that any person who makes a false statement in violation of N.C.G.S. 143C-6-23(c) is guilty of a criminal offense punishable as provided by N.C.G.S. 143C-10-1b.

Sworn Statement:

[Daniel B. Doby] and [Linda T. Doby], respectively, of [Steel Bridge Enterprises Inc.] of [Sanford] in the State of [North Carolina]; and that the foregoing certification is true, accurate and complete to the best of our knowledge and was made and subscribed by us. We also acknowledge and understand that any misuse of state funds will be reported to the appropriate authorities for further action.

Board Chair

[Title of Second Authorizing Official]

Sworn to and subscribed before me on the day of the date of said certification.

(Note Notary Signature and Seal)

My Commission Expires: 9/19/2020

If there are any questions, please contact the state agency that provided your grant. If needed, you may contact the North Carolina Office of State Budget and Management:
NCGrantees@osbm.nc.gov (919) 907-4795

1 G.S. 105-243.1 defines: Overdue tax debt — Any part of a tax debt that remains unpaid 90 days or more after the notice of final assessment was mailed to the taxpayer. The term does not include a tax debt, however, if the taxpayer entered into an installment agreement for the tax debt under G.S. 105-237 within 90 days after the notice of final assessment was mailed and has not failed to make any payments due under the installment agreement."
Attachment G

Lee County Department of Social Services

Certification Regarding Lobbying

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

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

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal, state or local government agency, a Member of Congress, a Member of the General Assembly, an officer or employee of Congress, an officer or employee of the General Assembly, an employee of a Member of Congress, or an employee of a Member of the General Assembly in connection with the awarding of any Federal or state contract, the making of any Federal or state grant, the making of any Federal or state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal or state contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

Notwithstanding other provisions of federal OMB Circulars-CFR Title 2, Grants and Agreements, Part 200, costs associated with the following activities are allowable:

**Paragraph A.**

(1) Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsements, publicity, or similar activity;

(2) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections;

(3) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any Government official or employee in connection with a decision to sign or veto enrolled legislation;
(4) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign; or

(5) Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.

The following activities as enumerated in Paragraph B are accepted from the coverage of Paragraph A:

Paragraph B.

(1) Providing a technical and factual presentation of information on a topic directly related to the performance of a grant, contract or other agreement through hearing testimony, statements or letters to the Congress or a State legislature, or subdivision, member, or cognizant staff member thereof, in response to a documented request (including a Congressional Record notice requesting testimony or statements for the record at a regularly scheduled hearing) made by the recipient member, legislative body or subdivision, or a cognizant staff member thereof; provided such information is readily obtainable and can be readily put in deliverable form; and further provided that costs under this section for travel, lodging or meals are unallowable unless inured to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearing.

(2) Any lobbying made unallowable by subparagraph A (3) to influence State legislation in order to directly reduce the cost, or to avoid material impairment of the organization's authority to perform the grant, contract, or other agreement.

(3) Any activity specifically authorized by statute to be undertaken with funds from the grant, contract, or other agreement.

Paragraph C.

(1) When an organization seeks reimbursement for indirect costs, total lobbying costs shall be separately identified in the indirect cost rate proposal, and thereafter treated as other unallowable activity costs in accordance with the procedures of subparagraph B.(3).

(2) Organizations shall submit, as part of the annual indirect cost rate proposal, a certification that the requirements and standards of this paragraph have been complied with.

(3) Organizations shall maintain adequate records to demonstrate that the determination of costs as being allowable or unallowable pursuant to this section complies with the requirements of this Circular.

(4) Time logs, calendars, or similar records shall not be required to be created for purposes of complying with this paragraph during any particular calendar month when: (1) the employee engages in lobbying (as defined in subparagraphs (a) and (b)) 25 percent or less of the employee's compensated hours of employment during that calendar month, and (2) within the preceding five-year period, the organization has not materially misstated allowable or unallowable costs of any nature, including legislative lobbying costs. When conditions (1) and (2) are met, organizations are not required to establish records to support the allowability of claimed costs in addition to records already required or maintained. Also, when conditions (1) and (2) are met, the absence of time logs, calendars, or similar records will not serve as a basis for disallowing costs by contesting estimates of lobbying time spent by employees during a calendar month.

(5) Agencies shall establish procedures for resolving in advance, in consultation with OMB, any significant questions or disagreements concerning the interpretation or application of this section. Any such advance resolution shall be binding in any subsequent settlements, audits or investigations with respect to that grant or contract for purposes of interpretation of this Circular; provided, however, that this shall not be construed to prevent a contractor or grantee from contesting the lawfulness of such a determination.
Paragraph D.
Executive lobbying costs. Costs incurred in attempting to improperly influence either directly or indirectly, an employee or officer of the Executive Branch of the Federal Government to give consideration or to act regarding a sponsored agreement or a regulatory matter are unallowable. Improper influence means any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a federally sponsored agreement or regulatory matter on any basis other than the merits of the matter.

(Title)

Agency/Organization

Date

(Signature)

(Certification signature should be same as Contract signature.)
ATTACHMENT H
Lee County Department of Social Services

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant will provide immediate written notice to the person to which the proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the (Federal Certification-Debarment)(06/2015)
certification is erroneous. A participant may decide the method and frequency of which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

[Signature]

[Title]

Steel Bridge Enterprises INC

Agency/Organization

5-19-20

Date

(Certification signature should be same as Contract signature.)

(Federal Certification - Debarment) (07/08)
This document will be used to determine if you have a business associate relationship with a contractor. This form should be completed on all contracts that have a HIPAA covered health care component. This would include all health related information.

Contractor: D & D General Store  Contract Number: _____  Date: 5-1-20

<table>
<thead>
<tr>
<th>Questions</th>
<th>Notes</th>
<th>Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Has a relationship been initiated to allow the contractor to perform a function or activity for, or on behalf of, County Department of Social Services HIPAA covered health care component?</td>
<td></td>
<td>YES—Go to Question 2. NO—Stop. There is no business associate relationship.</td>
</tr>
<tr>
<td>2. Is the function or service to be rendered by the contractor on an activity other than treatment of clients?</td>
<td>NOTE: The sharing of individually identifiable health information with another treatment contractor for treatment purposes only does not require a business associate agreement. See 45 CFR §164.502(e)(1)(ii)(A)</td>
<td>YES—Go to Question 3. NO—Stop. There is no business associate relationship.</td>
</tr>
<tr>
<td>3. Does the function or service to be rendered by the contractor involve the use or disclosure of the County Department of Social Services individually identifiable health information?</td>
<td>NOTE: Data that does not contain A County Department of Social Services individually identifiable health information is not covered by HIPAA and thus does not have to be protected through a business associate agreement.</td>
<td>YES—Go to Question 4. NO—Stop. There is no business associate relationship.</td>
</tr>
<tr>
<td>4. Are the services rendered by the contractor performed on the premises of the covered health care component, using the component’s resources and following the component’s policies and procedures?</td>
<td>NOTES: Whenever a service is rendered on the premises of a covered component, utilizing the component’s resources and following the component’s policies and procedures, the person rendering such services is considered a member of the component’s workforce, and is required to comply with the component’s privacy policies and procedures. No business associate agreement is required.</td>
<td>NO—Got Question 5. YES—Stop. There is not business associate relationship.</td>
</tr>
<tr>
<td>5. Is the contractor performing a type(s) of function/activity for or on the behalf of the County Department of Social Services HIPAA covered health</td>
<td>Check appropriate service(s): ☐ Attorney Representing Agency ☐ Benefits Management</td>
<td>YES—You have identified a business associate relationship. The specified function/activity, which involves the sharing of individually identifiable</td>
</tr>
</tbody>
</table>
Component that is directly related to the covered health component’s continued operation?  

- Patient Accounts Billing
- Claims Processing
- Claims Administration
- Bill Collections
- Professional Services
- Special Population Assessments
- Data Analysis
- Data Processing
- Data Administration
- JCAHO
- Council on Accreditation
- Re-pricing
- Rate Setting
- Practice Management
- Software Support
- Utilization Review
- Quality Assurance
- Contract Analysis
- Central Office Supervision
- Security
- Dietary
- Machine Maintenance
- Facility Maintenance
- Landscaping
- Housekeeping
- Hardware Support
- Audits/Surveys
- Purchasing

Health information, is provided by the contractor. This constitutes a business associate relationship as such information must be protected the same as required of the HIPAA covered health care component. There are two types of business associate relationships:

- External Business Associate relationships: You have identified an external business associate relationship if you are contracting with any entity outside city, county or state government.
- A Business Associate Addendum must be signed and included with the contract. If you are completing a Memorandum of Agreement (MOA) with a governmental entity the Government Associate Addendum must be utilized.

**NO STOP**. There is no business associate relationship.

### ADDITIONAL REQUIREMENTS

**NOTE:** Make sure all county requirements are met for internally notifying the correct parties for External and Internal Business Associates

Rev: 7-1-2013
ATTACHMENT J

CERTIFICATION REGARDING TRANSPORTATION

Lee County Department of Social Services/Human Services

By execution of this Agreement the Contractor certifies that it will provide safe client transportation by:

1. Insuring that all drivers (including employees, contractors, contractor’s employees, and volunteers) shall be at least 18 years of age;

2. Insuring that all drivers (including employees, contractors, contractor’s employees, and volunteers) shall be licensed to operate the specific vehicle used in transporting clients in accordance with Chapter 20-7 of the General Statutes of North Carolina and the Division of Motor Vehicle requirements;

3. Insuring that all vehicles transporting clients shall have at least the minimum level of liability insurance appropriate for the type of vehicle as defined by Article 7, Rule R2-36 of the North Carolina Utilities Commission;

4. Insuring that the contractor shall have written policies and procedures regarding how drivers handle and report client emergencies and/or vehicle crashes involving clients to contractor and how contractor notifies the Lee County Department of Social Services;

5. Insuring that no more than one-quarter of one percent of all trips be missed by the contractor during the course of the contract period; (Medicaid only)

6. Insuring that no more than five percent (5%) of trips should be late for recipient drop off to their appointment per month; (Medicaid only)

7. Contractor will maintain records documenting the following (County may require contractor to provide):
   a. Valid current copies of Drivers License for all drivers;
   b. Current valid Vehicle Registration, for all vehicles transporting clients;
   c. Driving records for all drivers for the past three years and with annual updates;
   d. Criminal Background checks through North Carolina Law Enforcement or NCIC prior to employment and every three years thereafter;
   e. Alcohol and Drug Testing policy to meet the Federal Transit Authority guidelines.

8. Disclosing, at the outset of the contract, upon renewal and upon request, any criminal convictions or other reasons for disqualifications from participation in Medicare, Medicaid or Title XX programs (signature on this form confirms this statement).

Signature

Title

Agency/Organization

Date

(Certification signature should be same as Contract signature.)
State Certifications
Contractor Certifications Required by North Carolina Law

Instructions: The person who signs this document should read the text of the statutes and Executive Order listed below and consult with counsel and other knowledgeable persons before signing. The text of each North Carolina General Statutes and of the Executive Order can be found online at:

- Article 2 of Chapter 64: http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf
- G.S. 133-32: http://www.nclag.state.nc.us/gascripts/statutes/statutelookup.pl?statute=133-32
- G.S. 105-164.8(b): http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf
- G.S. 143-48.5: http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html
- G.S. 143-59.1: http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf
- G.S. 143-59.2: http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf
- G.S. 143-133.3: http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-133.3.html
- G.S. 143B-139.6C: http://www.ncgap.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143B/GS_143B-139.6C.pdf

Certifications

1) Pursuant to G.S. 133-32 and Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009), the undersigned hereby certifies that the Contractor named below is in compliance with, and has not violated, the provisions of either said statute or Executive Order.

2) Pursuant to G.S. 143-48.5 and G.S. 143-133.3, the undersigned hereby certifies that the Contractor named below, and the Contractor’s subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system. E-Verify System Link: www.uscis.gov

3) Pursuant to G.S. 143-59.1(b), the undersigned hereby certifies that the Contractor named below is not an “ineligible Contractor” as set forth in G.S. 143-59.1(a) because:
   (a) Neither the Contractor nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); and
   (b) [check one of the following boxes]
      □ Neither the Contractor nor any of its affiliates has incorporated or reincorporated in a “tax haven country” as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 but the United States is not the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.
      (4) Pursuant to G.S. 143-59.2(b), the undersigned hereby certifies that none of the Contractor’s officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.

4) Pursuant to G.S. 143-59.2(b), the undersigned hereby certifies that none of the Contractor’s officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.

5) Pursuant to G.S. 143B-139.6C, the undersigned hereby certifies that the Contractor will not use a former employee, as defined by G.S. 143B-139.6C(d)(2), of the North Carolina Department of Health and Human Services in the administration of a contract with the Department in violation of G.S. 143B-139.6C and that a violation of that statute shall void the Agreement.

6) The undersigned hereby certifies further that:
   (a) He or she is a duly authorized representative of the Contractor named below;
   (b) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Contractor; and
   (c) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

Contractor’s Name: Stud Bridge Enterprises Inc

Contractor’s Authorized Agent: Signed [Signature]

Printed Name: Daniel B. Dan

Title: MPA

Date: 3-19-20

Witness:

Signature: [Signature]

Printed Name: Melaina C. Holly

Title: Ass. Branch Mgr

Date: 5-19-20

The witness should be present when the Contractor’s Authorized Agent signs this certification and should sign and date this document immediately thereafter.
ATTACHMENT N

Lee County Department of Social Services/Human Services

CERTIFICATION REGARDING NONDISCRIMINATION, CLEAN AIR ACT,
CLEAN WATER ACT

Certification Regarding Nondiscrimination

The Contractor certifies that it will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (h) the Food Stamp Act and USDA policy, which prohibit discrimination on the basis of religion and political beliefs; and (i) the requirements of any other nondiscrimination statutes which may apply to this Agreement.

The Contractor must comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented by the Department of Labor Regulations (41 CFR Part 60): The Executive Order prohibits federal contractors and federally-assisted construction contractors and subcontractors who do over $10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin. The Executive Order also requires Government contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.

Meaningful Access for LEP Individuals: The Contractor that participate in the SNAP must take reasonable steps to ensure that LEP persons have meaningful access to programs, services, and benefits. This includes the requirement to provide bilingual program information and certification materials and interpretation services to single language minorities in certain project areas. SNAP Contractors that do not provide meaningful access for LEP individuals risk violating prohibitions against discrimination based on National Origin in the Food and Nutrition Act of 2008, as amended, Title VI of the Civil Rights Act of 1964 (Title VI) and SNAP program regulations at 7 CFR 272A(b). They also risk noncompliance with the USDA policy guidance titled, "Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons", published in 79 FR 70771 - 70784 (November 28, 2014).

The Contractor should develop an implementing plan to address the language assistance needs of the LEP population served. This may include contracting for oral interpretation services, hiring bilingual staff, arranging telephone interpreters and/or language lines, coordinating community volunteers, translating vital documents, and providing written notice that language services are available in appropriate languages. Quality and accuracy of the language service is critical in order to avoid serious consequences to the LEP person and to the recipient. LEP needs should be considered in developing budgets and front line staff should understand how to obtain language assistance services. For additional assistance and information regarding LEP matters, please also visit http://www.lep.gov.
Ensuring Equal Opportunity Access for Persons with Disabilities: The Contractor must also ensure equal opportunity access for persons with disabilities. This includes ensuring that communications with applicants, participants, members of the public, and companions with disabilities are as effective as communications with people without disabilities. Contractors that do not provide persons with disabilities equal opportunity access to programs may risk violating prohibitions against disability discrimination in the Rehabilitation Act of 1978, the American with Disabilities Act (ADA) of 1990, as amended, and SNAP program regulations. DOJ published revised final regulations implementing Title II and Title III of the ADA on September 15, 2010. These regulations are codified at 28 CFR Part 35 "Nondiscrimination on the Basis of Disability in State and Local Government Services" and at 28 CFR Part 36 "Nondiscrimination on the Basis of Disability in Public Accommodations and Commercial Facilities". In accordance with the implementing regulations, Contractors must provide auxiliary aids and services where necessary to ensure effective communication and equal opportunity access to program benefits for individuals with disabilities. The type of auxiliary aids and services required will vary, but a Contractor may not require an individual with a disability to bring another individual to interpret, and may rely on a person accompanying a disabled individual only in limited circumstances. When a Contractor communicates with applicants and beneficiaries by telephone, it must provide text telephone services (TTY) or have access to an equally effective electronic telecommunications system to communicate with individuals who are deaf, hard of hearing, or hearing impaired. Contractors must also ensure that interested persons, including persons with impaired vision or hearing, can obtain information as to the existence and location of accessible services, activities, and facilities. For more information, please visit the ADA website: http://www.ada.gov.

IV. The Clean Air Act, Section 306; 42 U.S.C. §7401 et seq. (1970)

a. No Federal agency may enter into any contract with any person who is convicted of any offense under section 113(c) for the procurement of goods, materials, and services to perform such contract at any facility at which the violation which gave rise to such conviction occurred if such facility is owned, leased, or supervised by such person. The prohibition in the preceding sentence shall continue until the Administrator certifies that the condition giving rise to such a conviction has been corrected. For convictions arising under section 113(c)(2), the condition giving rise to the conviction also shall be considered to include any substantive violation of this Act associated with the violation of 113(c)(2). The Administrator may extend this prohibition to other facilities owned or operated by the convicted person.

b. The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a).

c. In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's air, the President shall, not more than 180 days after enactment of the Clean Air Amendments of 1970 cause to be issued an order (1) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and (2) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

d. The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

e. The President shall annually report to the Congress on measures taken toward implementing the purpose and intent of this section, including but not limited to the progress and problems associated with implementation of this section. [42 U.S.C. 7606] (Federal Certification-Non-Discrimination, Clean Air, Clean Water) (01/2018)

a. No Federal agency may enter into any contract with any person who has been convicted of any offense under Section 309(c) of this Act for the procurement of goods, materials, and services if such contract is to be performed at any facility at which the violation which gave rise to such conviction occurred, and if such facility is owned, leased, or supervised by such person. The prohibition in preceding sentence shall continue until the Administrator certifies that the condition giving rise to such conviction has been corrected.

b. The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a) of this section.

c. In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation’s water, the President shall, not more than 180 days after the enactment of this Act, cause to be issued an order:

(i) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and

(ii) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

d. The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

e. The President shall annually report to the Congress on measures taken in compliance with the purpose and intent of this section, including, but not limited to, the progress and problems associated with such compliance.

f. No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

g. In paragraph (1), the term “commercial item” has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

[Signature]
Title

[Agency/Organization]
Date

(Certification signature should be same as Contract signature.)
The County of Lee North Carolina

Vendor/Contractor Name: Steel Bridge Enterprises (D&D General Store)

IRAN DIVESTMENT ACT CERTIFICATION
REQUIRED BY N.C.G.S. 147-86.59

As of the date listed below, the Vendor/Contractor listed above certifies that they are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor/Vendor shall not utilize any subcontractor that is identified on the list.

E-VERIFY CERTIFICATION
REQUIRED BY N.C.G.S. 143-48.5 & 147-33.95(g)

As of the date listed below, the Vendor/Contractor listed above and all Vendor/Contractor's subcontractors certify that they are in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

The undersigned hereby certifies that he/she is authorized by the entity listed above to make the foregoing statement.

[Signature]

[Printed Name]

[Date]

5-19-20

[Printed Title]
**MEETING DATE:** June 1, 2020  

**SUBJECT:** Approve Extension of Existing Service Agreement with Bill2Pay, LLC  

**DEPARTMENT:** Tax  

**CONTACT PERSON:** Michael Brown, Tax Administrator  

**TYPE:** Consent Agenda

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>Approve extension of existing agreement for 1 year.Â</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET IMPACT</td>
<td>N/A</td>
</tr>
</tbody>
</table>
| ATTACHMENTS | Bill2Pay - FINANCE - Bill2Pay_Lee County_NC_Final 05092018_signed 5-7-18.pdf  
Bill2Pay_Letter Contract Extension_Lee County_NC_draft 5.18.2020.docx |
| PRIOR BOARD ACTION | N/A |
| RECOMMENDATION | Approve extension of existing agreement for 1 year. |

**SUMMARY**

Bill2Pay provides a service to the Tax Department that assist taxpayers with making electronic payments with a debt/credit card and E-Check. The service is used by taxpayers and provides a convenient means for them to make payments. Fees associated with this agreement will remain the same. The fee for payment by credit card is 2.4%, debit card $3.95 and E-Check $1.50. Approval of this 1 year extension will run from July 1, 2020 to June 30, 2021.
Terms and Conditions

<table>
<thead>
<tr>
<th>Client</th>
<th>Lee County, North Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Date</td>
<td>July 1, 2018</td>
</tr>
<tr>
<td>Initial Term End Date</td>
<td>July 1, 2020</td>
</tr>
</tbody>
</table>

This Payment Processing Services Agreement ("Agreement") is entered into as of the Effective Date by and between Bill2Pay, LLC., ("Bill2Pay") a Florida limited liability corporation with offices in Jacksonville and Clearwater, Florida, and the above referenced Client, and Lee County, North Carolina.

1 SCOPE OF SERVICES

Bill2Pay shall furnish the services and implement the general product as set forth in the attached Exhibit A which is incorporated herein and made a part of this Agreement.

2 COMPENSATION

2.1 FEES

As consideration for the services set forth in Exhibit A ("Services"), Client shall pay Bill2Pay the fees according to the provisions contained in Exhibit B.

2.2 PRICING CHANGES

The fees defined in Exhibit B are fixed for the initial thirty-six (36) month term of the Agreement provided Client does not make a substantial change except if in accordance with the service description set forth in Exhibit A. Substantial changes include, but are not limited to, initiating a change in the form of Client’s customer payments, Interactive Voice Response Systems (IVR), Web pages and links, operating procedures, invoices, account numbers, or any other similar changes that increases the cost for Bill2Pay to provide the enhanced Services in more than an insignificant amount.

Should Client desire to make any such change, it shall give Bill2Pay at least thirty (30) days advance written notice. Client shall be responsible for any additional expenses incurred by Bill2Pay in the event Bill2Pay agrees to the change.

Credit/Debit and ACH processing rates and rules, are not controlled by Bill2Pay and they may change without prior notice. If such rates increase, Bill2Pay will increase the electronic pricing structure outlined in Exhibit B to exactly reflect such rate increases. In the event during any calendar quarter: (i) the average payment amount charged on a credit card increases by more than five percent, or (ii) the percentage of ACH transactions (eChecks payments) compared to the number of credit and debit card transactions decreases by more than five percent, and/or (iii) the percentage of the aggregate number of credit card transactions divided by the aggregate number of debit card transactions increases by more than ten percent, Bill2Pay is allowed upon thirty (30) days’ prior notice, to increase its fees to compensate Bill2Pay for its increased card processing costs.
3 AGREEMENT TERM

3.1 INITIAL TERM

This Agreement shall have an twenty four (24) month term ending at midnight on July 1, 2020.

3.2 RENEWAL OPTIONS

This term can be extended for successive one (1) year terms if the parties agree in writing to an extension.

4 TERMINATION

4.1 TERMINATION FOR CONVENIENCE

Bill2Pay or Client may terminate this Agreement for convenience, without further obligation, upon ninety (90) days' prior written notice to the other party.

4.2 TERMINATION FOR CAUSE

Bill2Pay or Client may terminate this Agreement, without further obligation, upon written notice to the other party if the other party breaches any material term of the Agreement and such breach remains uncured for thirty (30) days after receipt of said notice.

Bill2Pay may terminate this Agreement, without further obligation, upon written notice to Client if Client withholds, or does not pay, any fees claimed by Bill2Pay. In such event the period to cure shall be seven (7) days after receipt of said notice.

4.3 SUSPENSION OF SERVICE

Client understands that Bill2Pay may suspend or terminate the Service if: (i) Client breaches any agreement, representation, warranty or covenant with Bill2Pay; (ii) Bill2Pay has reason to believe an unauthorized transaction has taken or may take place involving any of Client's accounts or the Services; (iii) if Client become insolvent or the subject of a bankruptcy, receivership, or dissolution proceeding; (iv) Bill2Pay is uncertain as to any person's authority to give Bill2Pay instructions regarding your account or the Service; or (v) if reversals exceed 2.5%.

Termination or suspension of Services by Bill2Pay shall not affect your obligations hereunder or under other agreements, and Bill2Pay shall have no liability on account of such termination.

5 RESPONSIBILITIES

5.1 RESPONSIBILITY FOR THE DATA

Bill2Pay assumes no liability for loss of input payment data, checks or other information before such data is in possession Bill2Pay.

Bill2Pay will reimburse Client for the recovery of overdraft fees charged to a Client customer as a direct result of a payment transaction error by Bill2Pay. Bill2Pay will further reimburse Client for any payments made by
Client to Bill2Pay which may be subsequently reversed for any reason.
Possession of the data by Bill2Pay first occurs when the items to be processed are delivered electronically and successfully stored by Bill2Pay's electronic payment application, or when items are delivered physically to Bill2Pay's lockbox processing facility and ends when the information has been delivered to Client's depository institution. Bill2Pay ensures the protection and integrity of the data in its systems.
Bill2Pay shall make reasonable efforts to ensure that all transaction requests are processed in a timely manner. However, Bill2Pay makes no representations or warranties regarding the amount of time needed to complete processing because the Services are largely dependent upon many factors outside of our control, such as delays in the banking system or the U.S. mail service. Bill2Pay does not endorse any third party's website or platform. Bill2Pay shall not be liable for any act or omission of any third party, including, but not limited to, any payment system, any third-party service provided, any provider of telecommunication services, any mail or delivery service or any payment or clearing house system or for any circumstance beyond Bill2Pay's control.

5.2 CLIENT'S RESPONSIBILITIES

Client shall use commercially reasonable efforts to monitor the Services. Client agrees that it shall review all reports and invoices prepared by Bill2Pay or its agents and make available to Client including, but not limited to, reports transmitted by electronic transmission. In the event Client believes Bill2Pay has failed in any way to provide the Services or in the event any report provided to Client contains any error, Client agrees to provide Bill2Pay with written notice, specifically detailing any alleged failure within thirty (30) days of the date on which the alleged failure first occurred. Client shall implement and maintain its software and transmission system's integrity to protect against and prevent hackers to access private information and prevent vulnerabilities that would allow malicious software (i.e., viruses and worms) to gain access to or disrupt Bill2Pay's network. In the event Client believes that its system has been compromised, Client shall immediately notify Bill2Pay in writing.

Client is required to provide and maintain Client's own compatible hardware and software necessary to use the Services.

6 INSURANCE AND BOND

Bill2Pay shall maintain the following coverage:

I. **Worker's Compensation Insurance** which shall fully comply with the statutory requirements of applicable state and federal laws.

II. **Employers' Liability Insurance** with limits no lower than $500,000 per accident, $500,000 for disease per employee and $500,000 disease policy limits.

III. **Commercial General Liability Insurance** with a minimum combined single limit of liability of $1,000,000 per occurrence per location and $2,000,000 aggregate for bodily injury and/or death and/or property damage and/or personal injury. This policy shall include products, completed operations coverage, and Broad Form Contractual Insurance specifically covering this Agreement.

IV. **Fidelity Bond** for coverage for the dishonest acts of its employees with a minimum amount of $1,000,000.

V. **Crime**: $5,000,000

VI. **E&O Liability**: $5,000,000

VII. **Cyber Liability**: $5,000,000

VIII. **Automobile Liability**: $1,000,000

IX. **Umbrella Liability**: Each Occurrence and Aggregate $5,000,000
7 CONTRACT DOCUMENTS

7.1 CONTRACT DOCUMENTS

The following Contract Documents are incorporated into and made part of this Agreement. In the event of any conflict between the Contract Documents or any ambiguity, the following priority is hereby established:

I. Signed Amendments to this Agreement
II. This Payment Processing Services Agreement
III. Exhibits to this Agreement

Client has read and executed these exhibits.

7.2 ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties. No other representations have been made by either party other than what has been set forth herein. This Agreement may only be amended by written amendment signed by both parties.

All of the representations made by Bill2Pay with respect to the provisions of the Services are set forth in this Agreement and Client acknowledges that it has not relied upon any other statements Client acknowledges that it has not relied upon any other prior statements or negotiations.

7.3 SEVERABILITY

If any provision of this Agreement shall be held to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable. If a court, or arbiter, finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

7.4 HEADINGS

Headings are only included for reference and convenience. They are not intended to define the scope of any provision and should not be used to construe or interpret this Agreement.

7.5 ASSIGNMENT

No Party may assign or transfer any of its rights or obligations under this Agreement without the prior written approval of the other Party, which consent shall not be unreasonably delayed or withheld.

8 CONTACTS

8.1 NOTICES

Whenever, under this Agreement, one party is required to give notice to the other, such notice shall be deemed given, if mailed by United States mail, registered or certified mail, return receipt requested,
postage prepaid and addressed as shown below. Either party may at any time change its address for notification purposes by mailing a notice stating the change and setting forth the new address.

**Client**
Lee County  
106 Hillcrest Drive  
Sanford, NC 27331

**Bill2Pay**
Bill2Pay, LLC  
9428 Baymeadows Way, Ste 500  
Accounting  
Jacksonville, FL 32256

8.2 PRIMARY CONTACTS For informational purposes only

Denette Fitzpatrick  
Lee County  
106 Hillcrest Drive  
Sanford, NC 27331

Iris Kraft  
Bill2Pay, LLC  
4700 140th Ave. North  
Ste 106  
Clearwater, FL 33762

9 FORCE MAJEURE – SUSPENSION OF OPERATIONS

Bill2Pay plans several scheduled maintenance windows each year in order to maintain and increase the availability or performance of the Services. Bill2Pay shall make reasonable commercial efforts to provide Client with prior notice of such service maintenance windows.

Performance of these Services will be provided in Bill2Pay’s facilities in either Clearwater or Jacksonville, Florida. Neither party shall be liable for damages for delay in Services should both of these facilities be unavailable due to causes beyond its control and without its fault or negligence. In the case of a delay by Bill2Pay, Bill2Pay shall, within four (4) hours from the beginning of such delay, notify Client of the cause of delay and Bill2Pay’s contingency plan to cure such delay.

These causes include, but are not limited to, acts of God, acts of public enemy, acts of the government, foreign or domestic terrorists, fires, floods, epidemics, strikes, labour disturbances, and freight embargoes. It will not be including delays caused by subcontractors or suppliers.

If a delay exceeds a total of five (5) days, Client may immediately with necessity of further notice, terminate this Agreement. Where Bill2Pay is prevented from providing the Services due to a cause listed above, Bill2Pay shall use its best efforts to resume Services as soon as such cause ends.

10 AMERICAN EXPRESS OBLIGATIONS

10.1 AMERICAN EXPRESS COMPLIANCE

Client agrees to comply with all applicable law, rules and regulations, including all the American Express Merchant Operating Guide requirements, which are incorporated into this Agreement by referenced as if they were fully set forth in the Agreement. The American Express Merchant Operating Guide may be viewed at: www.americanexpress.com/merchantopguide.

10.2 PROCESSING RESTRICTIONS

Client is prohibited from processing Transactions (as defined in the American Express Merchant Operating Guide) or receiving payments on behalf of, or (unless required by law) re-directing payments to any other party.
10.3 AGREEMENT TO ACCEPT AMERICAN EXPRESS CARDS

Except as provided by law, Client shall accept American Express Cards in connection with the payment processing services provided by Bill2Pay pursuant to this Agreement.

11 DISPUTE RESOLUTION

11.1 CHOICE OF LAW

This Agreement shall be governed by the laws of the State of North Carolina without reference to their rules regarding conflicts of law.

11.2 VENUE

If for any reason the parties do not settle the dispute in accordance with subparagraph 12.1 the parties agree to Lee County, North Carolina as the exclusive venue and jurisdiction for any dispute arising from or relating to this Agreement.

SEVERABILITY

If any court determines any provision of this Agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this Agreement invalid or unenforceable and such provision shall be modified, amended, or limited only to the extent necessary to render it valid and enforceable.

12 SIGNATURES

In Witness Whereof, the parties hereto have executed this Agreement as of the Effective Date by the undersigned officer's thereunto duly authorized.

Client

Sign: ____________________________
Name: Amy M. Delahunty
Title: Clerk, Lee County Board of Commissioners
Date: 5/7/2018

Bill2Pay, LLC

Sign: ____________________________
Name: Iris Kraft
Title: President
Date: 5/9/2018
<table>
<thead>
<tr>
<th>PCI Requirement</th>
<th>Bill2Pay (Service Provider) Responsibility</th>
<th>Client Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Install and maintain a firewall configuration to protect cardholder data</td>
<td>Limiting network access to and from devices used within the Bill2Pay online ordering platform to the most restrictive possible.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to maintain firewall configurations that protect internal networks and any data.</td>
</tr>
<tr>
<td>2: Do not use vendor-supplied defaults for system passwords and other security parameters</td>
<td>Adhering to CIS-derived system hardening policies for all devices and systems within the Bill2Pay online ordering platform.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to not use vendor-supplied defaults or system passwords and other security parameters.</td>
</tr>
<tr>
<td>3: Protect stored cardholder data</td>
<td>Securely storing (or not storing) cardholder data within the Bill2Pay, platform in line with PCI Requirement 3.</td>
<td>Not applicable, Client does not store cardholder data.</td>
</tr>
<tr>
<td>4: Encrypt transmission of cardholder data across open, public networks</td>
<td>Requiring secure transmission of cardholder data into the Bill2Pay platform and sending data to payment gateways in the most secure manner supported.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to encrypt transmission of data regardless of type but especially sensitive data.</td>
</tr>
<tr>
<td>5: Protect all systems against malware and regularly update anti-virus software or programs</td>
<td>Regularly scanning Bill2Pay platform servers for malware and viruses with up-to-date anti-virus software.</td>
<td>Although not directly handling cardholder data, Client is advised as best practices to protect all systems against malware and regularly update/maintain anti-virus software or programs.</td>
</tr>
<tr>
<td>6: Develop and maintain secure systems and applications</td>
<td>Following secure development and change control procedures for all changes to Bill2Pay platform components and ensuring that all Bill2Pay, platform components have the latest vendor-supplied security patches installed.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to follow secure development, change control and patching processes.</td>
</tr>
<tr>
<td>7: Restrict access to cardholder data by business need to know</td>
<td>Restricting access to cardholder data to systems and parties authorized within Bill2Pay, partners or by Client.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>8: Identify and authenticate access to system components</td>
<td>Identifying and authenticating access to Bill2Pay-controlled components in PCI scope.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to identify and authenticate system components but especially sensitive data areas.</td>
</tr>
<tr>
<td>9: Restrict physical access to cardholder data</td>
<td>Restricting physical access to Bill2Pay platform to PCI level 1 hosting providers.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>10: Track and monitor all access to network resources and cardholder data</td>
<td>Logging and monitoring all activity occurring within the Bill2Pay’s Platform.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to track and monitor access to local network resources especially in areas where card scan devices may be installed.</td>
</tr>
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<td></td>
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<tr>
<td>11: Regularly test security systems and processes.</td>
<td>Testing the security systems and processes for the Bill2Pay’s card processing Platform.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>12: Maintain a policy that addresses information security for all personnel</td>
<td>Maintaining security policies for all Bill2Pay employees and contractors.</td>
<td>Although not directly handling cardholder data, where applicable Client is advised as best practices to establish an information security policy for all personnel.</td>
</tr>
</tbody>
</table>

**Examples of Bill2Pay’s Responsibilities**

- Preventing credit/debit card data from being intercepted in-transit between a Client submitting credit/debit card data and our platform servers.
- Preventing credit/debit card data stored or transmitted within our platform from being stolen by unauthorized parties. Restricting access to sensitive data transmitted and stored by Bill2Pay’s platform to only those with a business need.

**Examples of Client Responsibilities**

- Maintaining patched and updated malware tools supporting systems.
- Regularly updating operating systems and applications installed.
- Security of third party developers or agencies that develop for Client and may interface with Bill2Pay’s platforms.
- Security of POS system(s) scanners and local environments that interface with Bill2Pay’s platforms.

**Examples of End-User Responsibilities**

- Security of the device or browser being used to enter credit/debit card data. For example, Bill2Pay is not responsible for malicious browser plugins or key loggers.

By this written agreement, known as the “PCI Responsibility Matrix and Agreement”, Bill2Pay provides acknowledgement that Bill2Pay, the service provider, is responsible for the security of cardholder data it may possess or otherwise store, process or transmit on behalf of Client, or to the extent that they could impact the security of Client’s cardholder data. Client acknowledges and agrees to Bill2Pay’s and its responsibilities in the above responsibility matrix.

Initial Here:  

[Signature]

Client

Bill2Pay

57
Exhibit A – Scope of Service

ELECTRONIC

Bill2Pay shall provide electronic payment processing solutions to Client that will allow Client to take credit/debit card and eCheck (ACH) transactions for its end users. Bill2Pay’s electronic payment channels include: online, in-person, and IVR. All payment screens clearly show if any convenience fees are being charged so the customer is aware of the fee before the transaction is processed. The customer will clearly see (spoken to for phone payments) the transaction amount, convenience fee amount (if applicable), and total amount paid when the payment has been processed on the payment receipt and confirmation email. Every transaction has a unique confirmation number that will be printed on the receipt provided to the customer. All payments taken over Bill2Pay’s electronic solutions post in real time to the Client Administration Portal and can be included in a data file or post back in real time over an API connection to your back-end system. Manual posting is also available. Implementation, Hardware, Data File integration and other charges may apply as outlined in the Pricing Sheet in Exhibit B.

ONLINE PAYMENTS

Bill2Pay will custom build the online payments pages for Client. The payment website link will be hosted by Bill2Pay and plug into to Client’s website so the customer will never leave your site. All online websites are mobile enabled. The website will automatically detect what device each visitor is using, then properly fit and display the page in the best format for that device, whether it be a smartphone, tablet, or laptop. The online payments solution will allow your customers to make payments with a credit/debit card or eCheck (ACH) 24/7/365 and are PCI Level 1/NACHA compliant.

Bill2Pay’s Online Solution has the following features:

- **Shopping Cart** – Multiple payments can be made in a single transaction.
- **Real Time Data Lookup** – Pull back payment identifiers such as name, payment amount, etc.
- **Payment Frequency** – There are different ways to allow your customer to schedule payments:
  - **Pay Now**: An immediate payment made by the customer. The amount the customer is allowed to pay is customizable to Client’s business rules. For example, we can set the parameters to allow only the exact amount due, or allow payments that are either under or over the exact amount due.
  - **Automatic Recurring Payment**: An automatic payment is a recurring payment option that customers can sign up for and manage in their online profile. The payment amount and date would be selected by the customer.
  - **Scheduled Payment**: Your customers can schedule a payment to be made on a specific future date of their choice.
- **Wallet** – We have the capability to allow your customer to store payment methods such as credit/debit cards and bank accounts in their profile to schedule future payments.
- **Email Payment Confirmation** – Our system will automatically send an email payment confirmation for all approved payments.

POS - WALK IN PAYMENTS

Bill2Pay’s Point of Sale (POS) Solution is part of our Client Administration Portal which offers your employees a secure web-based application that is PCI Level 1/NACHA compliant and accessible from any computer, laptop, tablet or smartphone. A secure web link is provided where employees log in and perform real-time credit/debit card transactions for walk up customers. Our POS solution has a shopping cart and the ability to e-mail customer receipts when the payment is made. Our solution operates using the newest security standards with integrated EMV credit and
debit chip-ready card readers.

**Bill2Pay’s approved EMV Devices for in-person payments:**

All hardware is supported and maintained by Bill2Pay. Bill2Pay’s hardware devices are upgraded remotely. If a hardware device needs upgrades, Bill2Pay’s Client Care Team will work with each department and communicate the upgrade process. All upgrades and maintenance occurs outside of normal business hours.

**IVR (INTERACTIVE VOICE RESPONSE) PAYMENTS**

**IVR (Interactive Voice Response) Solution:**
Bill2Pay will develop a custom IVR, which would be a standalone IVR and not part of a generic IVR system. The IVR phone number can be a local or toll free phone number. The IVR will allow your customers to make payments with a credit/debit card or eCheck (ACH) over the phone 24/7/365. Bill2Pay will work with the departments to create customized call scripts. Our IVR can integrate with your current IVR system or it can work as a standalone system. It allows for real-time account look up and posting of payments. The IVR is fully hosted and maintained by Bill2Pay.

**CSR (Customer Service Representative) Solution:**
The other Phone-in Bill Payment Solution that Bill2Pay can offer to Client is to allow your staff to accept credit/debit card or eCheck (ACH) payments over the phone, which is referred to as a CSR payment. This option is built in the Client Administration Portal and can be turned on or off based on the preference of Client.

**CLIENT ADMINISTRATION PORTAL**

Regardless of the payment channel or payment method, all payments are posted in real time to Bill2Pay’s web based Client Administration Portal. Companies Client Administration Portal is a PCI Level 1/NACHA compliant web application that requires no installation or maintenance by Client. Client will be provided with a secure web link to the Client Administration Portal. Bill2Pay will regularly install upgrades at no additional cost. Client employees will be able to manage customer payments, take payments, search/research payments, void/refund payments, block customer accounts, manage staff/customer profiles, and run reports. All payments are consolidated into one centralized place, which making it easy and efficient to find payments and run reports 24/7/365. All payments are recorded in real time in the Client Administration Portal.

Bill2Pay’s Client Administration Portal has the following features:

- Real-time posting of payments
- On-demand, real-time reporting 24/7/365
- Download and export reports [CSV, PDF]
- Real-time, customized payment searches
- Ability to void/return payments
- User level management rights
- Block accounts feature — enables Client County employees to specify accounts that will not accept specified payment methods, creating “cash only” customer

**DEPOSIT SETTLEMENT SCHEDULE**

Bill2Pay deposits collected payments to Client corresponding deposit account(s) (more than one if the Client manages multiple lines of business). When Bill2Pay receives the funds on day 2, Bill2Pay will transfer this to Client’s bank account, all payments including American Express. In this instance, Monday’s transactions would be in Client bank account on Wednesday. With this model, Client does not have to reconcile multiple days. Bill2Pay can deduct
chargebacks and any other disputes from the settled deposit rather than deducting directly from Client’s department bank account. Bill2Pay will deposit the funds via ACH with no deposit fees. Bill2Pay’s reconciliation reports can be run on demand and detail all transactions that took place within the payment period.

CLIENT TRAINING AND SYSTEM SUPPORT

Bill2Pay will train Client at no cost on how to use the Bill2Pay payment system via online web sharing training tools. Client will be provided with an account representative that will be available to Client during Client’s normal business hours. Client will be provided with an after-hour support number and email address. Bill2Pay’s Call Center to answer customer payment questions is open Monday through Friday from 9 am to 6 pm EST. It will be closed during major holidays such as President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving, Christmas and New Year’s.

Systems Testing: Upon execution of the contract, the parties shall begin implementation activities that include a thorough testing regimen to confirm that Bill2Pay and Client are prepared to accept and accurately process all transmissions.

OTHER ITEMS:

Client is responsible for all Chargebacks and Returned eCheck (ACH) transactions. Bill2Pay shall immediately reimburse all Chargebacks/Returned eChecks (ACH), including through netting or separate debit from the Clients’ bank account, for the Chargeback/ Returned eCheck (ACH) amount from the next deposit, regardless of the ultimate resolution.

If required by the credit card organizations, Client will enter into all applicable Merchant Card Agreements and fully adhere to the rules, regulations and operating procedures of the various card organizations, including without limitation, with respect to the use of specific card logos and marks.

Data transmissions must be compatible with Client’s accounts receivable application; Bill2Pay’s payments processing systems and Data transmissions must be compliant and compatible with any applicable Health Insurance Portability and Accountability Act (HIPAA) provisions, PCI provisions, and Red Flag compliant.

Bill2Pay will maintain functionality of Bill2Pay Electronic in compliance with all state, county, and municipal mandates and laws. Client will notify Bill2Pay of any upcoming changes in this regard.

Bill2Pay ensures the integrity and protection of the data in its systems.

Client will ensure that terminated Client’s employee’s user account will be deactivated or deleted in Bill2Pay’s system upon Client’s employee’s termination.

Initial Here:  

Client  Bill2Pay
Exhibit B – Pricing

CONVENIENCE FEE PRICING

Convenience fee per transaction pricing passed on to the Customer

Property Tax Payments Fee Structure:

Credit/Debit Cards (Visa, MasterCard, Discover, American Express): 2.4% with $2.00 min

Visa Debit: $3.95

E-Check: $1.50

Library, Healthy Clinic, Environmental Health, Recreation and Other Payments Fee Structure:

Credit/Debit: $1.50 per $50.00 or $2.50 per $200.00

E-Check: $2.00

ADDITIONAL PRODUCT OFFERING AND OTHER SERVICES

- **Hardware**: 16 EMV hardware devices at $300 per device; support and maintenance covered by Bill2Pay (Waived).
- **IVR One time Implementation Fee**: $10,000 (Waived)
- **API One time Implementation Fee**: $5,000 (Waived)
- **File Integration**: $500 monthly (waived)
- **Chargeback Fee**: $25.00 per Chargeback (Waived)
- **NSF Fee**: $5.00 per retuned ECheck (Waived)
- **Training for your Office Staff**: No charge
- **Custom Programming**: $200 per hour

Initial Here: AMD

Client

Bill2Pay
May 18, 2020

Lee County, NC

Re: Contract Renewal

Dear Michael,

Per our correspondence, please accept this as an official letter between Bill2Pay, LLC and Lee County, NC. Whereas, Lee County, NC and Bill2Pay LLC agree to execute the one-year renewal of the existing Payment Processing Agreement, dated July 1, 2018 through July 1, 2020, with Bill2Pay through to July 1, 2021. All existing contract terms and pricing will remain in effect for this renewal.

_________________________ __________________________
Bill2Pay Signature Lee County, NC

_________________________ __________________________
Title of person signing Title of person signing

_________________________ __________________________
Date Date
The Lee County Health Department and Lee County Schools agree to cooperate in providing a comprehensive program of school health services. Achievement of goals will be through joint planning, shared implementation and maintenance of effective channels of communication between agencies. The Board of Health approved the MOA 5-20-2020
Memorandum of Agreement Between
Lee County Health Department
and
Lee County Schools

Lee County Schools and Lee County Health Department share views on the appropriateness of educational and health collaboration to prevent health issues from becoming reasons for educational or social failure. Lee County Schools and Lee County Health Department agree to cooperate in providing a comprehensive program of school health services. Achievement of goals will be through joint planning, shared implementation and maintenance of effective channels of communication between agencies.

This agreement shall cover a period of **August 1, 2020 to June 30, 2021**.

The following components constitute the cooperative plan:

**The Lee County Health Department Division of Personal Care Services will:**

A. Provide assistance in confirming positive tuberculin skin tests. The health department provides testing and follow-up only for those individuals who meet state at-risk TB standards.

B. Provide access to health department’s medical providers such as Medical Director or Nurse Practitioner to provide a non-patient specific prescription for epinephrine auto-injectors to be used as part of the school’s emergency response plan as mandated by G.S. 115C-375.1

C. Provide resource and referral information, answer inquiries regarding immunizations and communicable disease control, inclusive of crisis intervention.

D. Work with the Superintendent of Schools and the Director of Student Services for intervention-and/or problem solving in any of the areas that includes health department functions.

E. Provide supervision and liability coverage for school (health) personnel during an emergency or disaster event.

F. To provide funds not to exceed $150,000.00 to Lee County Schools for the purpose of supporting (one or more) (10, 11 or 12)-month nationally certified school nurse(s) or registered nurse(s) working toward certification to provide school nursing services for the 2020-2021 school year.

G. Funding will be paid monthly upon submission of an invoice that specifies personnel and other allowable costs and that the Lee County Health Department shall pay Lee County Schools within thirty (30) days of receipt of the invoice. Any adjustments to the invoice shall be taken into account in the next succeeding invoice or as soon thereafter as reasonably practical.

H. Funding may be used only for personnel costs (salary and fringe) and continuing education costs up to $750 per School Nursing Funding Initiative position.

**Division of Environmental Health will:**

A. Inspect school cafeterias up to four times annually.

B. Review plans and make recommendations for new and existing water and sewage systems per request.
D. Review plans and make recommendations for new or remodeled cafeterias as per request.

E. Work with the Superintendent of Schools, Child Nutrition Director, and Child Nutrition Manager, if problems develop in any of the above areas.

F. Provide educational sessions in cooperation with the Child Nutrition Director that relate to Environmental Health Procedures for food handlers and student classroom instructions per request.

The Lee County Schools will:

A. Provide school health nurses and school health nurse services per Lee County School's protocols.

B. Provide work areas in schools for provision of health care, as indicated.

C. Provide access to necessary information requested for Environmental Health and EPI Investigations.

D. Provide school personnel to assist the school health or public health nurse when needed for coordination of school health activities.

E. Support the provision of school health services and involvement of the health department, as indicated.

F. Request health in-service or follow-up on health issues, as indicated.

G. Monitor immunization records of all students, K through 12, in accordance with state law.

H. To provide a detailed budget (Attachment I) to the Health Department by School

I. To utilize funds not to exceed $150,000.00 for the purpose of supporting (one or more) (10, 11 or 12)-month nationally certified school nurse(s) or registered nurse(s) working toward certification, to provide school nursing services for the 2020-2021 school year.

J. To inform the Department of the employment of the nurses, and in the event of termination, whether voluntary or involuntary, and the date of termination within 4 working days of such action

K. To maintain documentation that each nurse employed under this contract is and remains current in his/her licensure as a Registered Nurse in good standing with the North Carolina Board of Nursing.

L. To provide supervision within the Lee County Schools consistent with the annual Memorandum of Agreement

M. To assume the full responsibility for negligence of its employees that provide nursing services under the terms of this contract for the contract positions and for all nurses employed directly by the Lee County Schools but functioning under the direction of the annual Memorandum of Agreement.

N. Be available to assist the county health department during a public health emergency.

O. Assure that the Lee County Health Department/Lee County Schools Memorandum of Agreement that exists between all health districts and local education agencies clearly states that emergency/disaster activities by SNFI nurses is an allowable use of their time.
**Governing Law:** In the event either party must commence a legal action in order to enforce any rights under this contract, venue for any and all disputes shall be in Lee County, North Carolina. This agreement shall be governed by the laws of the State of North Carolina without regard to principles of conflicts of law. The prevailing party in any action or suit brought in connection with this contract shall be entitled to reasonable attorney's fees and costs at trial and on appeal.

**E-Verify Certification:** Pursuant to N.C.G.S. 143-48.5 and N.C.G.S. 147-33.95(g), Contractor hereby certifies that the Contractor, and the Contractor’s subcontractor’s, complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system. E-Verify System Link: [www.uscis.gov](http://www.uscis.gov).

**Iran-Divestment Act Certification:** Contractor certifies that contractor, and all subcontractors are not on the Iran Final Divestment List (“List”) created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor shall not utilize any subcontractor that is identified on the List. Divestment From Companies Boycotting Israel: Pursuant to N.C.G.S., Article 6G, Chapter 147, this Contractor certifies that as of the signature date, the Contractor is not identified as an entity by the North Carolina Secretary of State that is engaged in a boycott of the State of Israel.

In witness whereof, the Lee County Schools and the Lee County Health Department have executed this agreement in duplicate originals, one of which is retained by each of the parties.

---

FOR AND ON BEHALF OF
LEE COUNTY HEALTH DEPARTMENT

FOR AND BEHALF OF
LEE COUNTY SCHOOLS

Health Director Date

Superintendent Date

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

Lee County Finance Director Date

Lee County Schools Finance Director Date

FOR AND ON BEHALF OF LEE COUNTY

Chair County Commissioner Date
## I. SALARIES

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Name *</th>
<th>Annual Salary &amp; Fringe</th>
<th>Type Position</th>
<th>Amount Paid by Local Agency</th>
<th>Amount Paid by State Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nurse 1</td>
<td>Name</td>
<td>$</td>
<td>☐ 12-month</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>☐ 11-month</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>☐ 10-month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Nurse 2</td>
<td>Name</td>
<td>$</td>
<td>☐ 12-month</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>☐ 11-month</td>
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<td></td>
<td></td>
<td></td>
<td>☐ 10-month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Nurse 3</td>
<td>Name</td>
<td>$</td>
<td>☐ 12-month</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>☐ 11-month</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>☐ 10-month</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL SALARY PAID BY CONTRACT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

* List VACANT if position not filled at the time of this report.
II. FRINGE

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Name *</th>
<th>Type and Rate</th>
<th>Amount Paid by Local Agency</th>
<th>Amount Paid by the State Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nurse 1</td>
<td>Name</td>
<td>☐ Retirement Rate : 10.51%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ FICA Rate: 7.65%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ Medical Rate/Amount: $</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ Other: Rate:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Nurse 2</td>
<td>Name</td>
<td>☐ Retirement Rate: %</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ FICA Rate: %</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>☐ Medical Rate/Amount: $</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ Other: Rate:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Nurse 3</td>
<td>Name</td>
<td>☐ Retirement Rate: %</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ FICA Rate: %</td>
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<td></td>
<td></td>
<td>☐ Medical Rate/Amount: $</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ Other: Rate:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL FRINGE PAID BY CONTRACT $ 

*Fringe benefit amounts may change due to longevity, etc. that the employee may be eligible for during the school year.

**Justification:** Funds will be used to employ nationally certified school nurse(s) or registered nurse(s) working toward national certification to work full time in schools and enhance the local school district’s capacity to provide basic health services to students.

III. Other

**STAFF TRAVEL**

<table>
<thead>
<tr>
<th>In-State</th>
<th>Total miles</th>
<th>Cost per mile</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-state Mileage</td>
<td>$</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of nights</th>
<th>Cost per night</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-state Lodging</td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th># of breakfasts # of lunches # of dinners</th>
<th>Total Cost (State rate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State funded Meals, Instate</td>
<td>$</td>
</tr>
</tbody>
</table>

**TRAINING PAID BY CONTRACT** (If no funds available after covering salary and fringe for these positions, leave at 0.00. If funds available, amount is limited to a total of $750 per position. See Scope of Work for Allowable Costs) 0.00

**CONTRACT TOTAL AMOUNT** $ 
**REQUEST**

This is a request for the Board of Commissioners to review/approve the contract between Carolina Women’s Health Center and the Lee County Health Department.

**BUDGET IMPACT**

These funds of $31,200 are budgeted in the FY 20-21 budget.

**ATTACHMENTS**

DLPCCMG_CWHC & LCHD Maternity Services.pdf

**PRIOR BOARD ACTION**

N/A

**RECOMMENDATION**

The Health Department respectfully requests the Board of Commissioners to approve the attached contract between Carolina Women’s Health Center and the Lee County Health Department.

**SUMMARY**

Duke Life Point Central Carolina Medical Group, LLC, d/b/a Carolina Women’s Health Center provides Certified Nurse Midwives for clinical services that include physical examinations for low risk pregnant and post-partum women. The Board of Health approved the contract at their meeting held on May 20, 2020.
FIRST AMENDMENT TO MATERNITY SERVICES CONTRACT

This First Amendment to Maternity Services Contract Agreement (the “Amendment”), is made effective as of the 1st day of July, 2020 (the “Effective Date”), by and between DLP Central Carolina Medical Group, LLC d/b/a Carolina Women’s Health Center, P.A. (“CWHC”) and Lee County Health Department (“LCHD”).

WHEREAS, CWHC and LCHD entered into that certain Maternity Services Contract effective as of July 1, 2019, (the “Contract”); and

WHEREAS, any capitalized term used, but not otherwise defined, herein shall have the same meaning ascribed to such term as set forth in the Contract; and

WHEREAS, CWHC and LCHD have agreed to extend the term of the Contract, as more particularly set forth herein.

NOW THEREFORE, the Contract is hereby amended as follows:

1. **Term of Contract.** The term of the Contract is hereby extended for an additional twelve (12) months, and thus now continues through June 30, 2021.

2. **Miscellaneous.** Except as specifically amended herein, all terms and conditions of the Contract shall remain in full force and effect, except as otherwise amended in writing. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Amendment. The counterparts of this Amendment may be executed and delivered by facsimile or other electronic signature by any of the parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

IN WITNESS WHEREOF, CWHC and LCHD have duly executed this Amendment with an Effective Date as set forth above.

**DLPCCP:**
DLP Central Carolina Medical Group, LLC d/b/a Carolina Women’s Health Center, P.A.

______________________________
Pamela Kane
Regional Vice President, Physician Services

_________________________________
Date

**LCHD:**
Lee County Health Department

By: ______________________________________

Print Name: ______________________________________

Title: ______________________________________

Date: ______________________________________
Maternity Service Contract

DLP Central Carolina Medical Group, LLC
d/b/a Carolina Women’s Health Center, P.A.
And
Lee County Health Department

The goal of this contract is to provide quality care to women eligible for clinical services at the Lee County Health Department. Clinical services include physical examinations for low risk pregnant and post-partum women. The target population for the clinics is Lee County residents at or below 250% of the federal poverty level. However, no eligible Lee County resident who wishes to receive care at the health department will be denied access.

Direct medical care will be provided by DLP Central Carolina Medical Group, LLC, d/b/a Carolina Women’s Health Center, Certified Nurse Midwives (CNMs). Patients considered high risk by protocol will be referred out of the Lee County Health Department by CNM.

This agreement shall cover a period of July 01, 2019 to June 30, 2020 between the Lee County Health Department, hereinafter called the LCHD, and DLP Central Carolina Medical Group, LLC, d/b/a Carolina Women’s Health Center, hereinafter called the CWHC, and may be renewable annually. This agreement shall be for providing services to clients referred to the CWHC by the LCHD under the following conditions.

I. The CWHC agrees to:

A. Provide the services of Certified Nurse Midwives (CNMs) on a rotating basis who will be scheduled at the LCHD clinic routinely on Mondays and Wednesdays from 9:00am – 1:00pm.

B. Provide physician supervision as appropriate.

C. Refer all Medicaid eligible Maternal/Child Health clients to the Obstetric Care Management (OBCM) and Care Coordination 4 Children (CC4C) Programs.

D. Acceptance for consultation of referrals from LCHD FNP or Nursing staff.

E. Complete, review, and sign all OB client provider notes within the Lee County Health Department electronic health record (EHR) in a timely manner, preferably on the date of service provided. This will include correct creation, review, and signing of the client’s electronic encounter bill. CNMs will participate in updated trainings/meetings as necessary to maintain competency in their use of the Lee County Health Department’s electronic health record (CURE MD).

II. The LCHD agrees to:

A. Provide support staff consisting of:
   • Registered Nurses (RN) as assigned
   • One Laboratory Technician
   • Management Support Staff
   • Obstetric Care Management to eligible clients
• Women, Infant, Children’s (WIC) nutrition support
• Post-Partum home visits for mother and infant
• Care Coordination 4 Children (CC4C) to eligible clients
• Labs deemed necessary by CNM. Clients may be responsible for some of the tests.

B. LCHD will abide by the following protocols:
• Scheduling hours will be Mondays and Wednesdays from 9:00am – 1:00pm.
• New Obstetrical (NOB) clients………30 minute slots
• Return OB …….15 minute slots
• Provide routine examinations for NOB and return OB clients up to delivery date
• No more than 2-3 new clients will be scheduled on each day.
• Clients calling with OB related problems will be fit into the schedule as deemed necessary by the CNM or LCHD Maternal Health Program Coordinator.

C. LCHD will provide the following administrative support:
• Joint clinical staff meetings may be called for case conferences and other maternal health related issues as necessary.
• Nursing staff will triage calls from maternity clients and make referrals to the CNM as needed.
• The names and telephone numbers of OB clients who request their medical records to transfer to another healthcare provider will be made available to the CNM as requested.

D. LCHD will reimburse CWHC $60.00 per hour of CNM clinic services up to 10 hours a week during the contract period.

III. All Parties agree to:

A. All parties to the contract agree to abide by all laws and regulations governing the confidentiality of patient information, and further agree to safeguard privileged information.

B. Assure that no person, solely on the grounds of race, color, age, religion, sex, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity covered by this agreement.

C. This contract may be terminated by either party by giving a minimum of 60 days written Notice;

D. This contract is subject to the availability of local, state, federal, and special funds for the Purpose set forth in this contract;

E. Any amendments, modifications, or waivers of this contract may be made at any time by mutual agreement of the parties, shall be in writing, and signed by appropriate authorities; and

F. Assure that no otherwise qualified handicapped individual, solely by reason of his/her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program of activity by this agreement.
**E-Verify Certification:** Pursuant to N.C.G.S. 143-48.5 and N.C.G.S. 147-33.95(g), Contractor, CWHC hereby certifies that the Contractor, and the Contractor’s subcontractor’s, complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system. E-Verify System Link: www.uscis.gov.

**Iran-Divestment Act Certification:** Contractor, CWHC certifies that contractor, and all subcontractors are not on the Iran Final Divestment List (“List”) created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor shall not utilize any subcontractor that is identified on the List. Divestment From Companies Boycotting Israel: Pursuant to N.C.G.S., Article 6G, Chapter 147, this Contractor certifies that as of the signature date, the Contractor is not identified as an entity by the North Carolina Secretary of State that is engaged in a boycott of the State of Israel.

**Governing Law:** In the event either party must commence a legal action in order to enforce any rights under this contract, venue for any and all disputes shall be in Lee County, North Carolina. This agreement shall be governed by the laws of the State of North Carolina.

In witness whereof, the CWHC and the LCHD have executed this agreement in duplicate originals, one of which is retained by each of the parties.

For And On Behalf Of
DLP Central Carolina Medical Group
d/b/a Carolina Women’s Health Center

By: ________________________________ Date: ________________________________

Michael Matthews
Regional Vice President, Physician Services

For And On Behalf Of
Lee County Health Department

By: ________________________________ Date: ________________________________

William Heath Cain, Health Director

This instrument has been preaudited in the manner required by County Government Budget and Fiscal Control Act.

By: ________________________________ Date: ________________________________

Lisa Minter, County Finance Director
REQUEST: Approval of Budget Amendment #06/01/20/16

BUDGET IMPACT: See below

ATTACHMENTS: #06-01-20-16.pdf

PRIOR BOARD ACTION: N/A

RECOMMENDATION: Approve Budget Amendment #06/01/20/16

SUMMARY:

Cooperative Extension - To appropriate $4,762 from Insurance Refunds for sign repair
MEMO TO: LEE COUNTY BOARD OF COMMISSIONERS

FROM: JOHN A CRUMPTON, LEE COUNTY MANAGER

SUBJECT: BUDGET AMENDMENT:# 06/01/20/16

DATE: June 1, 2020

SECTION I. THE FOLLOWING GENERAL FUND (1100) REVENUE INCREASES ARE HEREBY APPROVED:

<table>
<thead>
<tr>
<th>DEPARTMENT</th>
<th>ACCOUNT #</th>
<th>DESCRIPTION</th>
<th>CURRENT BUDGET</th>
<th>CHANGE</th>
<th>NEW BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Revenues</td>
<td>1100-3930-38330</td>
<td>Insurance Refunds</td>
<td>62,645</td>
<td>4,762</td>
<td>67,407</td>
</tr>
</tbody>
</table>

TOTAL CHANGES 4,762

SECTION II. THE FOLLOWING GENERAL FUND (1100) EXPENSE INCREASES ARE HEREBY APPROVED:

<table>
<thead>
<tr>
<th>DEPARTMENT</th>
<th>ACCOUNT #</th>
<th>DESCRIPTION</th>
<th>CURRENT BUDGET</th>
<th>CHANGE</th>
<th>NEW BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperative Extension</td>
<td>1100-4950-43300</td>
<td>Maintenance-Equipment</td>
<td>1,200</td>
<td>4,762</td>
<td>5,962</td>
</tr>
</tbody>
</table>

TOTAL CHANGES 4,762

______________________________     ________________________________
AMY M. DALRYMPLE, CHAIR           JENNIFER GAMBLE, CLERK TO THE BOARD
**REQUEST**: Approve Minutes from the May 18, 2020 Regular Meeting.

**BUDGET IMPACT**: N/A

**ATTACHMENTS**: BOC Minutes 5-18-20 Regular Meeting.docx

**PRIOR BOARD ACTION**: N/A

**RECOMMENDATION**: Approve Minutes from the May 18, 2020 Regular Meeting.

**SUMMARY**

Attachments referenced in the Minutes are available upon request to the Clerk to the Board, Jennifer Gamble, at jgamble@leecountync.gov.
Roll Call  
Present: Kirk Smith, Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe  

CALL TO ORDER  

INVOCATION  

PLEDGE OF ALLEGIANCE  

I. ADDITIONAL AGENDA  
Commissioner Smith requested to add an application for the Business/Industry position on the Fire Advisory Board as Item C under New Business. County Attorney Whitney Parrish requested to add a Memorandum of Understanding between Lee County and Moore County for Emergency Management as Item D under New Business.  

Motion: Motion to approve agenda as amended.  
Mover: Kirk Smith  
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith  
Motion Result: Passed  

II. APPROVAL OF CONSENT AGENDA  

Motion: Motion to approve consent agenda as presented.  
Mover: Cameron Sharpe  
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith  
Motion Result: Passed
II.A Adult Daycare Contract Renewal  
   Adult DC Contract.pdf

II.B Energy Provider Agreements for Crisis Intervention and Low Income Energy Assistance Programs  
   Energy Contracts.pdf

II.C FY 2020 NC Department of Insurance SHIIP Grant  
   SHIIP MIPPA Grant Dept of Insurance 2.pdf

II.D Aramark Catering Agreement for Lee County Senior Services and Lee County Jail FY 2021  
   Lee County Amendment #14.pdf

II.E Minutes from the April 27, 2020 Special Meeting  
   BOC Minutes 4-27-20.docx

II.F Minutes from the May 4, 2020 Regular Meeting  
   BOC Minutes 5-4-20 Regular Meeting.docx

II.G Approval of Budget Amendment #05/18/20/15  
   #05-18-20-15.pdf

II.H Request for WIC to accept special funding grant  
   SHD-WIC-MFD20050612480.pdf

III. PUBLIC COMMENT

IV. OLD BUSINESS

IV.A Amendment to Roll-Off Hauling and Front Load Dumpster Service Agreement  
   On April 15, 2019 the Board approved a second amendment to the Roll-Off Hauling and Front Load Dumpster Service Agreement that was originally contracted in June 2013 implementing a $62.00 per ton recycling processing fee. The company wants to increase the recycling processing fee. County Manager John Crumpton recommended that the Board accept the proposal with the increased fee of $132.00 per ton recycling processing fee, remove glass from the recycling stream and to leave the household collection fee at the current rate of $107.50 per household. Commissioner Reives recommended that the County Manager contact the City Manager to make the same recommendation regarding glass material.
   Third Amendment to Roll-Off Hauling and Front Load Dumpster Service Agreement.pdf
   Roll-Off Hauling and Front Load Dumpster Service Agreement.pdf
   Amendments to Roll-Off Hauling and Front Load Dumpster Service Agreement.pdf
   Waste Industries-GFL Recycling Processing Fee Request.pdf
Motion: Motion to approve amendment to the Roll-Off Hauling and Front Load Dumpster Service Agreement increase to $132.00 per ton Recycling Processing Fee, remove glass from the recycling stream and to leave the household collection fee at the current rate of $107.50 per household.
Mover: Robert Reives
For: 7 - Kirk Smith, Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe
Motion Result: Passed

V. NEW BUSINESS

A SAGA Update and request for motion to hold a public hearing on June 1, 2020 for Spec Building #2

Bob Joyce, Executive Director of Economic Development with the Sanford Area Growth Alliance, provided an update on economic development projects. Project activity has been good despite the pandemic and travel restrictions. Through May 15th there have been 30 projects SAGA has worked. There has been a lot of interest in foreign investment. Projects include 14 manufacturing projects, 7 food and beverage projects, 5 life science projects, 3 projects that are currently considering the airport. There have been 5 visits to the area so far in 2020. Mr. Joyce stated that he is seeing more larger projects, 6 over 450 jobs, and 2 over 1,000 jobs that have picked Lee County as an area to consider. Three projects were over $500 million in investment. The total for the 30 projects worked is 7,625 jobs and $2.6 billion in potential investment. 18 of the projects came after March 27th after the stay at home order was issued by the Governor. Mr. Joyce stated that SAGA is in the final stages of an economic impact study that will be a valuable tool for return on investment for economic development. SAGA is also working with the public and private sectors to bring another shell building to Central Carolina Enterprise Park. The investment and construction partners are looking at shell building 2 that would have an estimated time to begin construction is in June of 2021. It would be on a 10.6 acre lot next to the current shell building. The experience with the first shell is that there were no county or city funds spent. Audentes Therapeutics purchased the building for $7.1 million. The permit fees for the upfit is over $175,000 for Spec Building #1. A request will be made on June 1, 2020 for consideration of investment in a second shell building. Chief Executive Officer Michael Smith provided that SAGA is also looking at new technologies to virtually market the community and working to adjust the existing program of work. The Chamber recently sent out surveys regarding the COVID to local businesses. 84% reported a decrease in revenue. Of the 59 respondents that applied for the payroll protection program through the SBA, about 34 have received funding. SAGA has followed the Governor’s direction in working from home and as of May 11th have developed a staggered office schedule. The new virtual meeting world has provided more ways to meet with people without the cost of business travel. Mr. Smith also extended a request for consideration to hold a public hearing to lease a second spec building at Central Carolina Enterprise Park to be used to market Lee County and Sanford to entice new companies to locate and create new jobs here. The City and County would enter into a Memorandum of Understanding with Central Carolina Enterprise Park and the owner of the spec building investors setting out the parameters of the lease. Once the building has been completed, the City and County would pay $13,541.67 each on a monthly basis, up to $325,000 to be split evenly between the City and County.

County Manager John Crumpton stated that the permit fees that go to the City and help run the building inspections department. Commissioner Revies requested consideration of involving the County in helping local business and requested
information regarding the recipients of the payroll protection plan loans. Grey Construction was awarded the general contract for the Bharat Forge Site. The company has established offices on Carthage Street. First Choice Home Care has rented space in the back of the building. They have hired Glen Hawkins as plant manager. They have also hired an HR Manager who has hired about 10 people so far.

Motion: Motion to hold a public hearing on June 1, 2020 for Spec Building # 2. 
Mover: Kirk Smith 
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith 
Motion Result: Passed

V.B Approval of resolution related to a bond referendum for parks and recreation bond
On December 16, 2019, the Board of Commissioners directed the County Manager and staff to proceed with the preparations for a bond referendum in November 2020 to fund a sports complex. The adoption of the resolution is the next step in the process. The Resolution documents the amount of $25 million for the bond referendum. It gives the County Manager and Assistant County Manager the ability to file the application with the Local Government Commission. Notice of intent would run in the paper on May 22nd. Usually the Board wouldn’t issue bonds until it is determined there would be a zero impact to taxes to the community. Right now, estimates on tax revenue impact is unknown until we see it, and there is usually a 60 to 90 day lag until the numbers are received. The County is trying to be conservative and have applied this to the budget since the impact to sales tax revenues is unknown. The Elections Director has requested a vote in early July and the ballots would go to print after that point. The estimated expense to get the bonds on the ballot would be between $70,000 - $80,000.

Motion: Motion to approve Resolution making certain findings and determinations, authorizing the filing of an application with the Local Government Commission and appointing bond counsel and financial advisor in connection with the proposed issuance of parks and recreation bonds by the county. 
Mover: Kirk Smith 
For: 4 - Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Kirk Smith 
Against: 3 - Amy Dalrymple, Robert Reives, Cameron Sharpe 
Motion Result: Passed

V.C Appointment of the Business/Industry Position for the Fire Advisory Board
Commissioner Smith presented an application from James Murray for appointment to the Business/Industry position on the Lee County Fire Advisory Board. Mr. Murray works for Pfizer as the Risk Management Director. 

Motion: Motion to approve appointment of James Murray to the Business/Industry Position on the Lee County Fire Advisory Board. 
Mover: Kirk Smith 
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith 
Motion Result: Passed
V.B Approval of resolution related to a bond referendum for parks and recreation bond
Memorandum of Understanding between Lee County and Moore County for a message board for Emergency Management.

*Lee County Emergency Services proposes to enter into a Memorandum of Understanding with Moore County for a message board. The message board will be used for informational purposes. Emergency Management will control access to the board and to the messages posted. The County will be responsible for insurance, title, tags, registration, maintenance, repairs, and all other associated operational costs and expenses.*

**Motion:** Motion to approve Memorandum of Understanding for a message board between Moore County and Lee County for Emergency Services.

Mover: Cameron Sharpe
Moved To: Approve
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith
Motion Result: Passed

VI. MANAGERS REPORTS

VI.A Monthly Financial Report

Assistant County Manager/Finance Director Lisa Minter presented the monthly financial report for April 2020. No action was taken.

monthly sales tax analysis 2019-2020.pdf
historical sales tax analysis.pdf
countywide sales tax analysis 2019-2020.pdf

VI.B Monthly County Manager Report for May 2020

County Manager John Crumpton presented his monthly report for May 2020. A copy of the report is attached and hereby incorporated into the Minutes.

5.25.20 Parks and Rec Agenda.docx
April 2020 Library Director Report.pdf
Monthly Tax Collections Report April 2020.docx
TRC Agenda 5.28.20.pdf
Complete TRC Package 5.28.20.pdf

**Motion:** Motion to approve a summer meeting schedule meeting the third Monday of each month for the months of July, August and September at 6:00 p.m.

Mover: Robert Reives
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith
Motion Result: Passed

**Motion:** Motion to direct the County Manager to put a plan in place and contact loan committee members regarding an interest in serving to review applications for small business loans using Coronavirus Relief Funds.

Mover: Robert Reives
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith Motion Result: Passed
VII. COMMISSIONERS COMMENTS

Motion: Motion to direct County Manager to work with NCACC to provide information similar to Davie County’s model consolidating resources for guidance on health measures and to post online.
Mover: Robert Reives
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith
Motion Result: Passed

ADJOURN

Motion: Motion to adjourn. The meeting adjourned at 7:32 p.m.
Mover: Robert Reives
For: 7 - Amy Dalrymple, Kevin Dodson, Arianna Del Palazzo, Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith
Motion Result: Passed

___________________________________
Amy M. Dalyrmple, Chair
Lee County Board of Commissioners

ATTEST:

___________________________________
Jennifer Gamble, Clerk to the Board
**Lee County Agenda Abstract**

**Board of Commissioners - Regular**

**Meeting Date:** June 1, 2020

**Subject:** Employee Wellness Program Contract

**Department:** Human Resources

**Contact Person:** Joyce McGehee, Human Resources Director

**Type:** Consent Agenda

<table>
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<tr>
<th>Request</th>
<th>Approve contract with DLP Central Carolina Medical Center d/b/a Central Carolina Hospital for professional services and oversight of the Lee County Employees' Wellness Program</th>
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</thead>
<tbody>
<tr>
<td>Budget Impact</td>
<td>$11,000 annually</td>
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<tr>
<td>Attachments</td>
<td>Wellness Program Renewal 2020.pdf</td>
</tr>
<tr>
<td>Prior Board Action</td>
<td>Board of Commissioners has approved the Wellness Program since 2012</td>
</tr>
<tr>
<td>Recommendation</td>
<td>Approve contract with DLP Central Carolina Medical Center d/b/a Central Carolina Hospital for professional services and oversight of the Lee County Employees' Wellness Program</td>
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</table>

**Summary**

In 2012 Lee County established an employee wellness benefit for all benefited employees. The program consists of blood pressure checks, Lipid screenings, health risk assessments, proper nutrition, and weight loss programs. The program is administered by a Wellness Coordinator with Central Carolina Hospital. This program has been very important to Lee County in providing information and guidance to the employee regarding health issues during the last 8 years. This program is a part of Lee County's initiative to keep our employees healthy.
05/19/2020

County of Lee, North Carolina
408 Summit Drive
Post Office Box 1968
Sanford, NC 27330
Attn: Joyce D. McGehee

Re: Services Agreement between DLP Central Carolina Medical Center d/b/a Central Carolina Hospital ("Facility") and County of Lee, North Carolina ("Contractor"), dated 01/26/2018 (the "Agreement").

To Whom It May Concern:

Please consider this letter written documentation of Facility’s intent to renew and acknowledge the automatic renewal clause in accordance with section 1. b. in the above referenced agreement.

Please feel free to contact me, should you require additional information.

Sincerely,

[Signature]
Spencer Thomas
Chief Executive Officer

County of Lee, North Carolina
The County of Lee North Carolina

Vendor/Contractor Name: DLP Central Carolina Medical Center LLC d/b/a Central Carolina Hospital

________________________

IRAN DIVESTMENT ACT CERTIFICATION
REQUIRED BY N.C.G.S. 147-86.59

As of the date listed below, the Vendor/Contractor listed above certifies that they are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor/Vendor shall not utilize any subcontractor that is identified on the list.

E-VERIFY CERTIFICATION
REQUIRED BY N.C.G.S. 143-48.5 & 147-33.95(g)

As of the date listed below, the Vendor/Contractor listed above and all Vendor/Contractor's subcontractors certify that they are in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

The undersigned hereby certifies that he/she is authorized by the entity listed above to make the foregoing statement.

________________________
Signature

________________________
Printed Name

5/19/20
Date

________________________
CEO
Printed Title
PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (the "Agreement") is hereby entered into and made effective as of the Effective Date set forth below, and is comprised of PART I – Basic Terms, PART II – Standard Terms and Conditions, and the following Summary of Terms:

SUMMARY OF TERMS

1. DEFINED TERMS.

| "Effective Date": |
| See restriction in Section 3 of Part 1 |
| Date of last signature |
| County: |
| County of Lee, North Carolina |
| "Term": |
| See Section 3 of Part 1 |
| "Hospital": |
| DLP Carolina Medical Center, LLC |
| d/b/a Central Carolina Hospital |
| "County Address": |
| 408 Summit Drive |
| Sanford, NC 27330 |
| Attn: County Manager |
| "Hospital Address": |
| 1135 Cerritos St. |
| Sanford, NC 27330 |
| "State": |
| NC |
| One (1) year |

2. COMPENSATION:

A. Professional Services Compensation

| Compensation: |
| $31,000 per year |

3. AGREEMENT TYPE.

This Agreement is a (check one):

- [ ] New Professional Services Agreement; or
- [X] Replacement Agreement – MediTract Contract No. 62179.37284. (Applies to a renewal agreement with Hospital for same Services). If this box is checked, this Agreement supersedes and replaces in its entirety, any and all previous agreements between County and Hospital for the same services.
4. SIGNATURES.

Each of the undersigned hereby certifies:

1) As of the date of the signatures below, this Agreement constitutes a binding agreement to perform services as of the Effective Date and may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument;

2) The compensation arrangement is established at fair market value for the services to be rendered and this Agreement is for services that are needed and reasonable in scope;

3) This Agreement supersedes all prior agreements, contracts and understandings, whether written or otherwise, between the parties relating to the subject matter hereof and does not condition the payment or the arrangement on the volume or value of any referrals or other business generated between the parties;

4) Until the Agreement is listed in Hospital’s Master Contract Database to the extent required by 42 C.F.R. § 411.357(d)(1)(ii), no payment shall be made nor services accepted under this Agreement; and

5) Upon the Effective Date of this Agreement, the parties agree to ensure that no payments are made and no services rendered beyond the terms of this Agreement, or the terms of other company approved agreements between the parties.

**COUNTY:**
County of Lee, North Carolina

By: ___________________________
   [Signature]
   
   Title: County Mayor
   
   Date: 1-26-2017

**HOSPITAL:**
DLP Central Carolina Medical Center, LLC
d/b/a Central Carolina Hospital

By: ___________________________
   [Signature]
   
   Title: CEO
   
   Date: 1-27-17
PART I: BASIC TERMS

1. AGREEMENT SERVICES. This Agreement is entered into to engage Hospital to provide the services set forth herein (as defined below). As of the Effective Date and throughout the Term, Hospital shall provide the Services.

2. PARTIES TO AGREEMENT.
   A. County of Lee, North Carolina
   B. Hospital, which employs and/or contracts with certified and/or qualified personnel, duly licensed in the State of North Carolina, with expertise in providing health services, including health screening and wellness programs.

3. TERM OF AGREEMENT. This Agreement shall commence on the Effective Date and shall continue for the Term.

4. TERMINATION. Either party may terminate this Agreement, without cause, by providing not less than thirty (30) days’ prior written notice stating the intended date of termination. Additional termination rights are set forth in the Standard Terms and Conditions. In the event that either party terminates this Agreement during the Term, the parties shall not enter into a different agreement for the same services until the first anniversary of the Effective Date.

5. BILLING AND COMPENSATION. For the Services rendered pursuant to this Agreement, County shall pay Hospital Eleven Thousand Dollars and 00/100 ($11,000) per year. County shall be invoiced semi-annually in the amount of Five Thousand, Five Hundred Dollars and 00/100 ($5,500.00). Invoices from Hospital to County shall be paid within 30 days of receipt of invoice.

6. NOTICES. Any notice required or permitted to be given hereunder shall be in writing and may be given by (1) hand delivery and shall be deemed given on the date of delivery; (2) registered or certified mail and shall be deemed given the third day following the date of mailing; or (3) overnight delivery by reputable overnight delivery service such as Federal Express or UPS and shall be deemed given the following day. All notices to Hospital or County shall be addressed to Hospital’s Address and County’s Address set forth on the cover page of Agreement, together with a required copy to LifePoint Health, 330 Seven Springs Way, Brentwood, TN 37027, Attention: Chief Legal Officer.
PART II: STANDARDS TERMS AND CONDITIONS

Section 1 - Obligations of Hospital.

1.1 Hospital shall perform the Services at County’s facility through employees and/or contractors of Hospital ("Hospital Staff") who are qualified and appropriately licensed, certified, and/or registered to perform all functions assigned to them by Hospital in connection with the Services (as defined below).

1.2 The services ("Services") shall include an initial biometric health screening of interested employees of County ("Participants"), which shall include the following non-exhaustive list of services: height, weight, body mass index (BMI), blood pressure, and a lipid panel with glucose test by a blood draw. Participants must complete and sign a health screening form (see attached Exhibit A) prior to receiving the biometric screening.

1.3 Each Participant will be asked to complete an online health risk assessment. Participants will be given access to a personalized, password-protected, online health portal, where Participants may complete the risk assessment. County understands that unless Participants complete the online health risk assessment, their biometric screening cannot be properly evaluated. The online health portal will also give Participants access to their biometric screening results, access to useful information for improving health, a way to communicate with Hospital Staff, and a way to see any upcoming events.

1.4 Hospital Staff shall review each Participant’s results, along with Participant’s completed online health risk assessment, and determine whether risk factors for any particular health deficiency exist.

1.5 All Participants with risk factors will be offered the opportunity to meet individually (approximately 15 minutes) with Hospital Staff to discuss specific goals to improve the current or potential risk factors. These Participants will be scheduled for a follow-up appointment every three months to discuss progress and reassess health and to adjust goals, if necessary. These Participants shall have a second biometric screening to assess progress.

1.6 Hospital Staff shall coordinate with County’s Human Resources department to provide Lunch & Learn sessions on various general wellness topics. Topics may include such subjects as diabetes education, smoking cessation, etc.

1.7 Neither Hospital nor County shall have the right or authority to enter into any contract in the name of the other party or otherwise bind the other party in any way without express written consent of the other party.

1.8 Hospital shall perform all services under this Agreement in accordance with any and all regulatory and accreditation standards applicable to County and the Services, including, without limitation, those requirements imposed by The Joint Commission, AMA Code of Ethics, requirements of the State Board of Medicine/Osteopathy, the Medicare/Medicaid conditions of participation and any amendments thereto.

1.10 As and to the extent required by law, upon the written request of the Secretary of Health and Human Services, the Comptroller General or any of their duly authorized representatives, Hospital shall make available those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing services under this Agreement. Such inspection shall be available for up to four (4) years after the rendering of such services. If Hospital carries out any of the duties of this Agreement through a subcontract with a value of $10,000.00 or more over a twelve (12) month period with a related individual or organization, Hospital agrees to include this requirement in any such subcontract. This section is included pursuant to and is governed by the requirements of 42 U.S.C. Section 1395S(e)(3) and the regulations thereto. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by County, Hospital or any Hospital’s Representative by virtue of this Agreement.

Section 2 - Termination for Cause.

2.1 For-Cause Termination by County. Without limiting any of County’s other termination rights under this Agreement, County may immediately terminate this Agreement in the event that: (a) Hospital, if applicable, undergoes a general assignment for benefit of creditors, files a petition for relief in bankruptcy or under similar laws for the protection of debtors, or upon the initiation of such proceedings against Hospital if the same are not dismissed within forty-five (45) days of service; (b) Medicare, Medicaid, or any other federal, state, or local legislative or regulatory authority adopts any rule, regulation, policy, procedure or interpretation thereof which, on advice of County’s fiscal or legal counsel, requires that this Agreement be terminated; or (c) Hospital closes or loses Medicare.

S.24.2015  1/11/2017 - Final - Document ID 23013 - Page 4 of 7
2.2 For-Cause Termination by Hospital. Without limiting any of Hospital's other termination rights under this agreement, Hospital may immediately terminate this Agreement in the event that: (a) if applicable, undergoes a general assignment for benefit of creditors, files a petition for relief in bankruptcy or under similar laws for the protection of debtors, or upon the initiation of such proceedings against Hospital if the same are not dismissed within forty-five (45) days of service; (b) Medicare, Medicaid, or any other federal, state, or local legislative or regulatory authority adopts any rule, regulation, policy, procedure or interpretation thereof which, on advice of County's fiscal or legal counsel, requires that this Agreement be terminated; or (c) County closes or loses Medicare certification.

2.3 Termination for Material Breach. In addition to any other termination rights that either party may have under this Agreement, either party may terminate this Agreement at any time that the other party engages in any act or omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement shall provide the breaching party with written notice specifying the nature of the breach. The breaching party shall then have twenty (20) days from the date of the notice in which to remedy the breach and conform its conduct to this Agreement. If such corrective action is not taken within the time specified, this Agreement shall terminate at the end of the twenty (20)-day period without further notice or demand.

2.4 Upon any termination of this Agreement, neither party shall have further rights against, or obligations to, the other party except with respect to any rights or obligations accruing prior to the date and time of termination and any obligations, promises or agreements which expressly extend beyond the termination, including, but not limited to, those set out in Section 5, 6.6, and 6.8.

Section 3 - Change of Circumstances.

3.1 In the event that Medicare, Medicaid, any third-party payor or any federal, state or local legislative or regulatory authority adopts any law, rule, regulation, policy, procedure or interpretation thereof that establishes a material change to the manner of either party's operations under this Agreement and/or the costs related thereto, which changes do not give rise to immediate termination under Section 2, Termination For Cause, then, upon the request of either party materially affected by such change in circumstances, the parties shall enter into good-faith negotiations for the purpose of establishing such amendments or modifications as may be appropriate in order to accommodate the new requirements and change of circumstances while preserving the original intent of this Agreement to the greatest extent possible. If, after thirty (30) days of such negotiations, the parties are unable to reach an agreement as to how or whether this Agreement shall continue, then either party may terminate this Agreement upon thirty (30) days' prior written notice.

Section 4 - Miscellaneous Provisions.

4.1 Entire Agreement. This Agreement contains the entire agreement of the parties hereto and supersedes all prior agreements, contracts and understandings, whether written or otherwise, between the parties relating to the subject matter hereof. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

4.2 Partial Invalidity. In the event any provision of this Agreement is found to be legally invalid or unenforceable for any reason, the remaining provisions of the Agreement shall remain in full force and effect provided the fundamental rights and obligations remain reasonably unaffected.

4.3 Assignment. County may not assign any of its rights or obligations hereunder without the prior written consent of Hospital. Hospital may assign this Agreement to any successor to all, or substantially all, of Hospital's operating assets or to any affiliate of Hospital. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

4.4 Independent Contractors. Hospital is performing services and duties under this Agreement as an independent contractor and not as an employee, agent, partner of, or joint venture with County. County does retain responsibility for the performance of Hospital as and to the extent required by law and the accreditation standards applicable to County. Such responsibility, however, is limited to establishing the goals and objectives for the Services and requiring Services to be rendered in a competent, efficient and satisfactory manner in accordance with applicable standards and legal requirements. Hospital shall be responsible for determining the manner in which Services are provided and Insuring that Services are rendered in a manner consistent with the goals and objectives referenced in this Agreement.
4.5 **Regulatory Requirements.** The parties expressly agree that nothing contained in this Agreement shall require County to refer or admit any patients to, or order any goods or services from Hospital. Notwithstanding any unanticipated effect of any provision of this Agreement, neither party will knowingly or intentionally conduct himself in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs (42 USC Section 1320a-7b).

4.6 **Third-Party Beneficiaries.** This Agreement is entered into for the sole benefit of County and Hospital. Nothing contained herein or in the parties’ course of dealings shall be construed as conferring any third-party beneficiary status on any person or entity not a party to this Agreement.

4.7 **Confidentiality.** County acknowledges and agrees that this Agreement is confidential. County shall not disclose this Agreement or any terms hereof to any third parties except as may be necessary to obtain advice and counseling from its attorneys, accountants or financial advisors or as may otherwise be required through legal process.

4.8 **Governing Law.** This Agreement shall be governed by the laws of North Carolina.

4.9 **Compliance.** Hospital represents and warrants that, as of the date of this Agreement, (i) It is not excluded, debarred or otherwise ineligible to participate in Medicare, Medicaid or any other federal or state healthcare programs or in any federal or state procurement or non-procurement programs; and (ii) It has not been convicted of a criminal offense related to the provision of federal healthcare items or services that could lead to debarment or exclusion. Hospital agrees to immediately notify County in the event the foregoing representation and warranty is no longer completely accurate. Hospital shall indemnify and hold County harmless if the foregoing representation and warranty ceases to be true at any time during the Term. Hospital acknowledges and agrees this is a material term of the Agreement and any breach or nonfulfillment of same will entitle County to immediately terminate this Agreement.

4.10 **Non-Discrimination.** County and Hospital do not discriminate against any person on the basis of race, color, national origin, disability or age in admission, treatment, program participation, services, activities or employment.

4.11 **Master Contract Database.** To the extent required by 42 C.F.R. section 411.357 (d) (1) (ii), all service agreements between County and Hospital (or an immediate family member of Hospital) are maintained electronically in a master contract database that is maintained and updated centrally and is available for review upon request by an authorized governmental official.

4.12 **Vendor Proprietary Information.** County prohibits the use of County’s name by any vendor or independent contractor, or the use of any name of County’s parent company, subsidiaries, or affiliated facilities in any advertisement, press statement, or release, website, published customer list, or any publication or dissemination similar to the foregoing without receiving in advance the express written permission from County’s Chief Executive Officer. Any request for permission should include the complete text of the publication, statement, or document in which the name usage will appear and be subject to edit by County. Hospital prohibits the use of Hospital’s name by any vendor or independent contractor, or the use of any name of Hospital’s parent company, subsidiaries, or affiliated facilities in any advertisement, press statement, or release, website, published customer list, or any publication or dissemination similar to the foregoing without receiving in advance the express written permission from Hospital’s Chief Executive Officer. Any request for permission should include the complete text of the publication, statement, or document in which the name usage will appear and be subject to edit by Hospital.

4.13 **HIPAA.** Hospital is being engaged solely for the provision of professional services, which the parties agree constitute a “treatment use” of “protected health information.” Hospital will inform County in the event that Hospital is asked to perform any administrative services that would make Hospital a business associate of County (as defined under the federal privacy regulations set forth at 45 CFR Part 160 and Part 164 (the “HIPAA Privacy Regulations”), in the event that Hospital is deemed a business associate of County, County and Hospital will enter into Hospital’s form Business Associate Agreement.

4.14 **Non-Affiliation.** The County shall not be obligated for performance hereunder or by an provision of this agreement during any of the County’s future fiscal years, including the years in the initial term, unless and until the governing body of the County appropriate funds for this agreement in the Budget for each such future fiscal year. In the event that funds are not appropriated for this agreement by the County, then this contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated, which shall not be construed as a breach. The County will notify the Hospital in writing of any such non-allocation of funds at the earliest possible date.
Central Carolina Hospital

Health Screening Consent & Release Sheet

Event: Lee County Date: ________________

REQUIRED—Please complete ALL fields. This information is necessary to protect your results and uniquely identify you in cases where people have similar names. Your results are protected under the Health Insurance Portability & Accountability Act regardless of the location the screenings are performed. No individual results will be released to your insurance company or to your employer.

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<th>Last Name</th>
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<thead>
<tr>
<th>Date of Birth (REQUIRED)</th>
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FOR CCH USE ONLY

RESULTS of screenings performed today:

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RELEASE OF INFORMATION AND CONSENT FOR SCREENING: I hereby authorize and consent to having health screenings which may include obtaining a blood sample by venipuncture (blood drawn through a vein in the arm). I understand that these tests are not definitive for either the presence or absence of medical problems and should not be used in place of a physician's care. I understand that it is my responsibility to contact my personal physician with any questions I have regarding the significance of these test results. The results of this screening will be released directly to me. I have read the information provided on this form. I hereby release and hold harmless Central Carolina Hospital and its parent company, its physicians, staff, employees, agents, officers, directors and any other persons involved from any liability, damage or claim arising from any injury or complications that may result from performing the screening. You may opt out of any screening. Central Carolina Hospital will keep these results confidential but available to you for a period of 2 years. You may obtain results by calling (919) 708-4095.

Authorized/Participant's Signature Date CCH Staff Signature

Central Carolina Hospital 1335 Carthage Street Sanford, NC 27330 (919) 774-2100

1/11/2017 - Final - Document ID 23013 - Page 7 of 7
# LEE COUNTY AGENDA ABSTRACT

## BOARD OF COMMISSIONERS - REGULAR

**MEETING DATE:** June 1, 2020  
**SUBJECT:** Contract with DLP Central Carolina Medical Group, LLC  
**DEPARTMENT:** Human Resources  
**CONTACT PERSON:** Joyce McGehee, Human Resources Director  
**TYPE:** Consent Agenda

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>Approve contract with DLP Central Carolina Medical Group, LLC and authorize the Chair to sign required documents for the Employee Wellness Clinic</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET IMPACT</td>
<td>$120,000 annually (This is the same costs as the previous year)</td>
</tr>
<tr>
<td>ATTACHMENTS</td>
<td>Wellness Clinic Renewal.pdf</td>
</tr>
<tr>
<td>PRIOR BOARD ACTION</td>
<td>The Board of Commissioners has approved the contract for the 2018/2019 and 2019/2020 budget years</td>
</tr>
<tr>
<td>RECOMMENDATION</td>
<td>Approve contract with DLP Central Carolina Medical Group, LLC and authorize the Chair to sign required documents for the Employee Wellness Clinic</td>
</tr>
</tbody>
</table>

**SUMMARY**

Lee County implemented an employee wellness clinic in March of 2018 to provide on-site acute care for employees and employee dependents who are on the County’s health insurance plan. We feel that the wellness clinic has had a significant impact for the County. The BCBS insurance premiums were a no increase for the past two years. Employees are using the clinic and have had much appreciation for the services provided.
SECOND AMENDMENT TO OCCUPATIONAL HEALTH SERVICES AGREEMENT

This Second Amendment to Occupational Health Services Agreement (the "Amendment"), is made effective as of the 1st day of July, 2020 (the "Effective Date"), by and between DLP Central Carolina Medical Group, LLC ("Agency") and Lee County Government ("Client").

WHEREAS, Agency and Client entered into that certain Occupational Health Services Agreement effective as of April 1, 2018 (the "Agreement"); and

WHEREAS, any capitalized term used, but not otherwise defined, herein shall have the same meaning ascribed to such term as set forth in the Agreement; and

WHEREAS, Client and Agency have mutually agreed to extend the Term of the Agreement, and desire, pursuant to Section 3.1 of the Agreement, to memorialize such extension by way of this Amendment, as more particularly set forth herein.

NOW THEREFORE, the Agreement is hereby amended as follows:

1. **Term of Agreement.** The Term of the Agreement is hereby extended for an additional twelve (12) months, and thus now continues through June 30, 2021.

2. **Miscellaneous.** Except as specifically amended herein, all terms and conditions of the Agreement shall remain in full force and effect, except as otherwise amended in writing. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Amendment. The counterparts of this Amendment may be executed and delivered by facsimile or other electronic signature by any of the parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

IN WITNESS WHEREOF, Agency and Client have duly executed this Amendment with an Effective Date as set forth above.

**AGENCY:**
DLP Central Carolina Medical Group, LLC

__________________________________________________________
Pamela Kane
Regional Vice President, Physician Services

______________________________
Date

**AGENCY:**
Lee County Government

By: ________________________________

Printed Name: ________________________________

Title: ________________________________

Date: ________________________________
The County of Lee North Carolina

Vendor/Contractor Name: DLP Central Carolina Medical Group

IRAN DIVESTMENT ACT CERTIFICATION
REQUIRED BY N.C.G.S. 147-86.59

As of the date listed below, the Vendor/Contractor listed above certifies that they are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.59. Contractor/Vendor shall not utilize any subcontractor that is identified on the list.

E-VERIFY CERTIFICATION
REQUIRED BY N.C.G.S. 143-48.5 & 147-33.95(g)

As of the date listed below, the Vendor/Contractor listed above and all Vendor/Contractor's subcontractors certify that they are in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

The undersigned hereby certifies that he/she is authorized by the entity listed above to make the foregoing statement.

[Signature]
Pamela Kane
Printed Name

[Date]
5/20/20

Regional VP, Physician Services
Printed Title
This Occupational Health Services Agreement (the "Agreement") is made effective as of the 1st day of April, 2018 (the "Effective Date"), by and between DLP Central Carolina Medical Group, LLC ("Agency") and the Lee County Government ("Client").

WHEREAS, Client is in need of providers that are qualified and duly licensed to provide occupational health services to its eligible employees at Client's on-site Employee Health Clinic (the "Employee Health Clinic");

WHEREAS, Agency employs providers that are qualified and duly licensed to provide occupational health services; and

WHEREAS, Agency desires to provide and Client desires to acquire certain occupational health services as more particularly set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, it is agreed:

1. DESCRIPTION OF SERVICES.

1.1 Overview of Services. Agency will provide services to support Client in its goals to effectively contain operational expenses and increase organizational productivity by providing onsite occupational health services (the "Services") at Client's on-site Employee Health Clinic.

1.2 Staffing of Client's Employee Health Clinic. Agency will provide Client with one (1) nurse practitioner (the "Nurse Practitioner") and one (1) certified medical assistant (the "CMA") (the Nurse Practitioner and CMA are herein collectively referred to as the "Providers"), whose responsibilities shall include the provision of both occupational health and employee health services. The Providers will be employees or contractors of Agency, where all credentialing, supervision, and associated labor costs will be the responsibility of the Agency. Agency shall facilitate the integration of the Providers into Client's existing resources and infrastructure, and Agency shall assist in providing initial and continued training and support of the Providers.

1.3 Provider Recruitment. Agency is responsible for the recruitment and retention of the Providers. Agency and Client will mutually agree on the best Providers for the Employee Health Clinic. In the event Client deems a Provider fails to perform professional occupational health and employee health services at the Employee Health Clinic to the reasonable satisfaction of the Client, the Client and Agency shall work collaboratively to either (i) identify a mutually agreeable course of action for any such Provider to demonstrate his/her capabilities for continued performance under this Agreement; or (ii) identify a mutually agreed upon replacement Provider.

1.4 Operations. Agency shall provide guidance and resources in efforts to optimize the clinical experience for both Client and its employees. Agency will customize care delivery systems to Client's specific preferences (within reason), and will introduce new evidence-based practices as they become available.

1.5 Location of Employee Health Clinic. Client's Employee Health Clinic will be located on Client's property, where all associated facility costs will be the responsibility of Client. The Providers will have access to Client telephone and internet networks at no additional fees to Agency.

1.6 Hours of Operation. Agency shall provide the Services at the Employee Health Clinic on a schedule as mutually agreed upon by both parties (the "Hours of Operation"). The Hours of Operation may be changed as needed, subject to the mutual agreement of both parties. Patients seeking care for personal and/or work-related injuries and illnesses outside of the Hours of Operation shall seek care at the emergency room or 911 for emergent matters. For non-emergent personal and/or work-related injuries and illnesses needing immediate attention outside of the Hours of Operation, Client's employees shall seek care from their primary care physicians' offices and/or an urgent care center.

1.7 Emergencies. All emergent matters shall be handled by calling 911. The Providers can facilitate the transfer of patients to Agency's emergency department. Agency shall not assume authority of the patient's care in these situations, and shall follow the protocol as mutually agreed upon by Agency and Client.
FIRST AMENDMENT TO OCCUPATIONAL HEALTH SERVICES AGREEMENT

This First Amendment to Occupational Health Services Agreement (the "Amendment"), is made effective as of the 1st day of July, 2019 (the "Effective Date"), by and between DLP Central Carolina Medical Group, LLC ("Agency") and Lee County Government ("Client").

WHEREAS, Agency and Client entered into that certain Occupational Health Services Agreement effective as of April 1, 2018 (the "Agreement"); and

WHEREAS, any capitalized term used, but not otherwise defined, herein shall have the same meaning ascribed to such term as set forth in the Agreement; and

WHEREAS, Client and Agency have mutually agreed to extend the Term of the Agreement, and desire, pursuant to Section 3.1 of the Agreement, to memorialize such extension by way of this Amendment, as more particularly set forth herein.

NOW THEREFORE, the Agreement is hereby amended as follows:

1. **Term of Agreement.** The Term of the Agreement is hereby extended for an additional twelve (12) months, and thus now continues through June 30, 2020.

2. **Miscellaneous.** Except as specifically amended herein, all terms and conditions of the Agreement shall remain in full force and effect, except as otherwise amended in writing. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Amendment. The counterparts of this Amendment may be executed and delivered by facsimile or other electronic signature by any of the parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

IN WITNESS WHEREOF, Agency and Client have duly executed this Amendment with an Effective Date as set forth above.

AGENCY:
DLP Central Carolina Medical Group, LLC

Mark E. Pickett
Regional Vice President, Physician Services

__________
Date

AGENCY:
Lee County Government

By: [Signature]
Printed Name: Amy Dalrymple
Title: Chair, Lee County Board of Commissioners
Date: 06/30/19

4/2/2019 - Final - Document ID 49296 - Page 1 of 1
1.8 **Supplies.** Client shall provide any expendable supplies, equipment, and services necessary for the proper operation of the Services. Additionally, Client shall be responsible for the maintenance and all associated costs of medications, vaccines, immunizations, etc. for the proper operation of Services. Agency hereby agrees to provide Client a list of supplies needed for the proper operation of the Services on a monthly basis during the Term of the Agreement.

2. **COMPENSATION AND BILLING**

2.1 **Compensation.** Client shall pay Agency the fees set forth in Exhibit A, attached hereto and incorporated herein by reference (the “Compensation”).

2.2 **Billing.** Agency will be responsible to submit invoices directly to Client for whom the Services are provided based on Agency’s then-current policies. Invoices submitted by Agency shall be rendered to Client on a monthly basis, and Client shall pay Agency the Compensation within thirty (30) days from Client’s receipt of such invoices. Each invoice shall indicate the Services provided and rate charged to Client.

3. **TERM AND TERMINATION**

3.1 **Term of the Agreement.** This Agreement shall commence on the Effective Date and shall continue through June 30, 2019 (the “Term”). This Agreement may be extended upon the expiration of the Term upon the mutual agreement of the Client and Agency, with any such extension of the Term being memorialized in a written amendment to this Agreement that is executed by Client and Agency.

3.2 **Termination Without Cause.** Either party may terminate this Agreement, without cause, by providing not less than sixty (60) days’ prior written notice stating the intended date of termination.

3.3 **Termination For Cause by Client.** Client may immediately terminate this Agreement in the event that (a) Client, if applicable, undergoes a general assignment for benefit of creditors, files a petition for relief in bankruptcy or under similar laws for the protection of debtors, or upon the initiation of such proceedings against Client if the same are not dismissed within forty-five (45) days of service; or (b) Medicare, Medicaid, or any other federal, state, or local legislative or regulatory authority adopts any rule, regulation, policy, procedure or interpretation thereof that, on advice of Client’s fiscal or legal counsel, requires that this Agreement be terminated.

3.4 **Termination For Cause by Agency.** Agency may immediately terminate this Agreement in the event that (a) Agency, if applicable, undergoes a general assignment for benefit of creditors, files a petition for relief in bankruptcy or under similar laws for the protection of debtors, or upon the initiation of such proceedings against Agency if the same are not dismissed within forty-five (45) days of service; or (b) Medicare, Medicaid, or any other federal, state, or local legislative or regulatory authority adopts any rule, regulation, policy, procedure or interpretation thereof that, on advice of Agency’s fiscal or legal counsel, requires that this Agreement be terminated; or (c) Agency closes or loses Medicare certification.

3.5 **Termination for Material Breach.** In addition to any other termination rights that either party may have under this Agreement, either party may terminate this Agreement at any time in the event the other party engages in an act or omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement shall provide the breaching party with written notice specifying the nature of the breach. The breaching party shall then have twenty (20) days from the date of the notice in which to remedy the breach and conform its conduct to this Agreement. If such corrective action is not taken within the time specified, this Agreement shall terminate at the end of the twenty (20)-day period without further notice or demand.

4. **ELIGIBILITY OF PARTICIPATION AND CONSIDERATIONS FOR CLIENT’S EMPLOYEES**

4.1 **Eligibility of Participation.** In order for Client’s employees to participate in the Employee Health Clinic program, the employee must (i) be a current employee of Client upon the day of treatment or appointment and (ii) provide Client-
provided employee identification when seeking treatment in Employee Health Clinic. Spouses and/or dependents of
Client’s employees are eligible to participate in the Employee Health Clinic program.

4.2 Considerations. Eligible employees of Client participating in the Employee Health Clinic program will (i) not be
charged a fee (e.g., copay) for participating in the Employee Health Clinic program; (ii) provide a signed Consent
for Treatment form to one of the Providers; and (iii) provide written authorization to one of the Providers in order
for Providers to communicate with their primary and/or ancillary provider(s).

5. MISCELLANEOUS

5.1 Governing Law. This Agreement shall be governed by the laws of State of North Carolina.

5.2 Insurance. Client and Agency shall (i) maintain in force at all pertinent times at each party’s sole expense a policy of
general and professional liability insurance in the minimum amount of One Million and 00/000 Dollars
($1,000,000.00) per occurrence, Three Million and 00/000 Dollars ($3,000,000.00) in the annual aggregate and (ii) if
applicable, participate in the appropriate state compensation fund. Each party shall furnish, at the other party’s
request, a Certificate of Insurance evidencing the aforementioned coverage.

5.3 Indemnification. Intentionally Omitted.

5.4 Change of Circumstances. In the event that Medicare, Medicaid, any third-party payer or any federal, state or local
legislative or regulatory authority adopts any law, rule, regulation, policy, procedure or interpretation thereof that
establishes a material change to the manner of either party’s operations under this Agreement and/or the costs
related thereto, which changes do not give rise to immediate termination under Section 3 of this Agreement then,
upon the request of either party materially affected by any such change in circumstances, the parties shall enter into
good-faith negotiations for the purpose of establishing such amendments or modifications as may be appropriate in
order to accommodate the new requirements and change of circumstances while preserving the original Intent of
this Agreement to the greatest extent possible. If, after thirty (30) days of such negotiations, the parties are unable
to reach an agreement as to how or whether this Agreement shall continue, then either party may terminate this
Agreement upon thirty (30) days’ prior written notice.

5.5 Independent Contractor. The parties are independent contractors and not employees, agents, partners of, or joint
ventures with the other party; and neither party shall have the authority to act as an agent for the other party.

5.6 Alternate Dispute Resolution. Intentionally Omitted.

5.7 Confidentiality. Intentionally Omitted.

5.8 Regulatory Requirements. The parties expressly agree that nothing contained in this Agreement shall require
Client to refer or admit any patients to, or order any goods or services from Agency. Notwithstanding any
unanticipated effect of any provision of this Agreement, neither party will knowingly or intentionally conduct
itself in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare
and Medicaid programs (42 USC Section 1320a-7b).

5.9 Master Contract Database. To the extent required by 42 C.F.R. section 411.357 (d) (1) (ii), all service
agreements between Agency and Client are maintained electronically in a master contract database that is
maintained and updated centrally and is available for review upon request by an authorized governmental
official.

5.10 Non-Discrimination. Agency and Client do not discriminate against any person on the basis of race, color,
national origin, disability or age in admission, treatment, program participation, services, activities or
employment.

5.11 Promotion/Publication. Client prohibits the use of Client’s name by any vendor or independent contractor, or
the use of any name of Client’s parent company, subsidiaries, or affiliated facilities in any advertisement, press
statement, or release, website, published customer list, or any publication or dissemination similar to the
foregoing without receiving in advance the express written permission from Client’s Chief Executive Officer.
Any request for permission should include the complete text of the publication, statement, or document in
which the name usage will appear and be subject to edit by Client. Agency prohibits the use of Agency’s name by any vendor or independent contractor, or the use of any name of Agency’s parent company, subsidiaries, or affiliated facilities in any advertisement, press statement, or release, website, published customer list, or any publication or dissemination similar to the foregoing without receiving in advance the express written permission from Agency’s Chief Executive Officer. Any request for permission should include the complete text of the publication, statement, or document in which the name usage will appear and be subject to edit by Agency.

5.12 HIPAA. Agency is being engaged solely for the provision of professional services, which the parties agree constitute a “treatment use” of “protected health information.” Agency will inform Client in the event that Agency is asked to perform any administrative services that would make Agency a business associate of Client (as defined under the federal privacy regulations set forth at 45 CFR Part 160 and Part 164 (the "HIPAA Privacy Regulations"). In the event that Agency is deemed a business associate of Client, Client and Agency will enter into Agency’s form Business Associate Agreement.

5.13 Physician Ownership. Each party represents and warrants, at the time of execution of this Agreement, that none of its owners are physicians (publicly-traded stock excepted), that create, or might create, a referral relationship to the Agency in violation of the federal and state fraud and abuse laws and regulations; and further, that for the duration of this Agreement, each party shall notify the other party of any change in its ownership structure that would result in the creation of such a referral relationship.

5.14 Books and Records. As and to the extent required by law, upon the written request of the Secretary of Health and Human Services, the Comptroller General or any of their duly authorized representatives, Agency and Client shall make available those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing services under this Agreement. Such inspection shall be available for up to four (4) years after the rendering of such services. If Agency and/or Client carry out any of the duties of this Agreement through a subcontract with a value of Ten Thousand and 00/100 Dollars ($10,000.00) or more over a twelve (12)-month period with a related individual or organization, Agency and Client agree to include this requirement in any such subcontract. This section is included pursuant to and is governed by the requirements of 42 U.S.C. Section 1395x(v)(1) and the regulations thereto. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by Agency or Client by virtue of this Agreement.

5.15 Notices. Any notice required or permitted to be given hereunder shall be in writing and may be given by (1) hand delivery and shall be deemed given on the date of delivery; (2) registered or certified mail and shall be deemed given the third day following the date of mailing; or (3) overnight delivery by reputable overnight delivery services such as Federal Express or UPS and shall be deemed given the following day. All notices to Client or Agency shall be addressed to Client or Agency at the following addresses:

If to Agency: DLP Central Carolina Medical Group, LLC
330 Seven Springs Way
Brentwood, TN 37027
Attn: Physician Services

With a copy to: LifePoint Health
330 Seven Springs Way
Brentwood, TN 37027
Attn: Legal Department

If to Client: Lee County Government
408 Summit Drive
Sanford, NC 27330
Attn: Joyce McGehee

5.16 Amendment. This Agreement may be amended at any time by written amendment signed by both parties.
5.17 **Assignment.** Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

5.18 **Partial Invalidity.** In the event any provision of this Agreement is found to be legally invalid or unenforceable for any reason, the remaining provisions of the Agreement shall remain in full force and effect provided the fundamental rights and obligations remain reasonably unaffected.

5.19 **Third-Party Beneficiaries.** This Agreement is entered into for the sole benefit of Agency and Client. Nothing contained herein or in the parties' course of dealings shall be construed as conferring any third-party beneficiary status on any person or entity not a party to this Agreement, including, without limitation, any of Agency's representatives.

5.20 **Entire Agreement.** This Agreement contains the entire agreement of the parties hereto and supersedes all prior agreements, contracts and understandings, whether written or otherwise, between the parties relating to the subject matter hereof. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURES TO APPEAR ON FOLLOWING PAGE]
IN WITNESS WHEREOF, Agency and Client have duly executed this Agreement as of the dates set out beneath their respective signatures.

AGENCY:
DLP Central Carolina Medical Group, LLC

Mark E. Pickett
Vice President, Physician Services

March 22, 2018
Date

CLIENT:
Lee County Government

By: Amy M. Dalcumple
Printed Name: Amy M. Dalcumple
Title: Chris, Lee County Board of Commissioners
Date: 3/19/2018
<table>
<thead>
<tr>
<th>ITEM</th>
<th>MONTHLY FEE</th>
<th>ANNUAL FEE</th>
</tr>
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<tbody>
<tr>
<td>Nurse Practitioner Services</td>
<td>$9,000.00</td>
<td>$108,000.00</td>
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<tr>
<td>Medical Director Supervision – Physician</td>
<td>$1,000.00</td>
<td>$12,000.00</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$10,000.00</strong></td>
<td><strong>$120,000.00</strong></td>
</tr>
</tbody>
</table>
Certifications

E-Verify Certification. CONTRACTOR/VENDOR agrees that it shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if CONTRACTOR/VENDOR utilizes a subcontractor, CONTRACTOR/VENDOR agrees that it shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

Iran Divestment Act Certification. Contractor certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.5B. In compliance with the requirements of the Iran Divestment Act, Contractor shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.

Dated this the 22nd day of March, 2018.

__________________________
Contractor/Vendor

Vice President, Physician Services

Title
This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Lisa C. Minter, Finance Director

Date

DLP Central Carolina Medical Group
This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Lisa G. Minter, Finance Director

3/23/19

Date
The County of Lee North Carolina

Vendor/Contractor Name: DLP Central Carolina Medical Group, LLC

IRAN DIVESTMENT ACT CERTIFICATION
REQUIRED BY N.C.G.S. 147-86.59

As of the date listed below, the Vendor/Contractor listed above certifies that they are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor/Vendor shall not utilize any subcontractor that is identified on the list.

E-VERIFY CERTIFICATION
REQUIRED BY N.C.G.S. 143-48.5 & 147-33.95(g)

As of the date listed below, the Vendor/Contractor listed above and all Vendor/Contractor's subcontractors certify that they are in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

The undersigned hereby certifies that he/she is authorized by the entity listed above to make the foregoing statement.

[Signature]

May 22, 2019

Monica Bowman

Vice President, Physician Services

Printed Name

Printed Title
ITEM #: III.A

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: June 1, 2020

SUBJECT: Hold a Public Hearing on a Grant to Pfizer Inc. from the NC Biotechnology Center and Request a Vote on the Agreement

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish

TYPE: Action Item

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>Hold a Public Hearing on a Grant to Pfizer Inc. from the NC Biotechnology Center and Request a Vote on the Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET IMPACT</td>
<td>The County will be the pass through entity for the $100,000 grant to Pfizer Inc.</td>
</tr>
</tbody>
</table>
| ATTACHMENTS | Project Panda Christmas_NCBiotech EDA Grant Agreement_20200518.pdf  
Project Panda Christmas_NCBiotech EDA Performance Agreement_20200518.pdf |
| PRIOR BOARD ACTION | N/A |
| RECOMMENDATION | Hold a Public Hearing on a Grant to Pfizer Inc. from the NC Biotechnology Center and Request a Vote on the Agreement |

The NC Biotechnology Center has requested that Lee County be the pass through entity for a $100,000 grant to Pfizer Inc. Pfizer Inc. will be expected to provide new jobs to Lee County and to use the money for training of the employees. The Biotechnology Center is aware that the County did not provide a local incentive for this project. The County will administer the grant and act as the pass-through entity, but there is no county match required. If Pfizer failed to complete the required number of jobs, then the County may be asked to assist in helping
the Biotechnology Center get repaid. After discussions with the Biotechnology Center, we will be requesting the Board to waive its policy to vote at the next meeting because the funding needs to be approved by July 1, 2020. We are asking for approval of the agreements and for the Chair to be authorized to sign the agreements.
This GRANT AGREEMENT (this “Agreement”) is entered into this ___ day of __________, 2020, by and between the County of Lee, North Carolina (hereinafter referred to as the “Local Unit of Government” or “LUG”) and the North Carolina Biotechnology Center (hereinafter referred to as the “Center”).

This Agreement defines the parameters for distribution of an economic development award from the Center to the Local Unit of Government to support job creation through Project Christmas (the “Project”) in collaboration with a life science company (hereinafter referred to as the “Company”).

For purposes of this Agreement, the following definitions shall apply:

**Award Letter of Intent:** The letter provided by the Center to the Local Unit of Government and the Company indicating the Center’s intent to award the Grant.

**Performance Agreement:** The Performance Agreement between the Local Unit of Government and the Company. This Agreement outlines the parameters of performance by the Company as required by the Local Unit of Government as the recipient and administrator of the Center grant.

**Use of Funds:** The budget agreed to between the Center, the Local Unit of Government and the Company which specifies how Grant Funds are to be used.

**Jobs Start Date or JSD:** The specific date upon which the Company will initially certify existing jobs. This date is the start date for a three (3) year period in which the Company has to create the number of new jobs promised (i.e., the Minimum Job Requirement). This date is incorporated into the Performance Agreement. The JSD is July 1, 2019.

**Jobs End Date or JED:** The specific date that is three (3) years following the Jobs Start Date. This date is also incorporated into the Performance Agreement. The JED is July 1, 2022.

**Number of Jobs Created:** This figure is an amount equal to the number of jobs certified at the JED minus the number of jobs certified at the JSD. The number of jobs certified at any time hereunder represents current full-time employees of the Company based in the geographic area of the Local Unit of Government. Number of Jobs Created represents net new full-time jobs at the Company based in the geographic area of the Local Unit of Government and cannot include employees transferred or relocated from another Company site in North Carolina unless otherwise agreed to by the Center, Local Unit of Government and Company.

**Minimum Job Requirement:** This figure is the number of new jobs based in the geographic area of the Local Unit of Government expected to be created by the Company. The Minimum Job Requirement is One Hundred (100).
New Minimum Job Requirement. This figure is the actual Number of Jobs Created based on the calculation as defined above, but shall not be an amount greater than the original Minimum Job Requirement, and which shall become the minimum number of jobs to be maintained for one (1) year after the Jobs End Date.

End of Maintenance Date or EOM: The specific date that is one (1) year after the Jobs End Date. This date marks the end of the jobs maintenance period in which the Company is required to maintain the New Minimum Job Requirement. The EOM date is July 1, 2023.

Grant End Date or GED: The final date of this Agreement upon which all requirements will be met. The GED is July 1, 2023.

WITNESSETH:

THAT, WHEREAS, the Center’s mission is to provide long-term economic and societal benefits to North Carolina by supporting biotechnology research, business and education statewide; and

WHEREAS, biotechnology is characterized by the application of the principles of engineering and technology to the life sciences to solve problems and make products; and

WHEREAS, the Center provides direct and indirect financial assistance and support to persons and firms seeking to become involved in biotechnology/life science businesses and entrepreneurial opportunities in North Carolina; and

WHEREAS, the Company, [a multinational biopharmaceutical business based in New York, NY is expanding a new gene therapy manufacturing facility in Lee County, NC] and the Center has agreed to provide an economic development grant award (the “Grant”) through the Local Unit of Government for the benefit of the Company to induce the Company to expand and maintain new business operations in Lee County; and

WHEREAS, the Local Unit of Government has agreed to be the responsible pass-through agency and to administer the Grant; and

WHEREAS, the Company is expected to create One Hundred (100) new full-time jobs related to the life sciences in Lee County and is expected to generate significant tax revenue for Lee County; and

WHEREAS, the Local Unit of Government acknowledges that economic support such as the Grant serves as an important means for municipalities to attract businesses and develop local economies; and

WHEREAS, the Center desires to help the Local Unit of Government to attract new life science jobs and investment through the Grant which accordingly would constitute a public purpose; and

WHEREAS, information provided by the Company and the Local Unit of Government to the Center indicates that the Project represents a competitive project for which the Center’s support
is significant to Lee County in creating or attracting One Hundred (100) new full-time jobs related to the life sciences;

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration as shall be set out herein, the parties hereto do mutually agree to the following terms and conditions:

1. **Scope of the Project.** The scope of the Project shall be clearly outlined in Exhibit A and Exhibit B which are an integral part of this Agreement.

   Exhibit A provides specific details of the Project including (1) the planned Use of Funds, (2) Certification of jobs at the Jobs Start Date, Jobs End Date and at End of Maintenance Date, and (3) milestones expected to be achieved.

   Exhibit B provides a general outline of the Project through the following three documents: (1) the Center Letter of Intent to support the Project, and (2) a copy of the signed Performance Agreement.

   By executing this Agreement, the Local Unit of Government hereby agrees to (a) disburse to the Company the Grant funds (the “Grant Funds”) unless otherwise agreed to by the Center, Local Unit of Government and Company as specified in Exhibit A, (b) enter into the Performance Agreement with the Company, which shall include a statement that the Local Unit of Government, in the event that the Company fails to meet the established Minimum Jobs Requirement noted in the performance agreement must, at the discretion of the Center, assist and support the Center with any reasonable recoupment efforts the Center may wish to pursue, and (c) negotiate in collaboration with the Center and the Company the Use of Funds.

2. **Period of Agreement.** The effective period of this Agreement shall commence on the execution of this Agreement and shall terminate no later than six (6) years following the date of execution, and may be subject to earlier termination as provided herein.

3. **Grant Amount.** The amount of the Grant the Center grants to the Local Unit of Government is $100,000 such amount to be paid in a single lump sum. It is agreed between the parties that the above-referenced sum shall represent the total amount of this Agreement, except as such amount may be amended in accordance with the terms of this Agreement.

4. **Funding and Method of Payment.**

   (a) Prior to transferring the Grant Funds to the Local Unit of Government, the deliverables set forth in Paragraph 1 above (including Exhibit A and Exhibit B) shall have been provided to the Center by the Local Unit of Government and the Company, as applicable, in form and substance reasonably satisfactory to the Center. Upon satisfaction of such deliverable requirements, the Center will transfer the full amount of the Grant to the Local Unit of Government within thirty (30) days thereafter.
(b) All Grant Funds received by the Local Unit of Government from the Center must be transferred to and expended by the Company no later than the Jobs End Date, unless otherwise agreed to by the Center, Local Unit of Government, and Company as specified in Exhibit A. Any unexpended Grant Funds as of the Jobs End Date shall be obtained by the Local Unit of Government from the Company and returned to the Center. Such amounts shall be paid by the Local Unit of Government to the Center no later than ninety (90) days after the Jobs End Date.

(c) As of the Jobs End Date, the Local Unit of Government shall require the Company to certify the number of jobs as of the Jobs End Date and to provide evidence of such number if requested by the Local Unit of Government or the Center. If the Company does not satisfy the Minimum Job Requirement, then the Company, at the discretion of the Center and in consultation with the Local Unit of Government, may be required to pay the Center One Thousand Dollars ($1000) for each job below the established Minimum Job Requirement threshold. If any such payment is owed, the Local Unit of Government shall assist the Center with any reasonable recoupment activities it may wish to pursue from the Company. Any recoupment funds collected from the Company and received by the LUG, shall be returned to the Center by the Local Unit of Government no later than ninety (90) days after the recoupment funds are received.

5. Reporting.

   (a) Interim Reports. The Local Unit of Government shall require the Company to provide annual reports documenting the Company’s receipt and expenditure of Grant Funds, as outlined in Exhibit A (a copy of which must be provided to the Center), during each of the three (3) years during which the Company is creating the new jobs. The requirements of these reports shall be as outlined in the Performance Agreement, and shall, at a minimum, provide an accounting of the use of Grant Funds to verify expenditure for purposes for which they were granted, descriptions of activities and accomplishments undertaken related to use of Grant Funds, and the number of full-time employees of the Company based in the designated Project locale during the year.

   (b) Final Report. The Local Unit of Government shall require the Company to provide a final report at the End of Maintenance Date, a copy of which must be provided to the Center. The final report is due no later than ninety (90) days following the EOM. The final report must document final use of the Grant Funds, as outlined in Exhibit A, and summarize the overall benefits to the Local Unit of Government of the Grant, including the total number of jobs created and maintained under the Project and certified to the Local Unit of Government. If at the End of Maintenance Date, the Company has failed to maintain the New Minimum Job Requirement, then the Company, at the discretion of the Center and in consultation with the Local Unit of Government, may be required to pay the Center One Thousand Dollars ($1000) for each job below the established New Minimum Job Requirement threshold. If any such payment is owed, the Local Unit of Government shall assist the Center with any reasonable recoupment activities it may wish to pursue from the Company. Any recoupment funds collected from the Company and received by the LUG, shall be returned to the Center by the Local Unit of Government no later than ninety (90) days after the recoupment funds are received.
(c) **Audit Requirements and Reporting; Site Visits.**

i. **Audit Requirements and Reporting.** The Local Unit of Government shall require the Company to expend the funds provided by this Agreement only for the purposes for which they were granted. The Local Unit of Government and the Company are subject to the requirements of N.C.G.S. Sections 143C-6.21, -6.22, and -6.23. The Local Unit of Government shall require the Company to comply with all the rules and reporting requirements established by statute or administrative rules from time to time, including the foregoing Sections of N.C.G.S. 143C and 09 NCAC Subchapter 03M.0205 (as such statutes, rules and requirements may be amended from time to time). For convenience, the current reporting thresholds applicable to the Grant, established for recipients and subrecipients receiving State funds, are stated below:

At least $25,000 but less than $500,000 (Level II)—A recipient or subrecipient that receives, holds, uses, or expends State funds in an amount of at least twenty-five thousand dollars ($25,000) or greater but less than five hundred thousand dollars ($500,000) within its fiscal year must comply with the reporting requirements established by this Subchapter including: (a) a certification completed by the recipient or subrecipient stating that the State funds were received, held, used, or expended for the purposes for which they were granted; (b) an accounting of the State funds received, held, used, or expended; and (c) a description of activities and accomplishments undertaken by the recipient or subrecipient with the State funds, including reporting on any performance measures established in the contract. All reports shall be filed with the disbursing agency in the format and method specified by the agency no later than three (3) months after the end of the recipient’s or subrecipient’s fiscal year.

Such thresholds and requirements may change from time to time and the Local Unit of Government and the Company should review the applicable statutes, rules and requirements to determine the then-applicable thresholds and reporting requirements.

ii. **Site Visits.** The Local Unit of Government shall require the Company to permit site visits to the location of the Project by Center staff as may be necessary up to no more than once per year for the Center monitor and confirm compliance with the terms of this Agreement and the Performance Agreement, including, without limitation, with respect to the use and expenditure of the Grant Funds by the Company. The Company shall be given reasonable advance notice of any site visit, which will be scheduled during regular business hours unless other mutually acceptable arrangements are agreed upon.

6. **Amendments.** Any and all additions, deletions or other changes in this Agreement shall be effectuated by written amendment signed by the parties to this Agreement.

7. **Project Records.** The Local Unit of Government shall retain all financial records, supporting documents, and other pertinent Project records related to the Grant for a period of five (5) years from the date of termination of this Agreement. In the event such records are audited, all Project records shall be retained beyond the five-year period until any and all audit findings have
been resolved. The Local Unit of Government agrees to make available to the Center, or its
designated representative, all of its records which relate to the Project, and agrees to allow the
Center or said representative to audit, examine and copy any and all data, documents, proceedings,
records and notes of activity relating in any way to the Project. Access to these records shall be
allowed upon request at any time during normal business hours and as often as the Center or said
representative may deem necessary up to no more than once per year.

8. **Liabilities and Loss.** The Center assumes no liability with respect to accidents,
bodily injury, illness, breach of contract or any other damages or loss, or with respect to any claims
arising out of any activities undertaken by the Local Unit of Government under this Agreement or
by the Company under the Performance Agreement, whether with respect to persons or property
of the Local Unit of Government, or third parties. The Local Unit of Government agrees to obtain
and maintain insurance or otherwise protect itself or others as it may deem desirable. Further,
NCBiotech assumes no liability with respect to accidents, bodily injury, illness, breach of contract,
or any other damages or loss, or with respect to any claims or losses arising out of the use of funds.
Except to the extent caused by the negligence or willful misconduct of NCBiotech or its agents,
the LUG will, to the extent and limits of its insurance and any legal limitations, indemnify, defend,
and hold harmless NCBiotech and its agents from and against any and all claims, actions, damages,
losses, orders, judgements, liability, and expenses arising from the acts or omissions of NCBiotech
or its agents.

9. **Availability of Funds.** It is understood that the Center’s obligation to pay any
amounts under this Agreement is contingent upon the availability of funds for such purpose. The
Center depends on sources for funding that are beyond its control. In the event that total funding
in support of the Center falls below the level available when this commitment was made, the Center
reserves the right to terminate this Agreement upon thirty (30) days’ written notice to the Local
Unit of Government. All obligations of the Center to make payments under this Agreement shall
cease as of the date of such termination.

10. **Entire Agreement.** This Agreement supersedes all prior agreements between the
Center and the Local Unit of Government, and expresses their entire understanding with respect
to the transactions contemplated herein, and shall not be amended, modified or altered except
pursuant to a writing signed by both parties.

11. **Headings.** The headings in this Agreement are for purposes of reference only and
shall not limit or otherwise affect the meaning hereof.

12. **Notice.** All notices required or permitted to be delivered hereunder shall be in
writing and shall be (i) personally delivered, (ii) sent by email or facsimile (with a copy sent the
same day by certified mail, postage prepaid), or (iii) sent by Federal Express or other nationally
recognized overnight delivery service, addressed as follows:
Confidential
Grant # 2020-EDA-3702
Page 7 of 14

If to the Center, to: William Bullock, Sr VP Economic Development
North Carolina Biotechnology Center
15 T. W. Alexander Drive
Research Triangle Park, NC 27709-3547
Email: bill_bullock@ncbiotech.org
Fax: 919-549-8852

If to the Local Unit of Government, to: County Attorney
Lee County Legal Department
PO Box 1968
Sanford, NC 27331
Email: wparrish@leecountync.gov

or addressed to such other address or to the attention of such other individual as the Center or the Local Unit of Government shall have specified in a notice delivered pursuant to this Paragraph 12. Notice shall be deemed effective on the date dispatched if by personal delivery, on the date transmitted by email or facsimile (if confirmed by mail pursuant to this Paragraph 12) or two (2) days after mailing if by Federal Express or other nationally recognized overnight delivery service.

13. **Termination.** Notwithstanding any other provisions of this Agreement, the parties may terminate this Agreement by mutual consent. Such termination right is in addition to the Center’s other termination rights set forth in Paragraph 9. On termination, any ongoing obligations such as recordkeeping requirements described in Paragraph 7 shall continue. All obligations of the Center to advance funds under this Agreement shall cease as of the date of any such termination, and the Local Unit of Government agrees that, as a result of such termination, the Center shall not be liable to the Local Unit of Government for any compensation, losses, damages, or reimbursement of any kind.

14. **Execution.** This Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Agreement which shall be sufficiently evidenced by one of such original counterparts.

15. **Assignment.** The rights, duties and obligations of the parties under this Agreement shall inure to the benefit of the parties and shall be binding upon their successors and permitted assigns. Neither this Agreement nor the respective rights, duties, obligations, and responsibilities of the Local Unit of Government may be transferred or assigned, in whole or in part, by the Local Unit of Government to any other person, firm or organization (including sub-agents) without the prior written consent of the Center. In the event of a permitted assignment, the assignee shall not be relieved of any of its duties or obligations under this Agreement, and such assignee shall agree to abide by the standards contained in the Uniform Administration of State Grants Subchapter.

16. **Construction.** This Agreement shall be construed and governed by the laws of the State of North Carolina, excluding its conflict of law principles.
[Signatures appear on following page]
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COUNTY OF LEE

By: ________________________________

Print Name: Amy M. Dalrymple

Title: Chair, Board of Commissioners

Federal Employer Identification Number: ____________

NORTH CAROLINA BIOTECHNOLOGY CENTER

By: ________________________________

Print Name: Doug Edgeton

Title: President & CEO
1. Use of Funds

(Provide a description of how Grant Funds will be used including a budget. Note that documented accounting of expenditures of Grant Funds as detailed in this section is required as part of interim and final reports. Attach additional documentation as necessary).

Pfizer will use its EDA grant funds as described in the below table:

<table>
<thead>
<tr>
<th>Item</th>
<th>No.</th>
<th>Description</th>
<th>Cost/Unit</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training Courses</td>
<td>7</td>
<td>Funds to support class &amp; lab training courses at BTEC or similar facility for Pfizer colleagues. Each course will train approx. 8-10 colleagues</td>
<td>$19,500</td>
<td>$136,500</td>
</tr>
</tbody>
</table>

Amount to be supported by this grant: $100,000*

*Remaining balance of $36,500 to be paid via Pfizer company funds

As Pfizer completes construction of its state-of-the-art gene therapy manufacturing facility in Sanford, NC, additional training is needed to prepare new and incumbent employees. In addition to the courses available via the NC Community College system, EDA grant funds will enable Pfizer employees to complete BTEC short courses in critical training areas including automation, single use technologies, column chromatography, upstream process engineering, and downstream purification. Access to these training courses will better position Pfizer to fill the approximately 300 new jobs to be created in the next 5 years with qualified individuals.
2. Job Creation Certification Worksheet

a. Jobs Start Date (JSD)       July 1, 2019
b. Jobs End Date (JED)        July 1, 2022
c. End of Maintenance Date (EOM)   July 1, 2023
d. Grant End Date (GED)       July 1, 2023
e. # jobs on JSD*              ______________________
f. # jobs 1 year from JSD     ______________________
g. # jobs 2 years from JSD     ______________________
h. # jobs 3 years from JSD (JED)*  ______________________
i. # jobs on JED minus # jobs on JSD  ______________________
j. Minimum Job Requirement on JED  ______________________
k. Was Minimum Job Requirement met?  ______________________
l. New Minimum Job Requirement  ______________________
m. # jobs at EOM*             ______________________
n. Was New Minimum Job Requirement met?  ______________________
o. Description of geographic area(s) where project will locate and new jobs will be created:
   ______________________
   Lee County, NC
   ______________________
   ______________________
   ______________________
   ______________________

* # Jobs on JSD, # Jobs on JED, and # Jobs at EOM must all be certified in accordance with the terms of the Grant Agreement and as outlined in the following pages.
# Jobs on JSD

The number of existing full-time employees at the Company based in the geographical area of the Local Unit of Government administering the Grant Funds on the JSD. The JSD is the start date for a three (3) year period in which the Company has to create the number of new full-time jobs promised (i.e., Minimum Job Requirement). The JSD is July 1, 2019. # Jobs on the JSD is ___________ and must be certified below by a senior executive of the company:

Company Name.

By: ______________________________________________________________

Print Name: _______________________________________________________

Title: _____________________________________________________________

Date: ______________________________

# Jobs on JED

The number of existing full-time employees at the Company based in the geographical area of the Local Unit of Government administering the Grant Funds on the JED (three years from the JSD). The JED is July 1, 2022. # Jobs on the JED is _____________ as certified by a senior executive of the company:

By: ______________________________________________________________

Print Name: _______________________________________________________

Title: _____________________________________________________________

Date: ______________________________

# Jobs at EOM

The number of existing full-time employees at the Company based in the geographical area of the Local Unit of Government administering the Grant Funds at EOM (one year from the JED). The EOM date is July 1, 2023. # Jobs at the EOM is _____________ as certified by a senior executive of the company:

By: ______________________________________________________________

Print Name: _______________________________________________________

Title: _____________________________________________________________

Date: ______________________________
3. Milestones Description

Key Milestones are described below:

<table>
<thead>
<tr>
<th>Key Project Milestones</th>
<th>Completion (Quarter/Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Train 35 employees</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>Train 70 employees (cumulative)</td>
<td>Q4 2021</td>
</tr>
<tr>
<td>Train 100 employees (cumulative)</td>
<td>Q4 2022</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Hiring Milestones</th>
<th>Completion (Quarter/Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hire 50 employees</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>Hire 70 -150 employees (cumulative)</td>
<td>Q2 2021</td>
</tr>
<tr>
<td>Hire 100- 200 employees (cumulative)</td>
<td>Q2 2022</td>
</tr>
</tbody>
</table>
Exhibit B

(attached)
NORTH CAROLINA BIOTECHNOLOGY CENTER ECONOMIC DEVELOPMENT AWARD
PERFORMANCE AGREEMENT

This Performance Agreement (this “Performance Agreement”) is entered into on the _____ day of _________________, 2020, by and between Lee County, North Carolina (the “LUG”) and Pfizer Inc. (the “Company”).

WHEREAS, the Company is a multinational biopharmaceutical company focused on the development of innovative therapeutics; and

WHEREAS, the LUG has been awarded a One Hundred Thousand Dollar ($100,000.00) Economic Development Award grant (the “Grant”) from the North Carolina Biotechnology Center (the “Center”), to support an incentive from the LUG to induce the Company in expanding and maintaining business operations in Lee County (the “Project”); and

WHEREAS, the LUG has agreed to administer the Grant pursuant to the terms and conditions of a Grant Agreement (attached hereto as Attachment 1 and incorporated into this Performance Agreement as if fully set forth herein) between the LUG and the Center; and

WHEREAS, terms contained in the Grant Agreement between the LUG and the Center require the LUG to enter into a Performance Agreement with the Company to address the following:

(1) the disbursement of the Grant Funds (as defined below) by the LUG to the Company;
(2) the use of the Grant Funds by the Company;
(3) the Company’s performance in creating or attracting new jobs in the LUG;
(4) the circumstances under which the Company will be required to repay the Grant Funds; and
(5) the Company’s reporting obligations.

NOW THEREFORE, the LUG and the Company knowingly and willingly enter into this Performance Agreement for the purposes set forth above, and hereby agree to the following terms and conditions:

1. Disbursement of Funds.

(a) The LUG shall disburse to the Company the full sum of One Hundred Thousand dollars ($100,000.00) in one lump sum, constituting the full amount of the Grant Funds as an economic development incentive (the “Grant Funds”), unless otherwise agreed to as described in Exhibit A of the Grant Agreement.

(b) The obligation to disburse any amount to the Company under this Performance Agreement is contingent upon the availability of funds to the Center for such purpose, and the payment of such funds to the LUG to administer to the Company.
For purposes of this Performance Agreement, all documents referred to as Exhibit A of the Grant Agreement between the LUG and the Center shall be considered a part of this Performance Agreement as if fully set forth herein. Funds awarded under the Grant Agreement will not be transferred by the Center to the LUG prior to the completion of the documents required by the Grant Agreement (including those referred to in Exhibit A thereto), which shall be completed and certified where required.

2. Use of Funds.

(a) The Grant Funds shall be used by the Company to support its business activities that relate to the life sciences and to create and attract life science-related jobs based in the geographic area of the LUG. The Grant Funds shall be used in a manner that provides sustainable benefit to both the Company and LUG in support of growth of the area’s life science community. Acceptable uses of Grant Funds are project dependent based on, but not limited to, company/project size, status, and resources. Examples include, without limitation, support for talent preparation and optimization, infrastructure investments, community education, improvements of facilities, and the acquisition of equipment (placed in service and remaining in service in North Carolina for a minimum of three (3) years), each in support of the Company’s life science operations and LUG’s life science community. Grant Funds shall only be used for the purposes for which they are granted.

(b) All Grant Funds must be expended by the Company no later than the date exactly three (3) years following the specific date upon which the Company initially certifies existing jobs (the “Jobs Start Date”). This date exactly three (3) years following the Jobs Start Date shall be referred to as the “Jobs End Date”.


(a) As of the Jobs End Date, the Company shall employ at least One Hundred (100) new full-time persons above and beyond the number of employees based in the geographic area of the LUG as of the Jobs Start Date (the “Minimum Job Requirement”). The Company shall certify the number of jobs as of the Jobs End Date and provide evidence of such number if requested by the LUG or the Center. As used herein, (i) “Number of Jobs Created” means an amount equal to the number of jobs certified by the Company at the Jobs End Date minus the number of jobs certified by the Company at the Jobs Start Date and (ii) “New Minimum Job Requirement” means the actual Number of Jobs Created, but shall not be an amount greater than the original Minimum Job Requirement. The number of jobs certified at any time hereunder is the number of jobs of the Company based in the geographic area of the LUG. Number of Jobs Created represents net new full-time jobs at the Company based in the geographical area of the LUG and cannot include employees transferred or relocated from another Company site in North Carolina unless otherwise agreed to by the Center, the LUG, and the Company.

(b) As of the date one (1) year following the Jobs End Date (the “End of Maintenance Date”), the Company shall employ no fewer full-time persons based in the geographic area of the LUG than the New Minimum Job Requirement. The Company shall certify the number of jobs as
of the End of Maintenance Date and provide evidence of such number if requested by the LUG or the Center.

4. **Repayment by the Company.**

   (a) If the Company does not satisfy the Minimum Job Requirement as of the Jobs End Date, then the Company shall pay the LUG One Thousand Dollars ($1,000) for each job below the established Minimum Job Requirement threshold. Any such payment shall be due from the Company to the LUG no more than sixty (60) days following the Jobs End Date.

   (b) If the Company does not maintain the New Minimum Job Requirement as of End of Maintenance Date, then the Company shall pay the LUG One Thousand Dollars ($1,000) for each job below the New Minimum Job Requirement. Any such payment shall be due from the Company to the LUG no more than sixty (60) days following the End of Maintenance Date.

5. **Reporting Obligations; Site Visits.**

   (a) The Company shall provide the LUG with annual reports documenting the Company’s receipt and expenditure of Grant Funds during the year and the number of full-time employees of the Company based in the LUG during the year. Upon request, the Company shall provide the LUG with any supporting documentation such as copies of forms filed with the N.C. Employment Security Commission. Such reports shall be received, annually, by the LUG no later than thirty (30) days following each anniversary of the Jobs Start Date. The Company shall also provide the LUG with a summary report no later than ninety (90) days following the Jobs End Date documenting final use of the Grant Funds and summarizing the overall uses and benefits to the LUG of the Grant, including the total number of jobs created over the three (3) year period beginning on the Jobs Start Date. Any unexpended Grant Funds as of the Jobs End Date shall be remitted by the Company to the LUG within sixty (60) days after the Jobs End Date. Any use of Grant Funds by the Company not satisfying the requirements as described in Section 2 above are due from the Company to the LUG no later than one-hundred sixty (160) days following the Jobs End Date. In addition, the Company shall provide the LUG with a final report no later than ninety (90) days following the End of Maintenance Date which shall include relevant employment information related to the requirements set forth above.

   (b) The Company shall retain all financial records, supporting documents, and other pertinent Project records related to the Grant for a period of five (5) years from the date of termination of this Performance Agreement. In the event such records are audited, all Project records shall be retained beyond the five-year period until any and all audit findings have been resolved. The Company agrees to make available to the LUG, or its designated representative, all of its records pertaining to Grant Fund expenditures which relate to the Project, and agrees to allow the Center or said representative to audit, examine and copy any and all data, documents, proceedings, records and notes of activity relating in any way to Grant Fund expenditures which relate to the Project. Access to these records shall be allowed upon request upon thirty (30) days’ prior written notice at any time during normal business hours and no more than one (1) time per calendar year.
(c) The Company hereby acknowledges and agrees that the staff of each of the LUG and the Center shall be permitted to make site visits to the location of the Project as may be necessary for each of the LUG and the Center to monitor and confirm compliance with the terms of the Grant Agreement and this Performance Agreement, including, without limitation, with respect to the use and expenditure of the Grant Funds by the Company. The Company shall be given reasonable advance notice of any site visit, which will be scheduled during regular business hours unless other mutually acceptable arrangements are agreed upon.

6. **Applicable Law.** This Performance Agreement shall be construed and enforced under the laws of the State of North Carolina, excluding its conflict of law principles.

7. **Notice.** All notices required or permitted to be delivered hereunder shall be in writing and shall be (i) personally delivered, (ii) sent by email or facsimile (with a copy sent the same day by certified mail, postage prepaid), or (iii) sent by Federal Express or other nationally recognized overnight delivery service, addressed as follows:

**LUG:**
- County Attorney
- Lee County Legal Department
- PO Box 1968
- Sanford, NC 27331
- Email: wparrish@leecountync.gov

**Company:**
- Anthony Mulcahy, Site Leader
- Pfizer Inc.
- 4300 Oak Park,
- Sanford, NC, USA 27330
- Email: tony.mulcahy@pfizer.com

or addressed to such other address or to the attention of such other individual as the LUG or the Company shall have specified in a notice delivered pursuant to this Section 7. Notice shall be deemed effective on the date dispatched if by personal delivery, on the date transmitted by email or facsimile (if confirmed by mail pursuant to this Section 7) or two (2) days after mailing if by Federal Express or other nationally recognized overnight delivery service.

8. **Term and Termination.** This Performance Agreement shall remain in effect for a period of six (6) years, unless sooner terminated. This Performance Agreement may be terminated or extended upon written consent of each of the Company, the LUG and the Center.

9. **Indemnification.** In its role as the administrator of the economic incentive grant from the Center to the Company, the LUG shall have no liability, whatsoever, resulting from the acts or omissions of the Company, its agents or employees, and in the event that a claim or lawsuit is filed against the LUG for the acts or omissions of the Company, its agents or employees, the Company shall defend and indemnify the LUG for any costs, expenses, or liability associated therewith. The Company agrees to obtain and maintain insurance or otherwise protect itself or others as it may deem desirable.

10. **Compliance with the Law.** The Company shall take all actions necessary to fully comply with the applicable requirements contained in Chapter 143C of the North Carolina General Statutes, including the rules and reporting requirements thereunder (including, without limitation, 09 NCAC Subchapter 03M.0205 ) (as such statutes, rules and requirements may be amended from time to time).
time. For convenience, the current reporting thresholds applicable to the Grant, established for recipients and subrecipients receiving State funds, are stated below:

At least $25,000 but less than $500,000 (Level II)—A recipient or subrecipient that receives, holds, uses, or expends State funds in an amount of at least twenty-five thousand dollars ($25,000) or greater but less than five hundred thousand dollars ($500,000) within its fiscal year must comply with the reporting requirements established by this Subchapter including: (a) a certification completed by the recipient or subrecipient stating that the State funds were received, held, used, or expended for the purposes for which they were granted; (b) an accounting of the State funds received, held, used, or expended; and (c) a description of activities and accomplishments undertaken by the recipient or subrecipient with the State funds, including reporting on any performance measures established in the contract. All reports shall be filed with the disbursing agency in the format and method specified by the agency no later than three (3) months after the end of the recipient’s or subrecipient’s fiscal year.

Such thresholds and requirements may change from time to time and the Company should review the applicable statutes, rules and requirements to determine the then-applicable thresholds and reporting requirements.

(Signatures appear on the following page)
IN WITNESS WHEREOF, each of the parties hereto have executed this Performance Agreement as of the date below, effective as the date first above written.

LUG:

[Lee County]

By: ________________________________
Name: Amy M. Dalrymple
Title: Chair, Board of Commissioners

Date: ______________________________

COMPANY:

[Pfizer Inc.]

By: ________________________________
Name: ______________________________
Title: ______________________________

Date: ______________________________
Attachment 1
(Project Christmas Grant Agreement between Center and LUG)
**LEE COUNTY AGENDA ABSTRACT**

**BOARD OF COMMISSIONERS - REGULAR**

**MEETING DATE:** June 1, 2020

**SUBJECT:** To Hold a Public Hearing on Economic Development Expenditures for a Second Spec Building to be Built at Central Carolina Enterprise Park

**DEPARTMENT:** Administration

**CONTACT PERSON:** Whitney Parrish

**TYPE:** Action Item

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>To Hold a Public Hearing on Economic Development Expenditures for a Second Spec Building to be Built at Central Carolina Enterprise Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET IMPACT</td>
<td>Up to $325,000 over the twenty-four month span of the lease</td>
</tr>
<tr>
<td>ATTACHMENTS</td>
<td>Final MOU with Exhibits.pdf</td>
</tr>
<tr>
<td>PRIOR BOARD ACTION</td>
<td>N/A</td>
</tr>
<tr>
<td>RECOMMENDATION</td>
<td>To Hold a Public Hearing on Economic Development Expenditures for a Second Spec Building to be Built at Central Carolina Enterprise Park</td>
</tr>
</tbody>
</table>

**SUMMARY**

The Board is being asked to hold a public hearing on the expenditure of funds to lease a spec building at Central Carolina Enterprise Park once it has been completed. The City of Sanford and the County will lease the building for up to twenty-four months and pay up to $325,000.00. Six months of the lease has been included in the County Manager's recommended budget for 2021. Once the building is completed, SAGA will use the building to market Lee County and the City to attract new business or expand current businesses and find an end user that will bring jobs to the County. A draft Memorandum of Understanding is attached. SAGA will be asking for the Board to waive its policy to vote at the next meeting and instead will be seeking a vote after the public hearing.
NORTH CAROLINA

LEE COUNTY

Memorandum of Understanding

THIS MEMORANDUM OF UNDERSTANDING, made and entered into this _______ day of _______________ 2020, by and between LEE COUNTY, a North Carolina body politic corporate in nature, hereinafter referred to as “County”, the City of Sanford, a North Carolina municipal corporation, hereinafter referred to as “City”, C C Enterprise Park, LLC, a North Carolina limited liability company, hereinafter “CCEP”, their successors and assigns, Sanford-Lee County Partnership for Prosperity d/b/a Sanford Area Growth Alliance, a nonprofit corporation, hereinafter referred to as “SAGA”, their successors and assigns, and Samet Properties, LLC, hereinafter referred to as “Samet”, their successors and assigns.

WITNESSETH:

CCEP is the owner of a 16 +/- acre tract of land located in Lee County, North Carolina and more particularly described on Exhibit A attached and incorporated by reference, hereinafter referred to as “Site”. CCEP and Samet wish to cause construction of a Spec Building on the site, located on Parcel Identification Number 9655-29-8562-00 and more particularly described on Exhibit B. Once construction of the building has taken place, the City and the County agree to enter into a lease agreement for the site. In consideration of the foregoing and in consideration of various reciprocal promises and undertakings herein set forth, the parties agree as follows, consistent with North Carolina General Statute 158-7.1:

1. CCEP agrees to contribute the land for the construction of the shell building and agrees to enter into necessary agreements with Samet, who is responsible for building the shell building. The building to be constructed is more particularly described on Exhibit C.

2. Samet will cause the construction of a 100,000 +/- square foot building on the site, to its completion. Samet shall secure all financing for the construction of the building and will be wholly responsible for all costs associated with building.

3. Samet will use its best efforts to cause said building to be completed to its finished state of completion on or before June 1, 2021.

4. Samet will remain the owner of the building until it finds an end user, either by sale or lease. Samet will use its best efforts to find an end user who will provide a significant number of jobs paying at or above county average wage. Prior to entry of a lease/sales agreement with an end user, Samet will provide SAGA, the City and the County with information regarding the end user including the anticipated number of jobs that will be created, average wage, and trade of business.

5. Once the building is complete, the City and the County will enter into a lease agreement with the owner of the building. The terms of the lease will be detailed in the lease agreement, with rent not to exceed $27,083.33 per month or up to $325,000.00 per year, split evenly between both units of government, for up to twenty-four months after completion of the building. In the event the lease is terminated early due to a lease or sale to a new end user, the obligation to pay rent shall cease and any rent prepaid shall be reimbursed to the City and County.

6. The City and the County will lease all or a portion of the building allowing SAGA to use the space to market the City and the County as a whole. SAGA shall use its best efforts to market
everything the City and the County has to offer businesses, including but not limited to, our workforce, schools, shopping, restaurants, industrial parks and housing opportunities.

7. During the lease, SAGA agrees to use the building as a way to entice new businesses to come to Lee County or to relocate or expand in Lee County. New business will help to increase the tax base and allow more job opportunities for citizens. SAGA will conduct site visits and events at the site showing the opportunities businesses have to locate to the City and County.

8. SAGA will provide a quarterly update to both the Commissioners and the Council, summarizing their efforts to market the area by using the building and providing an update on how many site visits have been conducted, the feedback from those visits, and any negotiations with potential end users. SAGA will be responsible for any costs associated with marketing the area impacted by this project.

9. This agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina; venue of any action shall be in the general courts of justice in Lee County.

10. This Memorandum of Understanding shall terminate if an end user of the building is found before the parties enter into a lease agreement, if the building is not constructed to full occupancy, or when the lease terminates.

IN TESTIMONY WHEREOF, the parties have executed this Agreement as of the day and year first above written.

LEE COUNTY
By: ________________________________

CITY OF SANFORD

By: ________________________________

SAMET PROPERTIES, LLC

By: ________________________________

C C ENTERPRISE PARK, LLC.

By: ________________________________

SANFORD AREA GROWTH ALLIANCE

By: ________________________________
LAND DESCRIPTION CC ENTERPRISE PARK, LLC (NEW TRACT 3)

LYING AND BEING IN DEEP RIVER TOWNSHIP, LEE COUNTY, NORTH CAROLINA

COMMENCING AT A POINT, SAID POINT BEING PUBLISHED IN THE NATIONAL GEODETIC SURVEY AS “SANFORD CORS ARP” (PID: AM7024) AND HAVING NC GRID COORDINATES OF NORTHING: 627,302.98’ & EASTING: 1,952,943.44; THENCE N00°27'16"E A GRID DISTANCE OF 32,334.22 FEET TO AN EXISTING 5/8” IRON PIPE FOUND AND HAVING NC GRID COORDINATES OF NORTHING: 659,636.18’ & EASTING: 1,953,199.82’ SAID POINT ALSO KNOWN AS CE GROUP POINT #68 LYING ON THE COMMON BOUNDARY WITH NEW TRACT 17; POINT IS HEREBY KNOW AS THE POINT OF BEGINNING.

THENCE ALONG THE COMMON LINE WITH NEW TRACT 17 N49°40'58"W FOR A DISTANCE OF 673.60 FEET TO A 5/8” IRON PIPE FOUND WITH A CAP & TACK BEING A COMMON CORNER WITH DAN & MARGARET MCINTURFF; THENCE S88°56'46"W FOR A DISTANCE OF 49.78 FEET TO A 1/2” IRON PIPE FOUND, BEING A COMMON CORNER WITH DAVID & NANCY WICKER; THENCE S88°51'41"W FOR A DISTANCE OF 51.74 FEET TO A 1” IRON PIPE FOUND; THENCE S88°51'41"W FOR A DISTANCE OF 298.25 FEET TO A 1” IRON PIPE FOUND, SAID IRON BEING A COMMON CORNER WITH TODD & STEPHANIE PACE AND BRENT & JEAN SMITH BEING THE NORTHWESTERN CORNER OF NEW TRACT 3; THENCE WITH SMITH S03°19'46"W FOR A DISTANCE OF 679.29 FEET TO A NEW IRON PIPE SET; THENCE S69°53'14"E FOR A DISTANCE OF 320.17 FEET TO A NEW IRON PIPE SET; THENCE S26°13'42"E FOR A DISTANCE OF 757.74 FEET TO A CALCULATED POINT; THENCE S26°13'42"E FOR A DISTANCE OF 22.28 FEET TO A NEW IRON PIPE SET; SAID POINT LYING ON THE NORTHERN MARGIN OF ENTERPRISE PARK DRIVE (NCSR 1476) A ROAD FORMERLY KNOWN AS CLYDE RHYNE DRIVE, HAVING A 100 FOOT RIGHT OF WAY; RUNNING WITH SAID MARGIN THE FOLLOWING FOUR COURSES: THENCE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 574.16 FEET HAVING A CHORD BEARING OF N29°52'42"E AND DISTANCE OF 290.29 FEET; THENCE N15°14'09"E FOR A DISTANCE OF 253.34 FEET; THENCE N15°14'09"E FOR A DISTANCE OF 307.48 FEET; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 1421.76 FEET HAVING A ChORD BEARING OF N19°50'11"E AND DISTANCE OF 228.08 FEET; THENCE A NEW PROPERTY LINE N49°40'58"W FOR A DISTANCE OF 81.34 FEET, SAID POINT BEING THE POINT AND PLACE OF BEGINNING.

BEING A PORTION OF LOT 1 AND A NORTHERN PORTION OF LOT 3 AS SHOWN IN PLAT CABINET 2010 SLIDE 130 OF THE LEE COUNTY REGISTRY AND AS RECORDED IN DEED BOOK 1026 PAGE 9 HAVING A TOTAL AREA OF 852,349 SQUARE FEET OR, 19.574 ACRES MORE OR LESS.
Available January 2021

- +/- 117,133 warehouse (shell condition)
- 100,000 +/- SF Expansion Pad
- First Bay Engineered to Accommodate Mezzanine Office & Storage
- Column Spacing - 50' x 54'
- Center Ceiling Height - 29'
- Eave Ceiling Height - 26'
- Floor Thickness: 6 inches
- Designed for Sprinkler System: ESFR

- Dock Area Doors:
  - 13 - Dock High - 10' x 9' (Expandable to 19)
  - 1 - Drive-In - 14' x 12'
- Exterior Material: Load Bearing concrete tilt-up panels
- Interior Material: Steel Frame
- 27 Paved Parking Spaces (Expandable)
- Lease rate - $4.95 per SF NNN

Contact:
Morgan Beam
Direct: 919.573.0148
Cell: 704.564.0761
mbeam@sametcorp.com

Brian Hall
Director of Development
bhall@sametcorp.com
336.362.2026
**MEETING DATE:** June 1, 2020  
**SUBJECT:** Juvenile Crime Prevention Council Presentation of Annual Funding Plan and request for membership renewal  
**DEPARTMENT:** Administration  
**CONTACT PERSON:** Jennifer Gamble, Deputy County Attorney/Clerk to the Board of Commissioners  
**TYPE:** Action Item

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>Adopt JCPC Funding Plan for FY 2020-2021 as presented.</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET IMPACT</td>
<td>See attached</td>
</tr>
</tbody>
</table>
| ATTACHMENTS | JCPC Request to Appear Before BOCC for June 1st 2020 .pdf  
FY 20-21 Lee County JCPC RFP.pdf  
JCPC Membership Renewal Memo to BOCC May 2020.pdf |
| PRIOR BOARD ACTION | None |
| RECOMMENDATION | Pleasure of the Board |

Pamela Glover, Chair of the Juvenile Crime Prevention Council, will present the County Plan and Funding Decisions for the FY 20-21. The funding decision was as follows: Lee County Teen Court/Scots for Youth: $81,186; Project Challenge North Carolina, Inc.: $80,398; DASH Mentoring: $29,000; G-MEN-High School Seminar: $5,000; and Administrative: $9,500 for a total of $205,084.
COUNTY OF LEE

REQUEST TO APPEAR BEFORE THE BOARD OF COMMISSIONERS

According to adopted rules of procedure, any individual who wishes to appear before the Board of Commissioners must complete this request form and submit it no later than six (6) working days prior to the date of the scheduled meeting. Your request should be specific and provide sufficient information which will allow the Board to consider the matter. Copies of any supporting material should be included with this request form. Individuals requesting to appear on the agenda will be granted a maximum of ten (10) minutes to make their presentation.

Name: Pamela Victoria Glover, JCPC Chairperson
Address: 314 South Currie Drive, Sanford, NC 27330
Telephone Number: 919-356-2479
E-mail Address: leecoicpc@gmail.com
Date of Meeting You Wish to Appear At: June 1st, 2020

Please describe in detail the matter you would like to discuss:

The County Plan and Funding Decisions for the FY 20-21 from the Lee County Juvenile Crime Prevention Council. The funding decision was as follows: Lee County Teen Court/Scots for Youth: $81,186; Project Challenge North Carolina, Inc.: $80,398; DASH Mentoring: $29,000; G-MEN-High School Seminar: $5,000; and Administrative: $9,500 for a Grand Total of $205,084.

Please deliver your request to: County of Lee, Clerk to the Board, 408 Summit Drive, PO Box 1968, Sanford, NC 27331-1968. Mailed requests must be postmarked no later than six (6) days prior to the scheduled meeting.
Lee County Juvenile Crime Prevention Council  
2019-2020  
Executive Summary

The Lee County Juvenile Crime Prevention Council (JCPC), in fulfillment of the duties and responsibilities as set forth in the General Statutes of the State of North Carolina, has reviewed and updated the County Plan.

The JCPC has identified the issues and factors which have an influence and impact upon delinquent youth, at-risk youth, and their families in Lee County. Further, the JCPC has identified the strategies and services most likely to reduce/prevent delinquent behavior. During the FY 19-20, the Lee County JCPC performed intentional efforts to ensure that the JCPC was being more visible within Lee County as an agency willing and able to provide assistance and support to other agencies within the Lee County community.

JCPC Action Plan Progress:
1) Spearheaded community forums addressing youth related crimes and murders,
2) Strengthened partnership with Project Safe Neighborhoods, U.S. Attorney’s Office, Lee County District Attorney’s Office, Lee County Sheriff’s Department, City of Sanford Police Department, Lee County Schools System, Faith-Based Organizations and Community Agencies,
3) DPS and School System data is continuing to show a decrease in the number of School Referrals to our Division of Juvenile Justice,
4) Due to the COVID-19 Pandemic, the currently funded Programs are continuing to serve the youth virtually, by telephone and monitoring the needs of the youth and their families during this crisis,
5) The Council will continue working closely with local media in order to bring more awareness about the JCPC, funded programs, and the needs and desires of the youth and Council, and
6) For the FY20-21, the Council will continue partnering with the above-mentioned organizations in #2, encourage and support currently funded programs and assist in identifying resolutions to the needs of the youth in Lee County.

Priorities for Funding: Through a risk & needs assessment and a resource assessment, the JCPC has determined that the following services are needed to reduce/prevent delinquency Lee County.

1. Interpersonal Skill Building
2. Teen Court
3. Mediation/Conflict Resolution
4. Mentoring Services
5. Parent/Family Skill Building
6. Psychological Assessment Services
7. Restitution/Community Services
8. Juvenile Structured Day (Partial Day) Programs

9. Experiential Skill Building
10. Assessment Services
11. Runaway/Temporary Shelter Care
12. Tutoring/Academic Enhancement
13. Vocational Skills Development
14. Substance Abuse Services
Monitoring and Evaluation: The funded programs for the FY19-20 were: G-Men High School Seminar, Project Challenge-NC, Scots for Youth Teen Court Programs and DASH Mentoring. These funded programs were monitored as instructed by the NC DPS and General Statues during January and February 2020. The monitoring results and program outcomes evaluations were considered in making funding allocation decisions. The JCPC continues to conduct implementation monitoring of its action plan and its funded programs on a quarterly basis.

Funding Recommendations: Having published a Request for Proposals for these needed services for a minimum of thirty (30) days, the JCPC has screened the submitted proposals and has determined which proposals best meet the advertised needed services. As required by statute, the JCPC recommends allocation of the NC Department of Public Safety Division of Adult Correction and Juvenile Justice Funds to the following Programs in the amounts specified below for the upcoming fiscal year. Please Note: There was $205,084 in JCPC Funding request for FY20-21.

1. Scots for Youth- Teen Court- $81,186
2. Project Challenge of North Carolina- $80,398
3. DASH Mentoring- $29,000
4. G-MEN-High School Seminar- $ 5,000

The JCPC further recommends that the following amount be allocated from the NC DPS/DACJJ funds for the Administrative costs of the Council for FY 20-21:

1. $9,500 ($5,600 Part-Time Coordinator Position)

Respectfully Submitted,

Pamela V. Glover, AAS, BA, MPA
Chairperson
Lee County Juvenile Crime Prevention Council

Date: 5-20-2020
NC Department of Public Safety
Juvenile Crime Prevention Council Certification

Fiscal Year: 2020 - 2021

County: Lee
Date: May 20th, 2020

CERTIFICATION STANDARDS

STANDARD #1 - Membership
A. Have the members of the Juvenile Crime Prevention Council been appointed by county commissioners?  yes
B. Is the membership list attached?  yes
C. Are members appointed for two year terms and are those terms staggered?  yes
D. Is membership reflective of social-economic and racial diversity of the community?  yes
E. Does the membership of the Juvenile Crime Prevention Council reflect the required positions as provided by N.C.G.S. §143B-846?  no
If not, which positions are vacant and why?
County Manager/Designee: United Way/Non-Profit and (2) County commissioner appointees

STANDARD #2 - Organization
A. Does the JCPC have written Bylaws?  yes
B. Bylaws are ☐ attached or ☑ on file (Select one.)  yes
C. Bylaws contain Conflict of Interest section per JCPC policy and procedure.  yes
D. Does the JCPC have written policies and procedures for funding and review?  yes
E. These policies and procedures ☐ attached or ☑ on file. (Select one.)  yes
F. Does the JCPC have officers and are they elected annually?
   JCPC has: ☑ Chair; ☑ Vice-Chair; ☐ Secretary; ☐ Treasurer.

STANDARD #3 - Meetings
A. JCPC meetings are considered open and public notice of meetings is provided.  yes
B. Is a quorum defined as the majority of membership and required to be present in order to conduct business at JCPC meetings?  yes
C. Does the JCPC meet bi-monthly at a minimum?  yes
D. Are minutes taken at all official meetings?  yes
E. Are minutes distributed prior to or during subsequent meetings?  yes

STANDARD #4 - Planning
A. Does the JCPC conduct an annual planning process which includes a needs assessment, monitoring of programs and funding allocation process?  yes
B. Is this Annual Plan presented to the Board of County Commissioners and to DPS?  yes
C. Is the Funding Plan approved by the full council and submitted to Commissioners for their approval?  yes
STANDARD #5 - Public Awareness
A. Does the JCPC communicate the availability of funds to all public and private non-profit agencies which serve children or their families and to other interested community members? (✓ RFP, distribution list, and article attached)

B. Does the JCPC complete an annual needs assessment and make that information available to agencies which serve children or their families, and to interested community members?

STANDARD #6 - No Overdue Tax Debt
A. As recipient of the county DPS JCPC allocation, does the County certify that it has no overdue tax debts, as defined by N.C.G.S. §105-243.1, at the Federal, State, or local level?

Briefly outline the plan for correcting any areas of standards non-compliance.

The Council plans to fill the 4 vacant positions by January 31st, 2021.

Having complied with the Standards as documented herein, the Juvenile Crime Prevention Council may use up to $15,500 of its annual Juvenile Crime Prevention fund allocation to cover administrative and related costs of the council. Form JCPC/OP 002 (b) JCPC Certification Budget Pages detailing the expenditure budget must be attached to this certification. The JCPC Certification must be received by June 30, 2020.

JCPC Administrative Funds
SOURCES OF REVENUE

DPS JCPC
Only list requested funds for JCPC Administrative Budget.

<table>
<thead>
<tr>
<th></th>
<th>$9,500</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$9,500</td>
</tr>
</tbody>
</table>

JCPC/Chairperson 5/20/2020 Date

Chairman, Board of County Commissioners Date

DPS Designated Official Date

Form JCPC/OP 002 (a) Juvenile Crime Prevention Council Certification
Form structure last revised July 2014
NC Department of Public Safety
Instructions: N.C.G.S. § 143B-846 specifies suggested members be appointed by county commissioners to serve on local Juvenile Crime Prevention Councils. In certain categories, a designee may be appointed to serve. Please indicate the person appointed to serve in each category and his/her title. Indicate appointed members who are designees for named positions. Indicate race and gender for all appointments.

<table>
<thead>
<tr>
<th>Specified Members</th>
<th>Name</th>
<th>Title</th>
<th>Designee</th>
<th>Race</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) School Superintendent or designee</td>
<td>Dr. Johnnye Waller</td>
<td>Asst. Superintendent</td>
<td>☐</td>
<td>W</td>
<td>F</td>
</tr>
<tr>
<td>2) Chief of Police</td>
<td>Todd Hinnant</td>
<td>Chief</td>
<td>☐</td>
<td>W</td>
<td>M</td>
</tr>
<tr>
<td>3) Local Sheriff or designee</td>
<td>Jynnifer Bridges</td>
<td>Segerant</td>
<td>☐</td>
<td>W</td>
<td>F</td>
</tr>
<tr>
<td>4) District Attorney or designee</td>
<td>Chris Autry</td>
<td>Asst. District Atty</td>
<td>☒</td>
<td>W</td>
<td>M</td>
</tr>
<tr>
<td>5) Chief Court Counselor or designee</td>
<td>Millicent Williams</td>
<td>Chief Court Counselor</td>
<td>☐</td>
<td>B</td>
<td>F</td>
</tr>
<tr>
<td>6) Director, AMH/DD/SA, or designee</td>
<td>Laurie Perez</td>
<td>Licensed Counselor</td>
<td>☒</td>
<td>W</td>
<td>F</td>
</tr>
<tr>
<td>7) Director DSS or designee</td>
<td>Angelina Noel</td>
<td>DSS Director</td>
<td>☐</td>
<td>W</td>
<td>F</td>
</tr>
<tr>
<td>8) County Manager or designee</td>
<td></td>
<td></td>
<td>☐</td>
<td></td>
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</tr>
<tr>
<td>9) Substance Abuse Professional</td>
<td>Beverly Wicker</td>
<td>Licensed Substance Abuse Counselor</td>
<td>☒</td>
<td>B</td>
<td>F</td>
</tr>
<tr>
<td>10) Member of Faith Community</td>
<td>Gail Dickens</td>
<td>Pastor</td>
<td>W</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>11) County Commissioner</td>
<td>Arianna del Palazzo</td>
<td>Commissioner</td>
<td>H</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>12) Two Persons under age 18 (State Youth Council Representative, if available)</td>
<td>Trinity Patterson</td>
<td>Under 18</td>
<td>W</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Makenzie Roche</td>
<td>Under 18</td>
<td>W</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>13) Juvenile Defense Attorney</td>
<td>Nicolle Phair</td>
<td>Attorney</td>
<td>B</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>14) Chief District Judge or designee</td>
<td>Jim Love Jr.</td>
<td>Judge</td>
<td>☒</td>
<td>W</td>
<td>M</td>
</tr>
<tr>
<td>15) Member of Business Community</td>
<td>Pamela Glover</td>
<td>Career Advisor/Chair</td>
<td>B</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>16) Local Health Director or designee</td>
<td>Juan Diaz-Franco</td>
<td>Vital Records</td>
<td>☒</td>
<td>H</td>
<td>M</td>
</tr>
<tr>
<td>17) Rep. United Way/other non-profit</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>18) Representative/Parks and Rec.</td>
<td>Bill Shuey</td>
<td>Athletic Supervisor</td>
<td>W</td>
<td>M</td>
<td></td>
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<tr>
<td>19) County Commissioner appointee</td>
<td>Pamela Glover</td>
<td>Chairperson</td>
<td>B</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>20) County Commissioner appointee</td>
<td>Margaret Johnson</td>
<td>Retired DSS Supervisor</td>
<td>B</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>21) County Commissioner appointee</td>
<td>Brenda Williams</td>
<td>Retired Housing Authority</td>
<td>B</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td></td>
<td>County Commissioner appointee</td>
<td>Christine Hillard</td>
<td>Board of Education Member</td>
<td></td>
<td></td>
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<tr>
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</tr>
<tr>
<td>23)</td>
<td>County Commissioner appointee</td>
<td>Paulina Romero</td>
<td>Youth Rep.</td>
<td>H</td>
<td>F</td>
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<tr>
<td>24)</td>
<td>County Commissioner appointee</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25)</td>
<td>County Commissioner appointee</td>
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<td></td>
<td></td>
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Lee County
NC DPS - Community Programs - County Funding Plan

<table>
<thead>
<tr>
<th>Program Provider</th>
<th>DPS-JCPC Funding</th>
<th>County Cash Match</th>
<th>Local Cash Match</th>
<th>Local In-Kind</th>
<th>State/ Federal Funds</th>
<th>Total</th>
<th>% Non DPS-JCPC Program Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>D-A-S-H Mentoring</td>
<td>$28,000</td>
<td></td>
<td>$8,848</td>
<td>$37,848</td>
<td></td>
<td></td>
<td>23%</td>
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<tr>
<td>High School Seminar Program</td>
<td>$5,000</td>
<td></td>
<td>$1,500</td>
<td>$6,500</td>
<td></td>
<td></td>
<td>23%</td>
</tr>
<tr>
<td>Lee County Teen Court</td>
<td>$81,186</td>
<td></td>
<td>$26,086</td>
<td>$107,282</td>
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<td>$24,119</td>
<td>$104,517</td>
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<td></td>
<td>$9,500</td>
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TOTALS: $205,084          | $60,563          | $265,647          | 23%             |

The above plan was derived through a planning process by the Juvenile Crime Prevention Council and represents the County's Plan for use of these funds in FY 20-21.

Chairperson, Juvenile Crime Prevention Council (Date) 5/11/20
Chairperson, Board of County Commissioners (Date) 5/15/20
Lee County Juvenile Crime Prevention Council
Request for Proposals

$ 205,084
Anticipated County Allocation

30%
Required Local Match Rate

February 1st, 2020
Date Advertised

The Juvenile Crime Prevention Council (JCPC) has studied the risk factors and needs of Juvenile Court involved youth in this county and hereby publishes this Request for Proposals. The JCPC anticipates funds from the NC Department of Public Safety, Division of Adult Corrections and Juvenile Justice, Juvenile Community Programs section in the amount stated above to fund the program types specified below. Such programs will serve delinquent and at-risk youth for the state fiscal year 2020-2021 beginning on, or after, July 1, 2020. The use of these funds in this county requires a local match in the amount specified above.

The JCPC will consider proposals for the following needed programs:

- Mentoring Services
- Parent/Family Skill Building
- Psychological Assessments
- Experiential Skill Building
- Juvenile Structured Day
- Interpersonal Skill Building
- Restitution/Community Service
- Teen Court
- Runaway/Temporary Shelter Care
- Assessment Services
- Mediation/Conflict Resolution
- Tutoring/Academic Enhancement
- Vocational Skills/Development
- Substance Abuse Services
- Peer Domain: Youth association with negative and/or delinquent peers.
- Individual Domain: Mental Health Needs
- Family Domain: Parent/guardian Supervision Skills, Domestic discord in the home, Family members with previous or current criminal justice involvement
- School Domain: Youth have moderate to serious school behavior problems as a result poor school attendance, excessive in-school and/or out of school suspensions.

Programs should address the following concerns as reported in the Needs Assessments for adjudicated youth:

- Peer Domain:
- Individual Domain:
- Family Domain:
- School Domain:

Proposed program services should target the following risk factors for delinquency or repeat delinquency:

- Youth are 12 years or older when first delinquent offense is alleged in a complaint
- Youth report some substance abuse/mental health issues and/or need further assessing or treatment
- Youth have moderate to serious behavior problems at school
- Youth sometimes/regularly associates with negative/delinquent peers
- Lack of Parental supervision

Applicants are being sought that are able to address items below:

1. Program services compatible with research that are shown to be effective with juvenile offenders.
2. Program services are outcome-based.
3. The program has an evaluation component.
4. Program services detect gang participation and divert individual, if applicable.

In order to apply for FY 2020-2021 JCPC funding, you must complete and submit your application online by accessing NC ALLIES and by submitting to the address indicated below. Please read and follow all instructions at the following link: www.ncdps.gov/juvenile-justice/community-programs/juvenile-crime-prevention-councils/program-agreement-information Local public agencies, 501(c)(3) non-profit corporations and local housing authorities are invited to submit applications to provide services addressing the above elements. After submitting the application electronically, please print and submit hard copies as indicated below. Private non-profits are also required to submit (1) No Over Due Tax forms, (2) Conflict of Interest Statements, and (3) proof of 501(c)(3) status. In order to be considered for funding all required documentation MUST be submitted with the program application by the deadline date and at the address listed below.

NOTE: For further information, or technical assistance about applying for JCPC funds in Lee County, please contact Pamela Glover, JCPC Chair at 919-356-2479 or the Area Consultant, Lance Britt, at 919-323-6845.

Deadline for Application is: April 1st, 2020 by 5:00 P.M.
To: Lee County Board of Commissioners  
From: Pamela Glover, Chair of Juvenile Crime Prevention Council  
Date: May 20, 2020  
Subject: Membership Renewal to the Lee County Juvenile Crime Prevention Council

Please be advised that during our May 11th, 2020 Board Meeting, the Juvenile Crime Prevention Council voted unanimously to accept the Membership Renewal for the following current Board Members. The Council follows the Membership Guidelines according to North Carolina General Statute 143B-544 & 847. Therefore, the Lee County Juvenile Crime Prevention Council is seeking Membership Renewal Approval by our Lee County Board of County Commissioners.

Thank you.

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<tr>
<th>Member’s Name</th>
<th>Position</th>
<th>Term Expiration</th>
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</thead>
<tbody>
<tr>
<td>Pamela Glover</td>
<td>Member at Large and Business Rep.</td>
<td>May 2022</td>
</tr>
<tr>
<td>Angelina Noel</td>
<td>DSS Director</td>
<td>May 2022</td>
</tr>
<tr>
<td>Juan Diaz-Franco</td>
<td>Health Dept. Designee</td>
<td>May 2022</td>
</tr>
<tr>
<td>Attorney Nicole Phair</td>
<td>Juvenile Defense Attorney</td>
<td>May 2022</td>
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<tr>
<td>Bill Shuey</td>
<td>Parks and Recreation Rep.</td>
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<tr>
<td>Judge Jim Love, Jr.</td>
<td>District Court Judge Designee</td>
<td>May 2022</td>
</tr>
<tr>
<td>Sgt. Jynnifer Bridges</td>
<td>Sheriff’s Dept. Designee</td>
<td>May 2022</td>
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<tr>
<td>Dr. Johnnye Waller</td>
<td>School Superintendent Designee</td>
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</tr>
<tr>
<td>Pastor Gail Dickens</td>
<td>Faith Community</td>
<td>June 2022</td>
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<tr>
<td>Laurie Perez</td>
<td>Local Mental Health Rep.</td>
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<tr>
<td>Brenda Williams</td>
<td>Member At Large</td>
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<tr>
<td>Markita McRimmon</td>
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<td>Christine Hillard</td>
<td>Member At Large</td>
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<td>Margaret Johnson</td>
<td>Member At Large</td>
<td>June 2022</td>
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<tr>
<td>Chief Todd Hinnant</td>
<td>Chief of Police</td>
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MEETING DATE: June 1, 2020

SUBJECT: 2009 Tax Bill Write Off

DEPARTMENT: Tax

CONTACT PERSON: Michael Brown, Tax Administrator

TYPE: Action Item

<table>
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<tr>
<th>REQUEST</th>
<th>Authorize the Tax Collector to write-off 2009 delinquent tax bills in the amount of $39,347.15 per NCGS 105-373(g) and NCGS 105-378</th>
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<tr>
<td>BUDGET IMPACT</td>
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| ATTACHMENTS | 2009 Tax Bill Write Off - Total.pdf  
GS_105-373.pdf  
GS_105-378.pdf |
| PRIOR BOARD ACTION | N/A |
| RECOMMENDATION | Approve the request to write off 2009 delinquent taxes per statute |

I, Michael D. Brown, Lee County Tax Collector, hereby request authority to write-off delinquent 2009 tax bills in the amount of $39,347.15 per NCGS 105-373(g) and NCGS 105-378. These taxes were due on September 1, 2009 and delinquent on September 1, 2019. A detailed list of delinquent accounts is on file in the clerk’s office and available on the Commissioner’s web page. See Attachment for a three year history of write offs.
## Request to Write-Off 2009 Delinquent Tax Bills

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<th>YEAR</th>
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</table>
§ 105-373. Settlements.

(a) Annual Settlement of Tax Collector. –

(1) Preliminary Report. – After July 1 and before he is charged with taxes for the current fiscal year, the tax collector shall make a sworn report to the governing body of the taxing unit showing:
   a. A list of the persons owning real property whose taxes for the preceding fiscal year remain unpaid and the principal amount owed by each person; and
   b. A list of the persons not owning real property whose personal property taxes for the preceding fiscal year remain unpaid and the principal amount owed by each person. (To this list the tax collector shall append his statement under oath that he has made diligent efforts to collect the taxes due from the persons listed out of their personal property and by other means available to him for collection, and he shall report such other information concerning these taxpayers as may be of interest to or required by the governing body, including a report of his efforts to make collection outside the taxing unit under the provisions of G.S. 105-364.) The governing body of the taxing unit may publish this list in any newspaper in the taxing unit. The cost of publishing this list shall be paid by the taxing unit.

(2) Insolvents. – Upon receiving the report required by subdivision (a)(1), above the governing body of the taxing unit shall enter upon its minutes the names of persons owing taxes (but who listed no real property) whom it finds to be insolvent, and it shall by resolution designate the list entered in its minutes as the insolvent list to be credited to the tax collector in his settlement.

(3) Settlement for Current Taxes. – After July 1 and before he is charged with taxes for the current fiscal year, the tax collector shall make full settlement with the governing body of the taxing unit for all taxes in his hands for collection for the preceding fiscal year.
   a. In the settlement the tax collector shall be charged with:
      1. The total amount of all taxes in his hands for collection for the year, including amounts originally charged to him and all amounts subsequently charged on account of discoveries;
      2. All penalties, interest, and costs collected by him in connection with taxes for the current year; and
      3. All other sums collected by him.
   b. The tax collector shall be credited with:
      1. All sums representing taxes for the year deposited by him to the credit of the taxing unit or receipted for by a proper official of the unit;
      2. Releases duly allowed by the governing body;
      3. The principal amount of taxes constituting liens on real property;
      4. The principal amount of taxes included in the insolvent list determined in accordance with subdivision (a)(2), above;
      5. Discounts allowed by law;
      6. Commissions (if any) lawfully payable to the tax collector as compensation; and

G.S. 105-373
7. The principal amount of taxes for any assessment appealed to the Property Tax Commission when the appeal has not been finally adjudicated.

The tax collector shall be liable on his bond for both honesty and faithful performance of duty; for any deficiencies; and, in addition, for all criminal penalties provided by law.

The settlement, together with the action of the governing body with respect thereto, shall be entered in full upon the minutes of the governing body.

(4) Disposition of Tax Receipts after Settlement. – Uncollected taxes allowed as credits in the settlement prescribed in subdivision (a)(3), above, whether represented by tax liens held by the taxing unit or included in the list of insolvents, shall, for purposes of collection, be recharged to the tax collector or charged to some other person designated by the governing body of the taxing unit under statutory authority. The person charged with uncollected taxes shall:

a. Give bond satisfactory to the governing body;
b. Receive the tax receipts and tax records representing the uncollected taxes;
c. Have and exercise all powers and duties conferred or imposed by law upon tax collectors; and
d. Receive compensation as determined by the governing body.

(b) Settlements for Delinquent Taxes. – Annually, at the time prescribed for the settlement provided in subdivision (a)(3), above, all persons having in their hands for collection any taxes for years prior to the year involved in the settlement shall settle with the governing body of the taxing unit for collections made on each such year's taxes. The settlement for the taxes for prior years shall be made in whatever form is satisfactory to the chief accounting officer and the governing body of the taxing unit, and it shall be entered in full upon the minutes of the governing body.

(c) Settlement at End of Term. – Whenever any tax collector fails to succeed himself at the end of his term of office, he shall, on the last business day of his term, make full and complete settlement for all taxes (current or delinquent) in his hands and deliver the tax records, tax receipts, tax sale certificates, and accounts to his successor in office. The settlement shall be made in whatever form is satisfactory to the chief accounting officer and the governing body of the taxing unit, and it shall be entered in full upon the minutes of the governing body.

(d) Settlement upon Vacancy during Term. – When a tax collector voluntarily resigns, he shall, upon his last day in office, make full settlement (in the manner provided in subsection (c), above) for all taxes in his hands for collection. In default of such a settlement, or in case of a vacancy occurring during a term for any reason, it shall be the duty of the chief accounting officer or, in the discretion of the governing body, of some other qualified person appointed by it immediately to prepare and submit to the governing body a report in the nature of a settlement made on behalf of the former tax collector. The report, together with the governing body's action with respect thereto, shall be entered in full upon the minutes of the governing body. Whenever a settlement must be made in behalf of a former tax collector, as provided in this subsection (d), the governing body may deliver the tax receipts, tax records, and tax sale certificates to a successor collector immediately upon the occurrence of the vacancy, or it may make whatever temporary arrangements for the collection of taxes as may be expedient, but in
no event shall any person be permitted to collect taxes until he has given bond satisfactory to the governing body.

(e) Effect of Approval of Settlement. – Approval of any settlement by the governing body does not relieve the tax collector or his bondsmen of liability for any shortage actually existing at the time of the settlement and thereafter discovered; nor does it relieve the collector of any criminal liability.

(f) Penalties. – In addition to any other civil or criminal penalties provided by law, any member of a governing body of a taxing unit, tax collector, or chief accounting officer who fails to perform any duty imposed upon him by this section shall be guilty of a Class 1 misdemeanor.

(g) Relief from Collecting Insolvents. – The governing body of any taxing unit may, in its discretion, relieve the tax collector of the charge of taxes owed by persons on the insolvent list that are five or more years past due when it appears to the governing body that such taxes are uncollectible.

(h) Relief from Collecting Taxes on Classified Motor Vehicles. The board of county commissioners may, in its discretion, relieve the tax collector of the charge of taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1) that are one year or more past due when it appears to the board that the taxes are uncollectible. This relief, when granted, shall include municipal and special district taxes charged to the collector. (1939, c. 310, s. 1719; 1945, c. 635; 1947, c. 484, ss. 3, 4; 1951, c. 300, s. 1; c. 1036, s. 1; 1953, c. 176, s. 2; 1955, c. 908; 1967, c. 705, s. 1; 1971, c. 806, s. 1; 1983, c. 670, s. 22; c. 808, ss. 5-7; 1987, c. 16; 1991, c. 624, s. 3; 1991 (Reg. Sess., 1992), c. 961, s. 10; 1993, c. 539, s. 726; 1994, Ex. Sess., c. 24, s. 14(c); 1997-456, s. 27; 2006-30, s. 7.)
§ 105-378. Limitation on use of remedies.

(a) Use of Remedies Barred. – No county or municipality may maintain an action or procedure to enforce any remedy provided by law for the collection of taxes or the enforcement of any tax liens (whether the taxes or tax liens are evidenced by the original tax receipts, tax sales certificates, or otherwise) unless the action or procedure is instituted within 10 years from the date the taxes became due.

(b) Not Applicable to Special Assessments. – The provisions of subsection (a), above, shall not be construed to apply to the lien of special assessments.

(c) Repealed by Session Laws 1998-98, s. 26, effective August 14, 1998.

(d) Enforcement and Collection Delayed Pending Appeal. – When the board of county commissioners or municipal governing body delivers a tax receipt to a tax collector for any assessment that has been or is subsequently appealed to the county board of equalization and review or the Property Tax Commission, the tax collector may not seek collection of taxes or enforcement of a tax lien resulting from the assessment until the appeal has been finally adjudicated. The tax collector, however, may send an initial bill or notice to the taxpayer. (1933, c. 181, s. 7; c. 399; 1945, c. 832; 1947, c. 1065, s. 1; 1949, cc. 60, 269, 735; 1951, cc. 71, 306, 572; 1953, cc. 381, 427, 538, 645, 656, 752, 775, 1008; 1955, c. 1087; 1957, cc. 53, 678, 1123; 1959, cc. 373, 608; 1961, cc. 542, 695, 885; 1965, cc. 129, 294; 1967, c. 242; c. 321, s. 1; c. 422, s. 1; 1969, c. 96; 1971, c. 806, s. 1; 1998-98, s. 26; 2006-30, s. 6; 2011-3, s. 3(b).)
### LEE COUNTY AGENDA ABSTRACT

**BOARD OF COMMISSIONERS** - **REGULAR MEETING DATE**: June 1, 2020

**SUBJECT**: Discussion on Fire Tax District Funding

**DEPARTMENT**: Administration

**CONTACT PERSON**: Lisa Minter, Assistant County Manager/Finance Director

**TYPE**: Information

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<td>See attachment</td>
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<td>ATTACHMENTS</td>
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<td>PRIOR BOARD ACTION</td>
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<td>RECOMMENDATION</td>
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**SUMMARY**

Mayor Donald Andrews will discuss the fire tax district funding requests for FY 2020-21. The Board of Commissioners will hold a public hearing on the proposed fire tax district funding on June 15, 2020.
May 3, 2020

Amy Dairymple, Chair
Lee County Board of Commissioners
Lee County Government Center
Sanford, North Carolina 27330

Dear Madame Chair:

The Lee County Fire Advisory Board has completed its annual review of the budget requests from the Lee County volunteer fire departments for fiscal year 2020/2021. On April 15th, the Fire Advisory Board met virtually to review and discuss the budget requests from each of the county volunteer fire departments. During the budget review, we developed a list of questions and/or concerns related to each department’s budget request. The list of questions was then sent to the respective Fire Chief for each department. On April 28th, the Fire Advisory Board met virtually with representatives from each of the fire departments to answer the questions, discuss concerns, and review the data. After the meeting between the Fire Advisory Board and the representatives from the fire departments, the Fire Advisory Board reviewed the information discussed during the meeting. Based on those discussions and the budget requests submitted, the Fire Advisory Board would like to make the following recommendations:

**Tramway Fire Department**

The Tramway Fire Department is requesting an increase in their budget of $9,074 or 2.1%. The department is increasing personnel salaries by $6,274 for a cost of living increase and slight increase in allotted part-time hours. The department is applying for a couple of grants. One grant would be used to purchase extraction tools. The FEMA grant would be used to replace expiring SCBA packs. The Tramway Fire District’s tax base grew by about $12.7 million. The growth in the tax base and utilizing $8,000 of fund balance would be enough to cover the increase in the budget request. The Fire Advisory Board is recommending the Tramway Fire Department budget as requested with the current tax rate of $0.096.

**Deep River Fire Department**

Deep River Fire Department has a budget increase of $7,755 or 2.3% over their current year budget. The department has a $5,000 increase in turn-out gear and $3,000 in Computer Hardware. The department purchased a used engine from Northview. The department is applying for a grant through the NC State Fire Marshal’s Office for replacement of turn-out gear. The Deep River Fire District’s tax base increased
about $4.4 million over current year. Using the growth in the tax base and all of the projected $22,000 in fund balance, the fire tax rate will be $0.117. However, the Deep River Fire Department board has asked to keep the rate at $0.115. In order to accomplish this request, the department is cutting $5,000 out of Grant Match, thus by reducing their budget request to $336,908. The Fire Advisory Board at the request of Deep River Fire Department is recommending the Deep River Fire Department’s budget as adjusted, plus the use of the $22,000 of the fund balance, with a Fire Tax Rate of $0.115.

Cape Fear Fire Department

Cape Fear Fire Department’s budget request shows an increase of $40,021 or 10.3% over their current budget. The department decreased operating cost by $14,979 over current budget. This was a result of eliminating the fulltime paid Chief position. The department has decided to convert the fulltime position to a part-time position. The department’s debt service and capital reserve has a $55,000 increase over the current budget. Debt service increased $20,000 to account for a loan to purchase a new 3,000-gallon tanker to replace a 1987 tanker. The department is increasing capital reserve by $35,000. The department will need to replace an engine within the next 2-3 years. The projected cost for a new engine is currently $600,000 - $750,000 and increasing 2-3 % each year. Cape Fear Fire District’s tax base decreased by $1.8 million over current year. The projected fund balance for 2020/2021 is only $17,000. The loss of tax base and only $17,000 in fund balance there was not enough to offset the increase in the budget request. The projected fire district tax rate for 2020/2021 will be $0.121. This is a $0.009 increase over the current rate. The Fire Advisory Board asked if the department felt there was any room to reduce their budget in order to lessen the projected rate increase. The department felt that in order to continue to be able to replace aging trucks, they needed to increase their Capital Reserve in order to generate sufficient reserve for a down payment for the replacement engine.

The Fire Advisory Board after considerable discussion is recommending the budget request from Cape Fear Fire Department and the resulting increase in the fire district tax rate to $0.121.

Northview Fire Department

Northview Fire Department has requested a budget increase of $36,070 or 7.4% over the current budget. Most of the increase in the department’s budget is $33,536 for personnel. The department is adding 40 hours part-time in order to provide staffing at the Cumnock Sub-Station. In addition, the department has requested to use $109,433 from fund balance reserves for the installation of the Plymovement Exhaust System at the Cumnock station and parking lot repairs at the main station. Northview Fire District’s tax base grew by about $40 million for 2020. The tax base growth and the use of $30,000 in projected fund balance will cover the increase in the budget request and maintain the current tax rate of $0.08. The Fire Advisory Board is recommending the budget request of $522,098.56, plus the $109,433 for capital projects.
Lemon Springs Fire Department

Lemon Springs Fire Department did not request a budget increase for 2020/2021. The Lemon Springs Fire District’s tax base grew by about $4 million. The growth in tax base and the use of $3,000 from fund balance will allow the department to maintain its current tax rate of $0.096. The Fire Advisory Board recommends the budget from Lemon Springs Fire Department as requested.

Carolina Trace Fire Department

Carolina Trace Fire Department is requesting a $50,158 or 12.6% increase in their budget for fiscal year 2020/2021. The increase in the budget was a result of $15,906 in salaries. Their operating cost increased by $7,358, with the majority of the increase in cost of turn-out gear, and fleet maintenance. The department’s debt service increased by $26,894. The department is currently in the design process of an addition onto the building. The addition will be used to store a boat and other equipment. The Carolina Trace POA requires certain aesthetics for additions to property. The Carolina Trace Fire District’s tax base grew by $1.5 million. The department’s projected fund balance is only $2,500. The increase in budget of $50,158 coupled with little growth in the tax base, and only $2,500 in fund balance, the projected tax rate is $0.115. In discussion on the budget request with Fire Chief Myers, the Fire Advisory Board asked if the Carolina Trace Fire Department’s Board was aware of the increased tax rate. The Carolina Trace Fire Department’s board is made up of property owners in the district. Chief Myers stated they were aware and supported the budget request. The department has held its public meeting to present the budget. There was no objection to the 2020/2021 budget increase at the public hearing. After discussion with Chief Meyers, the Fire Advisory Board felt the best option was to recommend the approval of the 2020/2021 budget request, which will increase the fire tax rate to $0.115.

Northwest Pocket Fire Department

Northwest Pocket Fire Department did not request any increases in the budget for 2020/2021. They continue to build up capital reserves for the purchase of a replacement engine within the next few years. The Northwest Pocket Fire District had growth in the tax base of about $3.1 million. With the growth in the tax base and using $12,000 from their fund balance, the projected tax rate for 2020/2021 will remain the at the current rate of $0.145. The Fire Advisory Board is recommending the 2020/2021 Budget Request and the use of $12,000 in fund balance with the current tax rate of $0.145.
Summary

As you will note, Lemon Springs and Northwest Pocket did not have an increase in their respective budgets. Tramway and Deep River had slight increases in their budgets, with Deep River electing to cut $5,000 out of their budget in order to maintain their current rate. Cape Fear, Northview, and Carolina Trace had significant increase in their budgets. The tax base growth in Northview’s district allowed them to increase their budget with little, to no impact on the current rate. Cape Fear and Carolina Trace’s increase in their respective budgets, even with the maximum use of projected fund balance, was not sufficient to maintain their current rates. Cape Fear saw a loss in tax base, while Carolina Trace saw little growth in the tax base. Both departments will see their fire tax rate increase over the current rate. The cost of the Fire Marshal’s Office increased by 8.3% this year. The county’s pay plan study and the cost of worker’s compensation for the fire departments were the two biggest impacts.

As part of our discussions with the fire departments, we asked how their membership status was. For the most part, the departments are having some success in maintaining their current volunteer levels. They are using social media and community events to recruit new volunteers. Some of the departments have explored some sort of stipend based on call and training. A few have or are looking at Junior Firefighter programs. One of the encouraging plans is the possibility of CCCC and Lee County Schools collaborating on promoting fire service in the local high schools. The program is still being discussed but could be useful in attracting young people to the fire service and volunteering. Another item we discussed with the fire departments was what steps they were taking to address the risk of carcinogens related to firefighting that could lead to cancer. The departments have implemented protocols for decontamination at the scene, purchasing of extractors to wash turn-out gear and purchasing new turn-out gear and hoods that include safety features that reduce the risk of exposure for the firefighter.

The budget recommendations for the fire departments noted above by the Fire Advisory Board were made based on the information available and the discussions with representatives from the fire departments, and among the members of the Fire Advisory Board. None of us like to see increases in our property taxes, however in order to continue to provide the level of service that county fire departments currently do, they must continue to upgrade equipment and aging vehicles. The cost of these upgrades and replacements often outpace the growth in the tax base. The Lee County fire departments work hard to make the best use of the funds available in providing for the safety of their members and serving and protecting their communities. The Lee County Fire Advisory Board supports their efforts and their continued service to the citizens of Lee County.
Respectfully submitted,

[Signature]

Donald F. Andrews, Chair
Lee County Fire Advisory Board

c: Shane Seagroves, Director Lee County Emergency Services
Lisa Minter, Asst. County Manager Lee County

Attached: FY 2020 / 2021 Department Spreadsheet
### LEE COUNTY FIRE DEPARTMENTS

**FY 2020 / 2021 Budget Worksheet**

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REQUEST | Presentation of the Recommended FY 2020-2021 Budget
---|---
BUDGET IMPACT | N/A
ATTACHMENTS | 
PRIOR BOARD ACTION | N/A
RECOMMENDATION | Set the public hearing for 6:00 pm, June 15, 2020 at the McSwain Extension Education and Agriculture Center

SUMMARY

In accordance with the North Carolina Budget and Fiscal Control Act, the County Manager (Budget Officer) is required to submit the recommended FY 2020-2021 budget to the Board of Commissioners by June 1 of each year. The budget book will be delivered by Friday, May 29 at 5:00 pm.
LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: June 1, 2020

SUBJECT: FY 2021-2025 Recommended Capital Improvements Program (CIP)

DEPARTMENT: Administration

CONTACT PERSON: Lisa Minter, Assistant County Manager/Finance Director

TYPE: Action Item

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>Presentation of the Recommended FY 2021-2025 Capital Improvements Program</th>
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<tbody>
<tr>
<td>BUDGET IMPACT</td>
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<td>ATTACHMENTS</td>
<td></td>
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<tr>
<td>PRIOR BOARD ACTION</td>
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<tr>
<td>RECOMMENDATION</td>
<td>Set the public hearing for 6:00 pm, June 15, 2020 at the McSwain Extension Education and Agriculture Center</td>
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</table>

SUMMARY

County Manager John Crumpton has prepared his Recommended Capital Improvements Program for FY 2021-2025 and will deliver it to the Board. The CIP book will be delivered by Friday, May 29, 2020.
MEETING DATE: June 1, 2020
SUBJECT: Approval of resolution related to $8,250,000 installment financing
DEPARTMENT: Finance
CONTACT PERSON: Lisa Minter, Assistant County Manager/Finance Director
TYPE: Action Item

REQUEST
Approval of a "Resolution Authorizing the Execution and Delivery of an Installment Financing Agreement, a Deed of Trust and Related Documents in Connection with the Financing of Various Capital Projects for the County"

BUDGET IMPACT
Annual debt service requirement will be included in the FY 20-21 budget.

ATTACHMENTS
Approving Resolution- Lee County 2020 IFA.DOC
Deed of Trust-Lee County 2020 IFA.DOC
Installment Financing Agreement-Lee County 2020 IFA.DOC

PRIOR BOARD ACTION
On May 4, 2020, the Board of Commissioners held a public hearing regarding the installment financing agreement. Following the public hearing the Board approved a proposal from JP Morgan Chase Bank to borrow $8,250,000 at 1.03% for ten years.

RECOMMENDATION
Approve the Resolution Authorizing the Execution and Delivery of an Installment Financing Agreement, a Deed of Trust and Related Documents in Connection with the Financing of Various Capital Projects for the County

SUMMARY
This is the final step in the County borrowing money through an installment purchase financing agreement to fund (a) acquiring and improving certain land to be used for economic development purposes, (b) renovating the County's Government Center, and (c) renovating and expanding the County Courthouse. The Board needs to adopt the Resolution Authorizing the Execution and Delivery of an Installment Financing Agreement, a Deed of Trust and Related Documents in Connection with the Financing of Various Capital Projects for the County.
The Board of Commissioners for the County of Lee, North Carolina met in a regular meeting at the McSwain Extension Education and Agriculture Center located at 2420 Tramway Road in Sanford, North Carolina, at 6:00 p.m. on June 1, 2020.

Present: Chair Amy Dalrymple, presiding, and Commissioners

Absent: Commissioners

Also Present: ______________ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT, A DEED OF TRUST AND RELATED DOCUMENTS IN CONNECTION WITH THE FINANCING OF VARIOUS CAPITAL PROJECTS FOR THE COUNTY

BE IT RESOLVED by the Board of Commissioners (the “Board”) for the County of Lee, North Carolina (the “County”):

Section 1. The Board does hereby find and determine as follows:

(a) There exists in the County a need to finance the costs of (i) acquiring and improving certain land to be used for economic development purposes, (ii) renovating the County’s Government Center and (iii) renovating and expanding the County Courthouse (collectively, the “Project”).

(b) After a public hearing and due consideration, the Board has determined that the most efficient manner of financing the Project will be through entering into an Installment Financing Agreement, to be dated the date of delivery thereof (the “Agreement”), between the County and

__________________ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:
JPMorgan Chase Bank, N.A. (the “Lender”), pursuant to which the Lender will advance to the County an amount sufficient, together with any other available funds, to (i) pay the costs of the Project and (ii) pay the financing costs associated therewith, and the County will repay the advancement in installments, with interest thereon (the “Installment Payments”).

(c) In order to secure the County’s obligations under the Agreement, the County will execute and deliver a Deed of Trust, to be dated the date of delivery thereof (the “Deed of Trust”), from the County to the deed of trust trustee named therein for the benefit of the Lender, granting a first lien of record on the site of the County’s Government Center constituting a portion of the Project, together with all improvements and fixtures located or to be located thereon (the “Mortgaged Property”).

(d) There has been presented to the Board at this meeting drafts of the Agreement and the Deed of Trust.

Section 2. In order to provide for the financing of the Project and the payment of the financing costs associated therewith, the County is hereby authorized to enter into the Agreement and receive an advancement pursuant thereto in the principal amount not to exceed $8,250,000. The County shall repay the advancement in installments due in the amounts and at the times set forth in the Agreement. The payments of the Installment Payments shall be designated as principal and interest as provided in the Agreement. The interest rate payable under the Agreement shall be 1.03% per annum, and the final Installment Payment due under the Agreement shall not be later than April 1, 2030.

Section 3. The Board hereby approves the Agreement and the Deed of Trust in substantially the forms presented at this meeting. The Chair of the Board, the County Manager and the Assistant County Manager/Finance Director of the County are each hereby authorized to
execute and deliver on behalf of the County such documents in substantially the forms presented at this meeting, containing such modifications as the person executing such documents, with the advice of counsel, shall approve, such execution to be conclusive evidence of approval by the Board of any such changes. The Clerk to the Board or any Deputy or Assistant Clerk to the Board is hereby authorized and directed to affix the corporate seal of the County to each of such documents and to attest the same as may be required.

Section 4. No deficiency judgment may be rendered against the County in any action for breach of any contractual obligation under the Agreement or the Deed of Trust, and the taxing power of the County is not and may not be pledged directly or indirectly to secure any moneys due under the Agreement or the Deed of Trust.

Section 5. The Chair of the Board, the County Manager, the Assistant County Manager/Finance Director, the County Attorney and the Clerk to the Board, and any other officers, agents and employees of the County, are hereby authorized and directed to execute and deliver such other documents, instruments, closing certificates, opinions and other items of evidence as shall be deemed necessary to consummate the transactions described above. Any such actions heretofore taken by such persons prior to the date hereof that is within the authority conferred herein is hereby ratified, confirmed and approved.

Section 6. The County hereby represents that it reasonably expects that it, all subordinate entities thereof and all issuers issuing obligations on behalf of the County will not issue in the aggregate more than $10,000,000 of tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds as defined in the Code) during calendar year 2020. In addition, the County hereby designates each of the installment payments under the Agreement as a “qualified tax-exempt obligation” for the purposes of the Code.
Section 7. This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner ________________, the foregoing resolution entitled “RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT, A DEED OF TRUST AND RELATED DOCUMENTS IN CONNECTION WITH THE FINANCING OF VARIOUS CAPITAL PROJECTS FOR THE COUNTY” was adopted by the following vote:

Ayes:

Noes:

* * * * * * *

I, Jennifer Gamble, Clerk to the Board of Commissioners for the County of Lee, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a regular meeting held on June 1, 2020, as it relates in any way to the adoption of the foregoing resolution and that said proceedings are to be recorded in the minutes of said Board.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said County this 1st day of June, 2020.

______________________________
Clerk to the Board of Commissioners

[SEAL]
DEED OF TRUST

STATE OF NORTH CAROLINA

COUNTY OF LEE

This DEED OF TRUST, dated as of June 5, 2020 (the “Deed of Trust”), from the COUNTY OF LEE, NORTH CAROLINA, a body corporate and politic duly organized and validly existing under the Constitution and laws of the State of North Carolina (the “County”), to JACKIE YOUNG, as trustee (the “Deed of Trust Trustee”), for the benefit of JPMORGAN CHASE BANK, N.A., a national banking association duly organized and validly existing under the laws of the United States of America, and its successors and assigns (the “Beneficiary”);

WITNESSETH:

WHEREAS, the County has entered into an Installment Financing Agreement, of even date herewith (the “Agreement”), with the Beneficiary, whereby the Beneficiary has agreed to advance moneys to the County for the purpose of paying the costs of the Project (as defined in the Agreement) and related financing costs, and the County has agreed to repay the moneys advanced to the County in installments due at the times and in the amounts set forth in Exhibit A to the Agreement (the “Installment Payments”) and to pay certain additional payments as more fully provided therein;

COLLATERAL IS OR INCLUDES FIXTURES
WHEREAS, pursuant to the Agreement, the County is delivering this Deed of Trust to secure the repayment by the County to the Beneficiary of the moneys advanced and all other sums payable under the Agreement and to secure the other obligations of the County under the Agreement;

WHEREAS, the County has agreed to pay to the Beneficiary the sum of $8,250,000, representing the moneys advanced, as evidenced by, and payable as provided in, the Agreement, with interest payable at the times and rate specified therein, with the last Installment Payment of principal and interest being due and payable as set forth in Exhibit A to the Agreement, with a final Installment Payment being due and payable on April 1, 2030;

WHEREAS, the County desires to secure (a) the payment of the Installment Payments due under the Agreement, (b) the payment by the County of all additional payments required to be paid by the County under the Agreement and the performance by the County of all of the additional covenants of the County set forth in the Agreement and (c) the performance of the covenants and agreements contained in this Deed of Trust, and any amendments and supplements thereto; and

WHEREAS, the County desires to execute and deliver this Deed of Trust as security for the payment of the amounts described above and the performance of the covenants described above;

NOW, THEREFORE, the County, subject to Permitted Encumbrances (as defined in the Agreement), as security for the Installment Payments and other payments to be made by the County under the Agreement and for the performance by the County of all of its obligations under the Agreement and this Deed of Trust, and in further consideration of the sum of $1.00 paid to the County by the Deed of Trust Trustee, receipt and sufficiency of which are hereby acknowledged, has given, granted, bargained and sold, and by these presents does give, grant, bargain, sell and convey unto the Deed of Trust Trustee, its successors and assigns, in trust, with power of sale, the real property lying and being in County of Lee in the State of North Carolina, constituting so much thereof as constitutes real property or fixtures, and more particularly described as set forth in Exhibit A attached hereto and made a part hereof; TOGETHER with all buildings, improvements and fixtures of every kind and description now or hereafter erected or located thereon, all rights, appurtenances, easements, privileges, remainders and reversions appertaining thereto and all materials intended for construction, reconstruction, alteration and repair of such buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the aforesaid real property, and all apparatus, equipment, fixtures and articles of personal property now or hereafter attached thereto as fixtures, and replacements thereof, including, but not limited to, all heating, refrigerating, air conditioning, gas, plumbing and electric apparatus and equipment, all boilers, engines, motors, power equipment, piping and plumbing fixtures, pumps, tanks, lighting equipment and systems, fire prevention and sprinkling equipment and systems, and other things now or hereafter thereon or therein, including all interests of any owner thereof in any of such items, and all renewals or replacements thereof or articles in substitution thereof; TOGETHER with all rents, issues, profits and revenues of the aforesaid real property, fixtures and other property and all of the right, title and interest of the County in and to any and all leases and contracts now or hereafter affecting the real property,
fixtures and other property covered hereby or any part thereof; TOGETHER with all proceeds of any of the foregoing real property and fixtures including, without limitation, proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, all awards and other payments as a result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain by any governmental authority (“Eminent Domain”) and all insurance proceeds and claims therefor as a result of damage to or destruction of all or any part of any of the foregoing (the real property, fixtures and proceeds granted to the Deed of Trust Trustee pursuant to the foregoing provisions hereof being collectively referred to as the “Mortgaged Property”);

TO HAVE AND TO HOLD the Mortgaged Property, with all the rights, privileges and appurtenances thereunto belonging or appertaining to the Deed of Trust Trustee, its heirs, successors and assigns, in fee simple forever, upon the trusts and for the uses and purposes hereinafter set out;

AND THE COUNTY COVENANTS to and with the Deed of Trust Trustee and the Beneficiary that the County is seized of the Mortgaged Property in fee, that the County has the right to convey the Mortgaged Property in fee simple, and that the County does hereby forever warrant and will forever defend the title to the Mortgaged Property (except for Permitted Encumbrances, as defined in the Agreement) against the claims of all persons whatsoever; provided, however, that

THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST, that if the County shall make all of the payments required under the Agreement secured hereby in accordance with its terms, together with interest thereon and all taxes, charges, assessments and any premiums for insurance hereby secured, and, further, shall comply with all the covenants, terms and conditions of this Deed of Trust and the Agreement and any amendments and supplements thereto, then this conveyance shall be null and void and may be canceled of record at the request and at the cost of the County.

THE COUNTY FURTHER COVENANTS, REPRESENTS AND AGREES AS FOLLOWS:

Section 1. Amount Secured; Maintenance and Modification of Property by County. This Deed of Trust secures all present and future indebtedness owing by the County under the Agreement and this Deed of Trust. The principal amount of the indebtedness is $[8,250,000].

The Deed of Trust Trustee shall not be under any obligation to operate, maintain or repair the Mortgaged Property. The County agrees that it will at its own expense (a) keep the Mortgaged Property in as reasonably safe condition as its operations shall permit, (b) keep the Mortgaged Property in good repair and in good operating condition, (c) comply with all applicable governmental requirements imposed upon the Mortgaged Property or in connection with its use and (d) make from time to time all necessary repairs thereto and renewals and replacements thereof.

Subject to the provisions of the Agreement, the County may also, at its own expense, make from time to time any additions, modifications or improvements to the real property.
covered hereby that it may deem desirable and that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property. All such additions, modifications and improvements so made by the County within the boundaries of the Mortgaged Property shall become a part of the Mortgaged Property. The County will do, or cause to be done, all such things as may be required by law in order to fully protect the security and all rights of the Beneficiary under this Deed of Trust. The County shall not cause or permit the lien of this Deed of Trust to be impaired in any way.

Section 2. Grant and Release of Easements; Release of Property. If no Event of Default under this Deed of Trust shall have occurred and shall continue to exist, the County may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any part of the Mortgaged Property, and the County may release existing interests, easements, licenses, rights of way and other rights or privileges with or without consideration, and the Beneficiary agrees that it shall execute and deliver and will cause, request or direct the Deed of Trust Trustee to execute and deliver any instrument necessary or appropriate to grant or release any such interest, easement, license, right of way or other right or privilege, but only upon receipt of (a) a copy of the instrument of grant or release, (b) a written application signed by an authorized representative of the County requesting such instrument and (c) a certificate executed by an authorized representative of the County stating that the grant or release (i) is not detrimental to the proper conduct of the operations of the County at the Mortgaged Property, (ii) will not impair the effective use of or interfere with the operations of the County at the Mortgaged Property and (iii) following such release, the marketability or value of the security under this Deed of Trust will not be materially diminished. The Beneficiary may request appraisals or other evidence satisfactory to the Beneficiary to support the certificate required by clause (iii) above.

Section 3. Default; Remedies of the Deed of Trust Trustee and Beneficiary Upon Default. (a) If any of the following events shall occur:

(i) the occurrence and continuance of an event of default under the Agreement;

(ii) failure by the County to observe and perform any warranty, covenant, condition or agreement on the part of the County under this Deed of Trust other than Section 6 hereof for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the County by the Beneficiary unless the Beneficiary shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be reasonably corrected within the applicable period, and if corrective action is instituted by the County within the applicable period, the County shall have such additional period of time to correct the failure as shall be necessary, so long as such correction is diligently pursued;

(iii) any lien, charge or encumbrance prior to or affecting the validity of this Deed of Trust is found to exist, other than Permitted Encumbrances, or proceedings are instituted to enforce any lien, charge or encumbrance against any of the Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of this Deed of Trust;
then and in any of such events (hereinafter referred to as an “Event of Default”), all payments under the Agreement shall, at the option of the Beneficiary, become at once due and payable, regardless of the maturity date or other due date thereof.

(b) Upon the occurrence of an Event of Default:

(i) To the extent permitted by law, the Deed of Trust Trustee shall have the right to enter upon the Mortgaged Property to such extent and as often as the Deed of Trust Trustee, in his sole discretion, deems necessary or desirable in order to cure any default by the County. The Deed of Trust Trustee may take possession of all or any part of the Mortgaged Property and may hold, operate and manage the same, and from time to time make all needful repairs and improvements as shall be deemed expedient by the Deed of Trust Trustee; and the Deed of Trust Trustee may lease any part of the Mortgaged Property in the name of and for the account of the County, and collect, receive and sequester the rent, revenues, receipts, earnings, income, products and profits therefrom, and out of the same and from any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of, all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Deed of Trust Trustee, his agents and counsel, and any taxes and assessments and other charges prior to the lien of this Deed of Trust which the Deed of Trust Trustee may deem it proper to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions hereof.

(ii) To the extent permitted by law, the Deed of Trust Trustee shall have the right after an Event of Default to the appointment of a receiver to collect the rents and profits from the Mortgaged Property without consideration of the value of the premises or the solvency of any person liable for the payment of the amounts then owing, and all amounts collected by the receiver shall, after expenses of the receivership, be applied to the payment of the obligations hereby secured, and the Deed of Trust Trustee, at his option, in lieu of an appointment of a receiver, shall have the right to do the same. If such receiver should be appointed or if there should be a sale of the said premises, as provided below, the County, or any person in possession of the premises thereunder, as tenant or otherwise, shall become a tenant at will of the receiver or of the purchaser and may be removed by a writ of ejectment, summary ejectment or other lawful remedy.

(iii) The Deed of Trust Trustee shall have the right to assign to any other person, for lawful consideration, any rents, revenues, earnings, income, products and profits receivable under this Deed of Trust, provided that the proceeds of any such assignment shall be applied as provided in this Deed of Trust.

(iv) The Deed of Trust Trustee is hereby authorized and empowered to expose to sale and to sell the Mortgaged Property or such part or parts thereof or interests therein as the Deed of Trust Trustee deems prudent at public auction for cash, and upon collection of the proceeds from such sale to make and deliver a deed therefor, after first having complied with all applicable requirements of North Carolina law with respect to the exercise of powers of sale contained in deeds of trust. The County agrees that in the event of a sale hereunder, the Beneficiary shall have the right to bid at it and to become
the purchaser. The Beneficiary may credit against its bid the amount outstanding under
the Agreement (subject to the payment of any costs and expenses of such sale as provided
in Section 4 hereof). The Deed of Trust Trustee may require the successful bidder at any
sale to deposit immediately with the Deed of Trust Trustee cash or a certified check in an
amount not to exceed five percent (5%) of his bid, provided notice of such requirement is
contained in the advertisement of the sale. The bid may be rejected if the deposit is not
immediately made and thereupon the next highest bidder may be declared to be the
successful bidder. Such deposit shall be refunded in case a resale is had; otherwise it
shall be applied to the purchase price. The sale of the Mortgaged Property or any part
thereof or any interest therein, whether pursuant to judicial foreclosure, foreclosure under
power of sale or otherwise under this Deed of Trust, shall forever bar any claim with
respect to the Mortgaged Property by the County.

(v) To the extent permitted by law, the Beneficiary, immediately and without
additional notice and without liability therefor to the County, may do or cause to be done
any or all of the following: (A) take physical possession of the Mortgaged Property; (B)
exercise its right to collect the rents and profits thereof; (C) enter into contracts for the
completion, repair and maintenance of the Mortgaged Property; (D) expend any rents,
income and profits derived from the Mortgaged Property for payment of any taxes,
insurance premiums, assessments and charges for completion, repair and maintenance of
the Mortgaged Property, preservation of the lien of this Deed of Trust and satisfaction
and fulfillment of any liabilities or obligations of the County arising out of or in any way
connected with the Mortgaged Property whether or not such liabilities and obligations in
any way affect, or may affect, the lien of this Deed of Trust; (E) enter into leases
demising the Mortgaged Property or any part thereof; (F) take such steps to protect and
enforce the specific performance of any covenant, condition or agreement in this Deed of
Trust or the Agreement or to aid the execution of any power herein granted; and (G)
generally, supervise, manage, and contract with reference to the Mortgaged Property as if
the Beneficiary were the equitable owner of the Mortgaged Property. The County also
agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised
at any time independently of the exercise of any other such rights and remedies, and the
Beneficiary may continue to exercise any or all such rights and remedies until the
Event(s) of Default of the County are cured with the consent of the Beneficiary or until
foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the
indebtedness secured hereby is otherwise satisfied or paid in full.

(vi) The Beneficiary may proceed against the fixtures referred to in Section 12
hereof as provided in and in accordance with the applicable provisions of the Uniform
Commercial Code as adopted by the State of North Carolina, as amended (the “UCC”) or,
at its election, may proceed and may instruct the Deed of Trust Trustee to proceed as to
the portion of the Mortgaged Property constituting fixtures, in accordance with its rights
and remedies with respect thereto and those granted to the Deed of Trust Trustee, all as
set forth in this Deed of Trust. Subject to any limitations imposed by the applicable
provisions of the UCC, the Beneficiary may sell, lease, or otherwise dispose of all or any
part of the fixtures, at public or private sale, for cash or on credit, as a whole or in part,
and the Beneficiary may at such sale or sales purchase the fixtures or any part thereof.
The proceeds of such sale, lease, collection or other disposition shall be applied first to
the costs and expenses of the Beneficiary incurred in connection with such sale, lease, collection or other disposition, and then to such outstanding balance due on any and all indebtedness owed to the Beneficiary. Further, the Beneficiary may require the County to assemble the fixtures, or evidence thereof, and make them reasonably available to the Beneficiary at one or more places to be designated by the Beneficiary which are reasonably convenient to the Beneficiary, and the Beneficiary may take possession of the fixtures and hold, prepare for sale, lease or other disposition and sell, lease or otherwise dispose of the fixtures. Any required notice by the Beneficiary of sale or other disposition or default, when mailed to the County at its address set forth herein, shall constitute reasonable notice to the County. In addition to, but not in limitation of, any of the foregoing, the Beneficiary may exercise any or all of the rights and remedies afforded to the Beneficiary by the provisions of the UCC or otherwise afforded to the Beneficiary under this Deed of Trust, with all such rights and remedies being cumulative and not alternative, and the County agrees, to the extent permitted by law, to pay the reasonable costs of collection, including, in addition to the costs and disbursements provided by statute, reasonable attorneys’ fees and legal expenses which may be incurred by the Beneficiary subject to the procedures and limitations set forth in Section 6-21.2 of the General Statutes of North Carolina, as amended.

In all such cases, the Beneficiary shall have the right to direct the Deed of Trust Trustee to exercise the remedies granted hereunder.

(c) The County also agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised at any time independently of the exercise of any other such rights and remedies, and the Beneficiary may continue to exercise any or all such rights and remedies until the Event(s) of Default of the County are cured with the consent of the Beneficiary or until foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the indebtedness secured hereby is otherwise satisfied or paid in full.

(d) The County hereby waives, to the full extent it lawfully may, the benefit of all appraisement, valuation, stay, moratorium, exemption from execution, extension and redemption laws and any statute of limitations, now or hereafter in force and all rights of marshalling in the event of the sale of the Mortgaged Property or any part thereof or any interest therein.

(e) Except as set forth in subsection (f) of this Section, the foregoing shall in no way be construed to limit the powers of sale or to restrict the discretion the Deed of Trust Trustee may have under the provisions of Article 2A of Chapter 45 of the General Statutes of North Carolina, as amended. Each legal, equitable or contractual right, power or remedy of the Deed of Trust Trustee now or hereafter provided herein or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power and remedy, and the exercise or beginning of the exercise by the Deed of Trust Trustee of any one or more of such rights, powers and remedies shall not preclude the simultaneous or later exercise of any or all such other rights, powers and remedies.

(f) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NO DEFICIENCY JUDGMENT SHALL BE RENDERED AGAINST THE COUNTY IN ANY ACTION FOR BREACH BY THE COUNTY OF ITS OBLIGATIONS UNDER THE
AGREEMENT OR THIS DEED OF TRUST, OR FOLLOWING THE EXERCISE BY THE COUNTY OF ITS RIGHT OF TERMINATION OF ITS OBLIGATION TO MAKE THE INSTALLMENT PAYMENTS AND ANY ADDITIONAL PAYMENTS UNDER THE AGREEMENT; THE REMEDIES PROVIDED UNDER THIS DEED OF TRUST, INCLUDING FORECLOSURE AND SALE OF THE MORTGAGED PROPERTY UNDER THIS DEED OF TRUST, BEING THE SOLE REMEDY GRANTED HEREBY. THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED IN ANY WAY, DIRECTLY OR INDIRECTLY TO SECURE THE PAYMENT OF ANY MONEYS DUE UNDER THE AGREEMENT, INCLUDING THE INSTALLMENT PAYMENTS UNDER THE AGREEMENT OR ANY OTHER INSTRUMENT CONTEMPLATED HEREBY OR THEREBY.

Section 4. Application of Proceeds. The proceeds of (a) the operation and management of the Mortgaged Property pursuant to Section 3 hereof, (b) any sale of the Mortgaged Property or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise and (c) any insurance policies or eminent domain awards or other sums (other than awards or sums to which the County is entitled to under the Agreement) retained by the Deed of Trust Trustee upon the occurrence of an Event of Default shall be applied to pay:

First: The costs and expenses of sale, reasonable attorneys’ fees actually incurred at standard hourly rates to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended, the Beneficiary’s fees and expenses, court costs, any other expenses or advances made or incurred in the protection of the rights of the Beneficiary or in the pursuance of any remedies hereunder and the Deed of Trust Trustee’s commission payable under Section 5 hereof;

Second: All taxes and assessments then constituting a lien against said premises other than those advertised and sold subject to;

Third: Any indebtedness secured by this Deed of Trust and at the time due and payable (whether by acceleration or otherwise), including all amounts of principal and interest at the time due and payable with respect to the Installment Payments, and interest on any overdue principal of at a rate per annum equal to the original interest rate payable with respect to the Installment Payments; and

Fourth: The balance, if any, to the persons then entitled thereto under the Agreement.

Section 5. Deed of Trust Trustee’s Commission. In the event of a consummated sale under the power of sale contained herein, the Deed of Trust Trustee’s commission shall be a reasonable commission for services rendered not to exceed five percent (5%) of the highest bid thereat.

It is further provided that in the event foreclosure is terminated upon the request of the County prior to delivery of the deed by the Deed of Trust Trustee, the County shall pay the Deed of Trust Trustee all costs and expenses incident to the foreclosure, including reasonable compensation for services rendered; together with attorneys’ fees actually incurred at standard
hourly rates to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended.

It is further provided that the compensation herein allowed to the Deed of Trust Trustee shall constitute indebtedness secured hereby on the Mortgaged Property immediately upon request of sale.

Section 6. General Covenant. The County shall pay the amounts due under the Agreement and shall observe and perform all covenants, conditions and agreements contained in the Agreement, and any amendments and supplements thereto.

Section 7. Payment of Costs, Attorneys’ Fees and Expenses. The County shall pay, to the extent permitted by law, any and all costs, attorneys’ fees and other expenses of whatever kind incurred by the Beneficiary or the Deed of Trust Trustee in connection with (a) obtaining possession of the Mortgaged Property, (b) the protection and preservation of the Mortgaged Property, (c) the collection of any sum or sums secured hereby, (d) any litigation involving the Mortgaged Property, this trust, any benefit accruing by virtue of the provisions hereof, or the rights of the Deed of Trust Trustee or the Beneficiary, (e) the presentation of any claim under any administrative or other proceeding in which proof of claim is required by law to be filed, (f) any additional examination of the title to the Mortgaged Property which may be reasonably required by the Beneficiary or the Deed of Trust Trustee, (g) taking any steps whatsoever in enforcing this Deed of Trust, claiming any benefit accruing by virtue of the provisions hereof, or exercising the rights of the Beneficiary hereunder, or (h) any proceeding, legal or otherwise, which the Beneficiary shall deem necessary to sustain the lien of this Deed of Trust or its priority. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 8. Insurance and Taxes. Pursuant to the Agreement, the County will obtain and maintain certain insurance and will pay all lawful taxes, assessments and charges, if any, at any time levied or assessed upon or against the Mortgaged Property or any part thereof; provided, however, that nothing contained in this Deed of Trust shall require the maintenance of insurance or the payment of any such taxes, assessments or charges if the same are not required to be paid under the Agreement. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 hereof.

Section 9. No Assignment or Encumbrance of the Mortgaged Property. Except as permitted by the Agreement and this Deed of Trust, the County shall not sell, transfer, exchange, lease, mortgage, encumber, pledge, assign or otherwise dispose of the Mortgaged Property or any interest therein or part thereof without the prior written consent of the Beneficiary. Any such disposition or encumbrance of the Mortgaged Property or any interest therein or any part thereof other than Permitted Encumbrances without such prior written consent shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default.
Section 10. **Advances by Beneficiary.** The Beneficiary is authorized, but is not required to, for the account of the County, to make any required payments under any lien prior hereto or under this Deed of Trust, the non-payment of which would constitute a default, including but not limited to principal payments, interest payments, premium payments, if any, taxes and insurance premiums. All sums so advanced shall attach to and become part of the debt secured hereby, shall become payable at any time on demand therefor and, from the date of the advance to the date of repayment, any sum so advanced shall bear interest at a rate of five percent (5%) per annum. The failure to make payment on demand shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 hereof.

Section 11. **The Deed of Trust Trustee.** The Deed of Trust Trustee shall be under no duty to take any action hereunder except as expressly required, or to perform any act which would involve him in expense or liability or to institute or defend any suit in respect hereof, unless properly indemnified to his satisfaction by the Beneficiary. All reasonable expenses, charges, counsel fees and other disbursements incurred by the Deed of Trust Trustee in and about the administration and execution of the trusts hereby created, and the performance of its duties and powers hereunder, shall, to the extent permitted by law, be secured by this Deed of Trust prior to the indebtedness represented by the Agreement, and such amounts not paid when due shall, to the extent permitted by law, bear interest at a rate of five percent (5%) per annum. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 hereof.

Section 12. **Security Interest in Fixtures.** **COLLATERAL IS OR INCLUDES FIXTURES.** With respect to any portion of the Mortgaged Property which is or may become fixtures, this Deed of Trust shall constitute a financing statement filed as a fixture filing. The lien upon fixtures granted herein and perfected hereby shall be in addition to and not in lieu of any lien upon fixtures acquired under real property law. The fixtures are located on the land described on Exhibit A, and the County is the record owner of that land. The name and address of the County, as debtor, and the Beneficiary, as secured party, are set forth in Section 16. This Deed of Trust is intended to be a security agreement pursuant to the Uniform Commercial Code, as in effect in the State of North Carolina.

Section 13. **Leases.** The County shall keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on its part to be kept, observed or performed under any leases involving all or any part of the Mortgaged Property, shall require tenants to keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on their part to be kept, observed or performed under any such leases and shall not suffer or permit any breach or default to occur with respect to the foregoing. In the event of a default by the County under any lease involving all or any part of the Mortgaged Property, the Beneficiary shall have the right to perform or to require performance of any such covenants, agreements, terms, conditions or provisions of such leases, and to add any expense incurred in connection therewith to the debt secured hereby. Any such expense incurred by the Beneficiary shall be immediately due and payable. If the County shall fail to make any payment required to be made by the
foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 hereof.

Section 14. Additional Documents. The County agrees to execute and deliver to the Beneficiary, concurrently with the execution of this Deed of Trust and upon the request of the Beneficiary from time to time hereafter, all financing statements and other documents reasonably required to perfect and maintain the lien or security interest created hereby. For the period in which the indebtedness of the County to the Beneficiary remains unpaid, the County hereby irrevocably makes, constitutes and appoints the Beneficiary as the true and lawful attorney in fact of the County, to the extent permitted by law, to sign the name of the County on any financing statement, continuation of financing statement or similar document required to perfect or continue such security interests.

Section 15. Environmental Issues. The County for itself, its successors and assigns represents, warrants and agrees that, except as disclosed in writing to the Beneficiary by the County, (a) neither the County nor, to the best of the County’s knowledge, any other person has improperly used or installed any Hazardous Material (as hereinafter defined) on the Mortgaged Property or received any notice from any governmental agency, entity or other person with regard to Hazardous Materials on, from or affecting the Mortgaged Property; (b) neither the County nor, to the best of the County’s knowledge, any other person has violated any applicable Environmental Laws (as hereinafter defined) relating to or affecting the Mortgaged Property; (c) to the best of the County’s knowledge, the Mortgaged Property is presently in compliance with all Environmental Laws and there are no circumstances presently existing upon or under the Mortgaged Property, or relating to the Mortgaged Property which may violate any applicable Environmental Laws, and there is not now pending, or threatened, any action, suit, investigation or proceeding against the County relating to the Mortgaged Property (or against any other party relating to the Mortgaged Property) seeking to enforce any right or remedy under any of the Environmental Laws; (d) the Mortgaged Property shall be used to generate, manufacture, refine, transport, treat, store, handle, dispose, produce or process Hazardous Materials only in accordance with all applicable Environmental Laws; (e) the County shall not cause nor permit the improper installation of Hazardous Materials in the Mortgaged Property nor a release of Hazardous Materials on the Mortgaged Property; (f) the County shall at all times comply with and ensure compliance by all other parties with all applicable Environmental Laws relating to or affecting the Mortgaged Property and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to any applicable Environmental Laws; (g) the County has obtained and will at all times continue to obtain and/or maintain all licenses, permits, and/or other governmental or regulatory actions necessary to comply with Environmental Laws with respect to the Mortgaged Property (the “Permits”), and the County is in full compliance with the terms and provisions of the Permits and will continue to comply with the terms and provisions of the Permits; (h) the County shall immediately give the Beneficiary oral and written notice in the event that the County receives any notice from any governmental agency, entity, or any other party with regard to Hazardous Materials on, from or affecting the Mortgaged Property and shall conduct and complete all investigations, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Mortgaged Property in accordance with all applicable Environmental Laws. To the extent permitted by law, the County hereby agrees to defend and indemnify the Deed of Trust Trustee and the Beneficiary and hold them harmless from and against any and all losses, liabilities,
damages, injuries (including, without limitation, attorneys’ fees) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against the Deed of Trust Trustee or the Beneficiary for, with respect to, or as a direct or indirect result of (a) the presence on, or under, or the escape, spillage, emission or release from the Mortgaged Property of any Hazardous Material regardless of whether or not caused by or within the control of the County, (b) the violation of any Environmental Laws relating to or affecting the Mortgaged Property, whether or not caused by or within the control of the County, (c) the failure by the County to comply fully with the terms and provisions of this paragraph, or (d) any warranty or representation made by the County in this paragraph being false or untrue in any material respect. In the event that the Beneficiary elects to control, operate, sell or otherwise claim property rights in the Mortgaged Property, the County shall deliver the Mortgaged Property free of any and all Hazardous Materials so that the conditions of the Mortgaged Property shall conform with all applicable Environmental Laws. Prior to any such delivery of the Mortgaged Property, the County shall pay to the Beneficiary from its own funds any amounts required to be paid under the indemnification provisions set forth above. For purposes of this Deed of Trust, “Hazardous Material” means and includes petroleum products, any flammable explosives, radioactive materials, hazardous materials, asbestos or any material containing asbestos, and/or any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Environmental Laws. For the purposes of this Deed of Trust, “Environmental Laws” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Oil Pollution Act of 1990, the Emergency Planning and Right-to-Know Act, the Clean Water Act, the Clean Air Act, the Toxic Substance Control Act, the Resource Conservation and Recovery Act, any “Super Fund” or “Super Lien” law (including in all cases any regulations promulgated thereunder), or any other federal, state, or local law, regulation or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials, as may now or at any time hereafter be in effect. The obligations and liabilities of the County under this paragraph shall survive the foreclosure of the Deed of Trust, the delivery of a deed in lieu of foreclosure, and the cancellation of this Deed of Trust; or if otherwise expressly permitted in writing by the Beneficiary, the sale or alienation of any part of the Mortgaged Property.

Section 16. Miscellaneous. (a) Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and, unless otherwise provided herein, shall be deemed to have been given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: (a) if to the County, at County of Lee, 408 Summit Drive (27330), Post Office Box 1968, Sanford, North Carolina 27331-1968, Attention: Assistant County Manager/Finance Director; (b) if to the Beneficiary, to JPMorgan Chase Bank, N.A., 4350 Congress Street, Charlotte, North Carolina 28209, Attention: Jeremy E. Fisher, Vice President; and (c) if to the Deed of Trust Trustee, to JP Morgan Chase, 450 S. Orange Avenue, Floor 10, Orlando, Florida 32801, Attention: Jackie Young.

The County, the Deed of Trust Trustee and the Beneficiary may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same shall be directed.
(b) **Substitution of Deed of Trust Trustee.** The County and the Deed of Trust Trustee covenant and agree to and with the Beneficiary that in case the Deed of Trust Trustee, or any successor trustee, shall die, become incapable of acting, renounce his trust, or for any reason the Beneficiary desires to replace the Deed of Trust Trustee, then the Beneficiary may appoint, in writing, a trustee to take the place of the Deed of Trust Trustee; and upon the probate and registration of the same, the trustee thus appointed shall succeed to all rights, powers and duties of the Deed of Trust Trustee. This granting of power to the Beneficiary is coupled with an interest and is irrevocable.

(c) **Successors and Assigns.** This Deed of Trust shall inure to the benefit of and be enforceable by the Deed of Trust Trustee and the Beneficiary and their respective successors and assigns.

(d) **Amendments and Supplements.** This Deed of Trust may be amended and supplemented only as provided in the Agreement.

(e) **Applicable Law.** This Deed of Trust shall be governed by and construed in accordance with the laws of the State of North Carolina.

(f) **Execution in Counterparts.** This Deed of Trust may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(g) **Severability.** In the event any term, provision or covenant herein contained or the application thereof to any circumstances or situation shall be invalid or unenforceable in whole or in part, the remainder hereof and the application of said term or provision or covenant to any other circumstances or situation shall not be affected thereby, and every other term, provision or covenant herein shall be valid and enforceable to the full extent permitted by law.

(signatures to follow)
IN WITNESS WHEREOF, the County has caused this Deed of Trust to be executed in its name by its duly authorized representatives all as of the date first above written.

COUNTY OF LEE, NORTH CAROLINA

[SEAL]

By: ________________________________

Chair of the Board of Commissioners

Attest:

______________________________
Clerk to the Board of Commissioners

ACKNOWLEDGEMENT FOR COUNTY

STATE OF NORTH CAROLINA

COUNTY OF LEE

This ____ day of June, 2020, personally came before me, a Notary Public in and for the said County and State, Jennifer Gamble, who, being by me duly sworn, says that she is the Clerk to the Board of Commissioners for the County of Lee, North Carolina, a body corporate and politic duly organized and validly existing under the Constitution and laws of the State of North Carolina and acting through its Board of Commissioners, and by authority duly given and as the act of said County, the foregoing instrument was signed in its name by Amy Dalrymple, Chair of the Board of Commissioners for said County, sealed with its seal, and attested by herself as the Clerk to said Board of Commissioners.

WITNESS my hand and notarial seal this ____ day of June, 2020.

(SEAL)

______________________________
Notary Public

Printed Name: ________________________________

My commission expires:

______________________________
LEGAL DESCRIPTION OF MORTGAGED PROPERTY

[To be inserted]
INSTALLMENT FINANCING AGREEMENT

Dated as of June 5, 2020

between

COUNTY OF LEE, NORTH CAROLINA

and

JPMORGAN CHASE BANK, N.A.
TABLE OF CONTENTS

ARTICLE I
DEFINITIONS AND EXHIBITS

SECTION 1.1. Definitions and Rules of Construction
SECTION 1.2. Exhibits

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COUNTY AND THE LENDER

SECTION 2.1. Representations and Warranties of the County
SECTION 2.2. Representations and Warranties of the Lender

ARTICLE III
ADVANCEMENT; ACQUISITION, CONSTRUCTION AND EQUIPPING OF PROJECT

SECTION 3.1. Advancement; Conditions for Advancement
SECTION 3.2. Acquisition, Construction and Equipping of Project
SECTION 3.3. Investment
SECTION 3.4. Disbursements from Project Account
SECTION 3.5. Disclaimer of the Lender

ARTICLE IV
REPAYMENT OF THE ADVANCEMENT; SECURITY FOR REPAYMENT

SECTION 4.1. Repayment of the Advancement
SECTION 4.2. Budget and Appropriation
SECTION 4.3. Deed of Trust
SECTION 4.4. No Set-Off; Recoupment, Etc

ARTICLE V
INSURANCE

SECTION 5.1. Comprehensive General Liability
SECTION 5.2. Workers’ Compensation
SECTION 5.3. Casualty and Flood Insurance
ARTICLE VI

DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

SECTION 6.1. Obligation of the County to Repair and Replace the Mortgaged Property

SECTION 6.2. Insufficiency of Net Proceeds; Discharge of the Obligation of the County to Repair the Mortgaged Property

SECTION 6.3. Cooperation of the Parties

ARTICLE VII

COVENANTS OF THE COUNTY

SECTION 7.1. Installation of Additional Improvements

SECTION 7.2. Access to the Mortgaged Property

SECTION 7.3. Maintenance, Utilities, Taxes and Assessments

SECTION 7.4. Modification of the Mortgaged Property

SECTION 7.5. Encumbrances

SECTION 7.6. Indemnification of the Lender

SECTION 7.7. Financial Information

SECTION 7.8. Tax Covenant

SECTION 7.9. Further Assurances

SECTION 7.10. Filing of Agreement

ARTICLE VIII

ASSIGNMENT AND LEASING

SECTION 8.1. Assignment by the Lender

SECTION 8.2. Assignment and Leasing by the County

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined

SECTION 9.2. Remedies on Default

SECTION 9.3. No Remedy Exclusive

SECTION 9.4. Agreement to Pay Attorneys’ Fees and Expenses

SECTION 9.5. No Additional Waiver Implied by One Waiver
ARTICLE X

PREPAYMENT OF INSTALLMENT PAYMENTS

SECTION 10.1. No Prepayment of Installment Payments
SECTION 10.2. Defeasance and Release of Mortgaged Property

ARTICLE XI

MISCELLANEOUS

SECTION 11.1. Notices
SECTION 11.2. Binding Effect
SECTION 11.3. Severability
SECTION 11.4. Execution in Counterparts
SECTION 11.5. Commitment Letter
SECTION 11.6. Applicable Law
SECTION 11.7. Waiver of Jury Trial
SECTION 11.8. E-Verify

EXHIBIT A Installment Payment Schedule
This INSTALLMENT FINANCING AGREEMENT, dated as of June 5, 2020 (the “Agreement”), between COUNTY OF LEE, NORTH CAROLINA, a body corporate and politic duly organized and validly existing under the laws of the State of North Carolina (the “County”), and JPMorgan Chase Bank, N.A., a national banking association duly organized and validly existing under the laws of the United States of America (the “Lender”);

WITNESSETH:

WHEREAS, the County is a body corporate and politic duly organized and validly existing under and by virtue of the Constitution and laws of the State of North Carolina;

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, the County may finance the acquisition of property and the construction of fixtures or improvements on real property by contracts that create in the fixtures or improvements, or in all or some portion of the property upon which the fixtures or improvements are located, or in both, a security interest to secure repayment of the moneys advanced or made available for construction;

WHEREAS, after a public hearing and due consideration, the Board of Commissioners for the County has determined to (a) finance the cost of (i) acquiring and improving certain land to be used for economic development purposes, (ii) renovating the County’s Government Center and (iii) renovating and expanding the County Courthouse (collectively, the “Project”) and (b) pay the financing costs associated herewith;

WHEREAS, the County will repay the amount advanced to the County under this Agreement with interest in installments pursuant to the terms of this Agreement;

WHEREAS, as security for the performance of its obligation under this Agreement, including the payment of the Installment Payments (hereinafter defined), the County will execute and deliver a Deed of Trust, dated as of June 5, 2020 (the “Deed of Trust”), to the trustee named therein for the benefit of the Lender, pursuant to which the County will grant a lien on the Mortgaged Property (hereafter defined);

WHEREAS, the Lender is willing to advance moneys to the County for the purposes described above, and the County is willing to repay the moneys so advanced by the Lender in installments as more fully provided herein; and

WHEREAS, the County and the Lender have each duly authorized the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:
ARTICLE I
DEFINITIONS AND EXHIBITS

SECTION 1.1. Definitions and Rules of Construction. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The words “hereby”, “herein”, “hereof”, “hereto”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof. All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement unless some other reference is indicated.


“Advancement” means the advance being made by the Lender to the County pursuant to Section 3.1 of this Agreement.

“Agreement” means this Installment Financing Agreement, including any amendment or supplement hereto as permitted hereby.

“Board of Commissioners” means the Board of Commissioners for the County.

“County” means the County of Lee, North Carolina, a body corporate and politic duly organized and validly existing under and by virtue of the Constitution and laws of the State of North Carolina, and any successor entity.

“Closing Costs” means and further includes all items of expense directly or indirectly payable by or reimbursable to the County relating to the execution and delivery of this Agreement and the financing of the Project, including, but not limited to, filing and recording costs, settlement costs, word processing costs, reproduction and binding costs, legal fees (including legal fees of counsel to the Lender) and charges and financing and other professional consultant fees.

“Closing Date” means June 5, 2020, on which date the Lender will make the Advancement to the County, subject to the terms and conditions set forth in Section 3.1(b).

“Deed of Trust” means the Deed of Trust, dated as of June 5, 2020, from the County to the Deed of Trust Trustee for the benefit of the Lender, securing the payment of the Installment Payments and the performance by the County of its other obligations specified hereunder and thereunder, as the same may be supplemented and amended from time to time.

“Deed of Trust Trustee” means the person or other entity at the time serving as trustee under the Deed of Trust.

“Determination of Taxability” means and shall be deemed to have occurred on the date when (a) the County shall receive notice from the Lender that the Internal Revenue Service has assessed as includable in gross income the interest component of the Installment Payments made
by the County under this Agreement and such assessment is due to the occurrence of an Event of Taxability or (b) the County or the Lender shall receive notice from the Internal Revenue Service that the interest component of the Installment Payments made by the County under this Agreement is includable in the gross income of the Lender for federal income tax purposes and such determination is due to the occurrence of an Event of Taxability.

“Enforcement Limitation” means the provisions of the Act that provide that no deficiency judgment may be rendered against the County in any action for breach of a contractual obligation incurred under the Act and that the taxing power of the County is not and may not be pledged directly or indirectly to secure any moneys due under this Agreement.

“Event of Nonappropriation” means (a) the failure by the Board of Commissioners to budget and appropriate in its budget for the ensuing Fiscal Year adopted on or about June 30 of each year moneys sufficient to pay all Installment Payments and any reasonably estimated additional payments under this Agreement coming due in the next ensuing Fiscal Year or (b) the Board of Commissioners’ deletion from its duly adopted budget of any appropriation for the purposes specified in clause (a). In the event that during any Fiscal Year, any additional payments shall become due that were not included in the County’s current budget, and if there are no moneys available to pay such additional payments prior to the date upon which such additional payments are due, an Event of Nonappropriation shall be deemed to have occurred.

“Event of Taxability” means the occurrence or existence of any fact, event or circumstance caused by the failure of the County to comply with any covenants in this Agreement or any document or certificate executed by the County in connection with the transactions contemplated by this Agreement which has the effect of causing the interest component of the Installment Payments under this Agreement to be includable in the gross income of the Lender for federal income tax purposes.

“Fiscal Year” means the period beginning on July 1 of any year and ending on June 30 of the following year.

“Inclusion Date” means the effective date that the interest component of the Installment Payments made by the County under this Agreement is includable in the gross income of the Lender as a result of a Determination of Taxability.

“Installment Payment Date” means each of the dates set forth on the Installment Payment Schedule attached hereto as Exhibit A.

“Installment Payments” means the payments required to be paid by the County pursuant to Section 4.1 in order to repay the Advancement, as specified in Exhibit A.

“Installment Payment Schedule” means the schedule of the Installment Payments set forth in Exhibit A attached hereto, as it may be amended or substituted from time to time as contemplated by this Agreement.

“Investment Obligation” means any security or investment authorized by Section 159-30 of the General Statutes of North Carolina, as may be amended from time to time, or any substitute or successor statute.
“Lender” means JPMorgan Chase Bank, N.A. a national banking association duly organized and validly existing under the laws of the United States of America, and any successor thereto or, in the event the rights of such entity are assigned to an assignee pursuant to the terms of this Agreement, such assignee.

“LGC” means the Local Government Commission, a division of the Department of the State Treasurer of the State, or any successor thereto.

“Mortgaged Property” means the property subject to the lien of the Deed of Trust, consisting of the Site, together with all of the buildings, improvements and fixtures located or to be located thereon.

“Net Proceeds” means any proceeds of insurance or taking by eminent domain or condemnation paid with respect to the Mortgaged Property remaining after payment therefrom of any expenses (including attorneys’ fees) incurred in the collection thereof.

“Permitted Encumbrances” means and includes (a) liens for taxes, assessments and other governmental charges due but not yet payable; (b) landlord’s, warehouseman’s, carrier’s, worker’s, vendor’s, mechanic’s and materialmen’s liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than sixty (60) days from the filing thereof; (c) attachments remaining undischarged for not longer than sixty (60) days from the making thereof; (d) liens in respect of pledges or deposits under workers’ compensation laws, unemployment insurance or similar legislation and in respect of pledges or deposits to secure bids, tenders, contracts (other than contracts for the payment of money), leases or statutory obligations, or in connection with surety, appeal and similar bonds incidental to the conduct of litigation; (e) the lien created by the Deed of Trust and any lease of all or any portion of the Mortgaged Property permitted by Section 8.2; (f) this Agreement; (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which the County certifies in writing to the Lender will not materially impair the use of the Mortgaged Property for its intended purpose or the marketability of the Mortgaged Property; (h) any lien or encumbrance existing on the Mortgaged Property at the time of execution and delivery of this Agreement; and (i) any mortgage or encumbrance on the Mortgaged Property consented to by the Lender pursuant to Section 9 of the Deed of Trust.

“Project” means, collectively, the (i) acquisition and improvement of certain land to be used for economic development purposes, (ii) renovation of the County’s Government Center and (iii) renovation and expansion of the County Courthouse.

“Site” means the real property identified in Exhibit A to the Deed of Trust, such site being the site of the County Government Center constituting a portion of the Project.

“State” means the State of North Carolina.

SECTION 1.2. Exhibits. The following exhibit is attached to, and by reference made a part of, this Agreement:

Exhibit A: Installment Payment Schedule
ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE COUNTY AND THE LENDER

SECTION 2.1. Representations and Warranties of the County. The County represents and warrants to the Lender as follows:

(a) The County is a body corporate and politic duly organized and validly existing under and by virtue of the Constitution and laws of the State.

(b) The Constitution and laws of the State authorize the County to execute and deliver this Agreement and the Deed of Trust and to enter into the transactions contemplated hereby and to carry out its obligations under this Agreement and the Deed of Trust.

(c) The County has duly authorized, executed and delivered this Agreement and the Deed of Trust in accordance with the Constitution and laws of the State.

(d) Neither the execution and delivery of this Agreement or the Deed of Trust, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions or any charter provision, restriction or any agreement or instrument to which the County is now a party or by which the County is bound, or constitutes a default under any of the foregoing.

(e) No approval or consent is required from any governmental authority with respect to the entering into or performance by the County of this Agreement or the Deed of Trust or the transactions contemplated hereby or thereby, or if such approval is required, it has been duly obtained.

(f) Assuming due authorization, execution and delivery of this Agreement by the Lender, this Agreement and the Deed of Trust constitute valid, legal and binding obligations of the County, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by general principles of equity or by bankruptcy, insolvency and other laws affecting the enforcement of creditors’ rights generally and as those other laws may be further limited by the Enforcement Limitation.

(g) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the County challenging the validity or enforceability of this Agreement or the Deed of Trust or the performance of the County’s obligations hereunder and thereunder or that, if determined adversely to the County, would cause a material adverse change in the business condition, operations or financial condition of the County.

(h) The audited financial reports of the County for the fiscal year ended June 30, 2019 provided to the Lender present fairly the financial position of the County for the period specified, and the audited financial reports and statements for the fiscal year ended June 30, 2019 have been prepared in conformity with generally accepted accounting principles consistently applied
in all material respects to the period involved, except as otherwise stated in the notes thereto. Except as otherwise disclosed to the Lender in writing, since June 30, 2019, there has been no material adverse change in the general affairs, financial position, results of operations or condition, financial or otherwise, of the County, and the County has not incurred any liabilities that would materially affect the ability of the County to discharge its obligations under this Agreement or the Deed of Trust. Any reports, financial statements or other information furnished to the Lender or its counsel by or on behalf of the County to the Lender in connection with this Agreement were, at the time the same were so furnished, true and correct in all material respects.

(i) The County has obtained or caused to be obtained all licenses, permits and other approvals of any other governmental entity having jurisdiction over the County or the Mortgaged Property that are necessary for operation of the Mortgaged Property as currently being operated.

(j) The County acknowledges and agrees that this transaction is an arm’s length commercial transaction between the County and the Lender and its affiliates, (ii) in connection with such transaction, the Lender and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a “Municipal Advisor” as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the “Municipal Advisor Rules”), agent or a fiduciary of the County, (iii) the Lender and its affiliates are relying on the bank exemption in the Municipal Advisor Rules, (iv) the Lender and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the County with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Lender or any affiliate of the Lender, has provided other services or advised, or is currently providing other services or advising the County on other matters), (v) the Lender and its affiliates have financial and other interests that differ from those of the County, and (vi) the County has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

(k) The County shall not (i) request the assignment of a rating on this Agreement by any municipal securities rating agency, (ii) register this Agreement with The Depositary Trust Company or any other securities depository, (iii) offer this Agreement pursuant to any type of offering document or official statement or (iv) request the assignment of a CUSIP number by Standard & Poor's CUSIP Service unless otherwise required by applicable law.

(m) The County is not in violation of any laws or regulations relating to terrorism or money laundering (“Anti-Terrorism Laws”), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “Executive Order”), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001) (the “Patriot Act”). Specifically, the County (i) is not an entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) is not an entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) is not an entity with which the Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; (iv) is not an entity that commits, threatens or conspires to commit or supports
“terrorism” as defined in the Executive Order; or (v) is not an entity that is named as a “specially designated national and blocked person” on the most current list published by the Office of Foreign Asset Control (“OFAC”) or any list of persons or entities issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list. The County does not and will not conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any blocked or prohibited person or entity described in the preceding sentence or deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or engage in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law or the Patriot Act.

SECTION 2.2. Representations and Warranties of the Lender. The Lender represents and warrants to the County as follows:

(a) The Lender is authorized to transact business in the State and has the power and authority to enter into this Agreement.

(b) Neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of the organizational documents of the Lender or any restriction or any agreement or instrument to which the Lender is now a party or by which the Lender is bound.

(c) The Lender (i) is familiar with the County; (ii) has been furnished certain financial information about the County; (iii) acknowledges that the County has made available to it the opportunity to obtain additional information to verify the accuracy of the information supplied and to evaluate the merits and risks of entering into this Agreement; (iv) has had the opportunity to ask questions of and receive answers from the County representatives, including officers, attorneys, advisors and accountants, concerning the terms of this Agreement, the information supplied to it and the County’s condition, financial and otherwise; and (v) acknowledges that the County has been responsive to all of its requests for information.

(d) The Lender is capable of evaluating the merits and risks of entering into this Agreement and has agreed to enter into this Agreement although no formal offering material has been provided to it.

(e) The Lender has undertaken to discuss and investigate the form and substance of this Agreement and the transactions related thereto with such counsel and other persons as it has deemed appropriate.

(f) The Lender acknowledges that this Agreement is not registered under the United States Securities Act of 1933, as amended, and that the County is not presently required to register this Agreement under the United States Securities Exchange Act of 1934, as amended. Therefore, if and when the Lender wishes to sell or assign part or all of the Agreement, current financial and other information may not be available. The Lender further realizes that the County may, but is not under any obligation to, provide current financial and other information.
upon the sale or assignment of all or part of the Agreement at some subsequent time, or to pay any costs associated with any such sale or assignment. Further, the Lender understands that it may need to bear the risks of this Agreement for an indefinite period of time, because any sale or assignment of this Agreement may not be possible or, if possible, may be at a price below that which the Lender is entering into this Agreement.

(g) The Lender represents that it is entering into the Agreement for its own account with no present intention to resell or distribute the Agreement or any interest therein; provided, however, that the Lender reserves the right at all times to control the disposition of its assets, including this Agreement. The Lender or its assignees may assign or reassign all or any part of the Agreement in accordance with the provisions of Section 8.1.
ARTICLE III
ADVANCEMENT

SECTION 3.1. Advancement; Conditions for Advancement. (a) In consideration of the covenants, warranties and representations contained herein, and in consideration of the County’s agreement to repay the moneys advanced hereunder with interest thereon, the Lender hereby agrees, subject to the conditions set forth in subsection (b) of this Section, to advance to the County on the Closing Date funds in the aggregate amount of $[8,250,000] (the “Advancement”). On the date of Closing, the proceeds of the Advancement shall be deposited in a separate account established by the County for such purpose (herein referred to as the “Project Account”). Amounts deposited in the Project Account and any investment earnings thereon shall be applied to pay the Closing Costs and the costs of the Project in accordance with the provisions of this Article.

(b) The obligation of the Lender to make the Advancement on the Closing Date is subject to the conditions precedent that the Lender shall have received on or prior to the Closing Date, the items listed below in form and substance satisfactory to the Lender:

   (i) opinion of bond counsel to the County, dated as of the Closing Date and addressed to the Lender, substantially to the effect that the interest component of the Installment Payments is not includable in gross income for purposes of federal income taxation and is exempt from State of North Carolina income taxation;

   (ii) opinion of the County Attorney;

   (iii) certified copy of proceedings of the Board of Commissioners evidencing the holding of a public hearing with respect to this Agreement and the adoption of a resolution authorizing the execution and delivery of this Agreement and the Deed of Trust;

   (iv) incumbency and signature certificate of the County;

   (v) executed copies of the Tax Certificate of the County and Internal Revenue Service Form 8038-G; and

   (vi) such additional certificates (including appropriate incumbency, signature and no-litigation certificates), instruments, opinions or other documents as the Lender may reasonably request.

SECTION 3.2. Acquisition, Construction and Equipping of Project. The County shall enter into, or cause to be entered into, one or more contracts or purchase orders providing for the acquisition, construction and equipping of the Project. The County shall cause the acquisition, construction and equipping of the Project to be carried on expeditiously in accordance with the plans and specifications therefor and in compliance with all applicable ordinances and statutes and requirements of all regularly constituted authorities having jurisdiction over the same. To the extent required by applicable law, the County shall require, or cause to be required, that each
contractor for the Project provide performance and labor and materials payment bonds in an amount not less than the amount of the respective contract. The net proceeds received by the County from any such bond or bonds shall deposited in the Project Account and applied as provided in this Article.

SECTION 3.3. Investment. The County shall invest and reinvest moneys deposited in the Project Account solely in Investment Obligations, and investment earnings on the Project Account shall be retained in the Project Account pending disbursement to pay the Closing Costs and costs of the Project in accordance with Section 3.4. The County shall be solely responsible for ascertaining that all proposed investments and reinvestments of amounts held in the Project Account comply with federal, state and local laws, regulations and ordinances governing investment of such funds. Accordingly, the Lender shall not be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to investment or reinvestment of all or a portion of the moneys held in the Project Account, and the County hereby agrees, to the extent permitted by law, to release and indemnify and hold harmless the Lender from any such liability, cost, expense, loss or claim.

SECTION 3.4. Disbursements from Project Account. The moneys held in the Project Account shall be used solely to pay the Closing Costs and the costs of the Project, and the County shall be obligated to pay all Closing Costs and costs of the Project when the same become due and payable from amounts held in the Project Account. If the moneys held in the Project Account are insufficient to pay all of the Closing Costs and the costs of the Project, the County shall provide any balance of the funds needed to complete the acquisition, construction and equipping of the Project. Any moneys remaining in the Project Account after completion of the acquisition, construction and equipping of the Project may be applied to the next succeeding Installment Payments until such time as such moneys are fully expended.

SECTION 3.5. Disclaimer of the Lender. The County acknowledges and agrees that the Lender (a) has not made any recommendation, given any advice nor taken any other action with respect to (i) the acquisition, construction or equipping of the Project or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Project or any component part thereof or any property or rights relating thereto at any stage of the acquisition thereof, (b) has not at any time had physical possession of the Project or any component part thereof or made any inspection thereof or any property or rights relating thereto, and (c) has not made any warranty or other representation, express or implied, that the Project or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly used, or will accomplish the results which the County intends therefor, or (iii) is safe in any manner or respect.

THE LENDER MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE PROJECT OR ANY COMPONENT PART THEREOF TO THE COUNTY OR ANY OTHER CIRCUMSTANCE WHATSOEVER WITH RESPECT THERETO, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE; COMPLIANCE THEREOF WITH THE REQUIREMENTS OF ANY LAW,
RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; ANY LATENT DEFECT; THE TITLE TO OR INTEREST OF THE LENDER THEREIN BEYOND THAT TITLE OR INTEREST WHICH THE LENDER OBTAINS FROM THE COUNTY PURSUANT HERETO; THE ABILITY THEREOF TO PERFORM ANY FUNCTION; THAT THE PROCEEDS DERIVED FROM THE ADVANCEMENT WILL BE SUFFICIENT, TOGETHER WITH ANY OTHER AVAILABLE FUNDS OF THE COUNTY, TO PAY THE COSTS OF THE PROJECT; OR ANY OTHER CHARACTERISTICS OF THE PROJECT, IT BEING AGREED THAT ALL RISKS RELATING TO THE PROJECT OR THE TRANSACTIONS CONTEMPLATED HEREBY ARE TO BE BORNE BY THE COUNTY, AND THE BENEFITS OF ANY AND ALL IMPLIED WARRANTIES AND REPRESENTATIONS OF THE LENDER ARE HEREBY WAIVED BY THE COUNTY.
ARTICLE IV

REPAYMENT OF THE ADVANCEMENT; SECURITY FOR REPAYMENT

SECTION 4.1. Repayment of the Advancement. (a) The County shall repay the Advancement, with interest computed at a rate equal to 1.03% per annum, in installments due at the times and in the amounts set forth in Exhibit A attached hereto and made a part hereof.

(b) All payments required to be made to the Lender hereunder shall be made to JPMorgan Chase Bank, N.A. in accordance with wire instructions provided by the Lender or as may otherwise be directed by the Lender.

(c) In the event of a Determination of Taxability, the interest rate relating to the Advancement payable under this Agreement, from and after the Inclusion Date, shall be adjusted to preserve the Lender’s after-tax economic yield with respect to the interest components of the Installment Payments relating to the Advancement. In addition, the County shall pay to the Lender (i) an amount necessary to reimburse the Lender for any interest, penalties, or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of the Lender’s failure to include the interest portion of the Installment Payments relating to the Advancement in its gross income for income tax purposes, and (ii) upon request of the Lender, additional interest as a result of the increase in the interest rate on all previous payments made by the County after the Inclusion Date. In the event of a Determination of Taxability, the Lender shall provide the County with a new Installment Payment Schedule which reflects the new interest rate which will replace the Installment Payment Schedule set forth in Exhibit A.

(d) The County represents that (i) it is a governmental unit with general taxing powers, (ii) the obligations represented by this Agreement do not constitute private activity bonds within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”), (iii) 95% or more of the net proceeds advance to the County under this Agreement are to be used for local governmental activities of the County and (iv) the aggregate face amount of all tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds, as defined in the Code) issued by the County (and all subordinate entities thereof) during calendar year 2020 does not, and will not, exceed $10,000,000. The County also represents that it has designated each of the Installment Payments under this Agreement as a “qualified tax-exempt obligation” for the purposes of the Code. In the event the County breaches either of these representations, the interest rate payable under this Agreement shall be adjusted to preserve the Lender’s after-tax economic yield with respect to the interest component of the Installment Payments, taking into account any interest expense deductions lost by the Lender as a direct or indirect result of the County’s actions. In addition, the County shall pay to the Lender (i) an amount necessary to reimburse the Lender for any interest, penalties, or other charges assessed by the Internal Revenue Service and the Department of Revenue by reason of such loss of bank qualification, and (ii) upon request of the Lender, additional interest as a result of the increase in the interest rate on all previous payments made by the County since the effective date of the loss of such interest expense deductions. In such event, the Lender shall provide the County with a new Installment Payment Schedule which reflects the new interest rate which will replace the Installment Payment Schedule set forth in Exhibit A.
(e) The County agrees to give prompt written notice to the Lender upon the County’s receipt of any notice or information from any source whatsoever to the effect that an Event of Taxability, a Determination of Taxability or any event affecting the bank-qualified status of the Agreement shall have occurred.

SECTION 4.2. Budget and Appropriation. (a) The officer of the County at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the Board of Commissioners in any Fiscal Year in which this Agreement shall be in effect, items for all Installment Payments and any additional payments required for such Fiscal Year under this Agreement or the Deed of Trust. Any budget item referred to in this Section shall be deleted from the applicable budget by the Board of Commissioners only by the adoption of a resolution to such effect containing a statement of its reasons therefor, which resolution shall be adopted by roll-call vote and shall be spread upon the minutes of the Board of Commissioners. The County shall furnish the Lender with copies of its annual budget promptly after its adoption and copies of any amended budget affecting appropriations for Installment Payments or additional payments required under this Agreement or the Deed of Trust. The County shall promptly provide written notice to the Lender of any Event of Nonappropriation.

(b) NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE COUNTY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE. THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE COUNTY FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT IS IN EFFECT; PROVIDED, HOWEVER, THAT ANY FAILURE OR REFUSAL BY THE COUNTY TO APPROPRIATE FUNDS WHICH RESULTS IN THE FAILURE BY THE COUNTY TO MAKE ANY PAYMENT COMING DUE HEREUNDER WILL IN NO WAY OBVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE COUNTY IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS AGREEMENT, AND THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS AGREEMENT.

No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the County’s moneys, nor shall any provision of this Agreement restrict the future issuance of any of the County’s bonds or moneys. To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

SECTION 4.3. Deed of Trust. In order to secure its obligations under this Agreement, including its obligation to make the Installment Payments hereunder, the County will execute and deliver the Deed of Trust simultaneously with the execution and delivery of this Agreement.
SECTION 4.4. No Set-Off; Recoupment, Etc. Subject to Section 4.2 and the Enforcement Limitation, the obligation of the County to make the Installment Payments hereunder and to perform and observe the other covenants of this Agreement shall be absolute and unconditional, and the County will pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, including, without limitation, any defense, set-off, recoupment or counterclaim that the County may have against the Lender.
ARTICLE V

INSURANCE

SECTION 5.1. Comprehensive General Liability. The County shall maintain or cause to be maintained throughout the term of this Agreement, a comprehensive general liability policy or policies in protection of the County, its officers, agents and employees. Said policy shall cover such losses and be for such amounts and shall have such deductible amounts as shall be satisfactory to the Board of Commissioners and, in the judgment of the Board of Commissioners, shall protect the County against losses not protected under the principles of sovereign immunity. The net proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

SECTION 5.2. Workers’ Compensation. The County shall maintain workers’ compensation insurance issued by a responsible carrier authorized under the laws of the State to insure its employees against liability for compensation under the laws now in force in the State, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof. The proceeds of such workers’ compensation insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

SECTION 5.3. Casualty and Flood Insurance. (a) The County shall procure and maintain, or cause to be procured and maintained, throughout the term of this Agreement, insurance against loss or damage to any portion of the Mortgaged Property by fire and lightning, with extended coverage, and vandalism, theft and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance policies shall name the Lender as mortgagee and loss payee.

(b) If any buildings, fixtures or other improvements are located on any portion of the Mortgaged Property that is located in a special flood hazard area according to the Federal Emergency Management Agency (“FEMA”), then the County must maintain a flood insurance policy on the Mortgaged Property. If at any time during the term of the Agreement, such portion of the Mortgaged Property is classified by FEMA as being located in a special flood hazard area, flood insurance will be mandatory. Should this occur, federal law requires the Lender to notify the County of the reclassification. If, within forty-five (45) days of receipt of notification from the Lender that any portion of the Mortgaged Property has been reclassified by the FEMA as being located in a special flood hazard area, the County has not provided sufficient evidence of flood insurance, the Lender is mandated under federal law to purchase flood insurance on behalf of the County, and any amounts so expended shall immediately become debts of the County, shall bear interest at the rate specified in this Agreement, and payment thereof shall be secured by the Deed of Trust.

(c) Such insurance required by this Section shall be in an amount equal to 100% of the replacement cost of the Mortgaged Property (except that such insurance may be subject to a reasonable and customary deductible clause for any one loss).
(d) The Net Proceeds of such insurance required by this Section shall be applied as provided in Section 6.1 or Section 6.2.

SECTION 5.4. General Insurance Provisions. (a) The County shall pay or cause to be paid when due the premiums for all insurance policies required by this Agreement.

(b) All insurance policies required by this Article shall be issued by a responsible carrier authorized to do business under the laws of the State.

(c) The Lender shall not be responsible for the sufficiency or adequacy of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Lender.

(d) In lieu of obtaining the policies of insurance required by Section 5.1, Section 5.2 and Section 5.3(a), the County may adopt alternative risk management programs which the County determines to be reasonable, including, without limitation, to self-insure in whole or in part, individually or in connection with other units of local government or other institutions, to participate in programs of captive insurance companies, to participate with other units of local government or other institutions in mutual or other cooperative insurance or other risk management programs, to participate in State or federal insurance programs, to take advantage of State or federal laws now or hereafter in existence limiting liability, or to establish or participate in other alternative risk management programs, all as may be reasonable and appropriate risk management by the County.

(e) The insurance coverage required under Section 5.3 may be maintained under a blanket policy covering other properties of the County.

(f) The County shall cause to be delivered to the Lender annually a certificate stating that the insurance policies or alternative risk management programs required or permitted by this Agreement are in full force and effect.

(g) The Lender and the County shall cooperate fully with each other in filing any proof of loss with respect to any insurance policy maintained pursuant to this Article and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any portion thereof.
ARTICLE VI

DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

SECTION 6.1. Obligation of the County to Repair and Replace the Mortgaged Property. All Net Proceeds shall be applied to the prompt repair, restoration or replacement of the Mortgaged Property or to the payment or prepayment of the Installment Payments in accordance with Section 6.2(b). Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be the property of the County, subject to the Deed of Trust and Permitted Encumbrances, and shall be included as part of the Mortgaged Property under this Agreement.

SECTION 6.2. Insufficiency of Net Proceeds; Discharge of the Obligation of the County to Repair the Mortgaged Property. (a) If the Net Proceeds shall be insufficient to pay in full the cost of repair, restoration or replacement of the Mortgaged Property, the County may elect to complete the work and pay any cost in excess of the amount of the Net Proceeds, and the County agrees that, if by reason of any such insufficiency of the Net Proceeds, the County shall make any payments pursuant to the provisions of this subsection (a), the County shall not be entitled to any reimbursement therefor from the Lender, nor shall the County be entitled to any diminution of the Installment Payments payable under Section 4.1.

(b) If the County elects not to apply the Net Proceeds to the repair, restoration or replacement of the Mortgaged Property, the County may apply the Net Proceeds of such insurance policies, together with any other funds available to the County, to the payment of the next scheduled Installment Payments until such time as all such Net Proceeds are exhausted or until all Installment Payments are paid in full. In the event the amount of such Net Proceeds exceeds the amount necessary to pay all of the remaining Installment Payments, such excess shall be paid to or retained by the County.

(c) Within 90 days following the receipt of Net Proceeds, unless a further extension is approved by the Lender, the County shall commence the repair, restoration or replacement of the Mortgaged Property, or shall elect, by written notice to the Lender, to apply the Net Proceeds to the payment of the Installment Payments as provided in subsection (b) of this Section. For purposes of this subsection, “commence” shall include the retention of an architect, engineer or contractor in anticipation of the repair, restoration, modification, improvement or replacement of the Mortgaged Property. In the event that the County shall, after commencing the repair, restoration, modification, improvement or replacement of the Mortgaged Property, determine that the Net Proceeds (plus any amount withheld therefrom by reason of any deductible clause) shall be insufficient for the accomplishment thereof, the County may elect to apply the Net Proceeds to the payment of the Installment Payments as provided in this Section.

SECTION 6.3. Cooperation of the Parties. The County and the Lender shall cooperate fully with each other in insurance investigations, in filing any proof of loss with respect to any insurance policy covering the events specified in Sections 5.3, and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any portion thereof. In no event shall the Lender or the County voluntarily settle, or consent
to the settlement of, any proceeding arising out of any insurance claim or condemnation proceeding with respect to the Mortgaged Property without the written consent of the other.
ARTICLE VII

COVENANTS OF THE COUNTY

SECTION 7.1. Installation of Additional Improvements. The County may at any time and from time to time, in the sole discretion of the County, and at its own expense, construct real property improvements and install items of equipment or other personal property in or upon any portion of the Mortgaged Property that does not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property; provided, however, that the County shall repair and restore any and all damage resulting from the construction, installation, modification or removal of any such items. All such items provided by the County constituting improvements to the Mortgaged Property or fixtures shall be subject to the lien of the Deed of Trust.

SECTION 7.2. Access to the Mortgaged Property. The County agrees that the Lender and its agents and employees, shall have the right, at all reasonable times during normal business hours of the County upon the furnishing of reasonable notice to the County under the circumstances, and subject to such safety restrictions or requirements that the County may deem appropriate to enter upon the Mortgaged Property or any portion thereof to examine and inspect the same. The County further agrees that the Lender and the Lender’s successors, assigns or designees shall have such rights of access to the Mortgaged Property as may be reasonably necessary to cause the proper maintenance of the Mortgaged Property in the event of failure by the County to perform its obligations hereunder. No right of inspection shall be deemed to impose on the Lender any duty or obligation whatsoever to undertake any inspection, and no inspection made by the Lender shall be deemed to impose upon the Lender any duty or obligation to identify any defects in the Mortgaged Property or to notify any person with respect thereto.

SECTION 7.3. Maintenance, Utilities, Taxes and Assessments. (a) Subject to the Enforcement Limitation, the County shall provide for the repair and replacement of any portion of the Mortgaged Property required on account of ordinary wear and tear. 

(b) Subject to the Enforcement Limitation, the County shall also pay, or provide for the payment of, all taxes and assessments, including, but not limited to, utility charges of any type or nature levied, assessed or charged against any portion of the Mortgaged Property; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are required to be paid as and when the same become due.

(c) The County may, at the County’s expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided, however, that prior to such nonpayment, the County shall furnish to the Lender an opinion of counsel acceptable to the Lender to the effect that, by nonpayment of any such items, the interest of the Lender in the Mortgaged Property will not be materially endangered and that all or any portion of the Mortgaged Property will not be
subject to loss or forfeiture. Otherwise, subject to the Enforcement Limitation, the County shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof.

SECTION 7.4. Modification of the Mortgaged Property. The County shall, in its sole discretion and at its own expense, have the right to make additions, modifications and improvements to any portion of the Mortgaged Property if such additions, modifications or improvements are necessary or beneficial for the use of the Mortgaged Property. Such additions, modifications and improvements shall not in any way damage any of the Mortgaged Property (unless such damage is to be repaired as provided in Section 6.1) or cause the Mortgaged Property to be used for purposes other than those authorized under the provisions of law, and the Mortgaged Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not less than the value of the Mortgaged Property immediately prior to the making of such additions, modifications and improvements. The Mortgaged Property, as so modified, shall be subject to the lien of the Deed of Trust.

Except for Permitted Encumbrances, the County shall not permit any lien to be established or remain against the Mortgaged Property for labor or materials furnished in connection with any additions, modifications or improvements made by the County pursuant to this Section; provided, however, that if any such lien is established, the County may, at its own expense and in its name, in good faith contest any lien filed or established against the Mortgaged Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, provided that the County shall furnish to the Lender full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Lender.

SECTION 7.5. Encumbrances. Except as provided in this Article (including, without limitation, Section 7.4 and this Section), the County shall not, directly or indirectly, create, incur, assume or suffer to exist any pledge, lien, charge, encumbrance or claim, as applicable, on or with respect to the Mortgaged Property, other than Permitted Encumbrances. Except as expressly provided in this Article and subject to the Enforcement Limitation, the County shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such pledge, lien, charge, encumbrance or claim for which it is responsible if the same shall arise at any time; provided, however, that the County may contest any such lien, charge, encumbrance or claim if it desires to do so and if it provides the Lender with full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Lender.

SECTION 7.6. Indemnification of the Lender. To the fullest extent permitted by law, the County covenants to defend, indemnify and hold harmless the Lender and its officers, directors, members, employees and agents (collectively, the “Indemnified Party”) against any and all losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise in connection with the transactions contemplated by this Agreement or the Deed of Trust and shall reimburse any such Indemnified Party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of the transactions contemplated by this Agreement or the Deed of Trust; provided, however, that
the right to indemnification set forth in this Section shall not apply in any instances where such loss, claim, damage or liability is due to the willful misconduct or negligence of the Lender or any of its officers, directors, affiliates, employees and agents. In particular, without limitation, the County shall and hereby agrees to indemnify and save the Indemnified Party harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of any breach or default on the part of the County in the performance of any of its obligations under this Agreement or the Deed of Trust.

SECTION 7.7. Financial Information. The County shall furnish to the Lender or otherwise post to the Electronic Municipal Market Access (“EMMA”) website its audited financial statements within 270 days after the end of the Fiscal Year. The County shall also provide to the Lender a copy of its annual budget within 30 days after its adoption. In addition, the County shall provide to the Lender such financial information regarding the County and such information relating to this Agreement, the Project or the Mortgaged Property as the Lender may reasonably request.

The County hereby agrees that the Lender may provide any information or knowledge the Lender may have about the County or about any matter relating to this Agreement, the Project or the Mortgaged Property to JPMorgan Chase Bank, N.A., or any of its subsidiaries or affiliates or their successors, or to any one or more participants or assignees of this Agreement.

SECTION 7.8. Tax Covenant. The County shall not take or permit, or omit to take or cause to be taken, any action that would cause its obligations under this Agreement to be “arbitrage bonds” or “private activity bonds” within the meaning of the Internal Revenue Code of 1986, as amended, or otherwise adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments to which such components would otherwise be entitled and, if it should take or permit, or omit to take or cause to be taken, any such action, the County shall take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

SECTION 7.9. Further Assurances. The County shall, upon the request of the Lender, from time to time, execute and deliver and, if necessary, file, register and record such further financing statements, amendments, confirmation statements and other documents and instruments and take such further action as may be reasonably necessary to effectuate the provisions of this Agreement and the Deed of Trust. Except to the extent it is exempt therefrom, the County shall pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, the Deed of Trust and such instruments of further assurance.

SECTION 7.10. Filing of Agreement. In the event the County delivers or permits, authorizes or consents to the delivery of this Agreement to any person for delivery to the Municipal Securities Rulemaking Board or posting on the EMMA website, prior to such delivery, the County agrees that it shall redact any personal contact information of the Lender,
any information relating to fees of the Lender and any other information contained herein as may be requested by the Lender in writing to the County and which is permitted to be redacted in accordance with the provisions of MSRB Notice 2011-17 (February 23, 2011). Only such copies of this Agreement reflecting such redacted material shall be delivered to the Municipal Securities Rulemaking Board or posted on the EMMA website.
ARTICLE VIII
ASSIGNMENT AND LEASING

SECTION 8.1. Assignment by the Lender. The Lender may, at any time and from time to time, assign to any bank, insurance company or similar financial institution or to any other entity approved by the LGC all or any part of its interest in this Agreement or the Mortgaged Property, including, without limitation, the Lender’s rights to receive the Installment Payments and any additional payments due and to become due hereunder. Reassignment by any assignee may also only be to a bank, insurance company or similar financial institution or to any other entity approved by the LGC. In addition, the Lender or its assignees may assign or reassign all or any part of this Agreement, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Agreement, or making this Agreement part of a pool of obligations without the consent of the LGC, so long as such assignment or reassignment is to (i) a bank, insurance company or similar institution or any other entity approved by the LGC; or (ii) a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in the Agreement, provided such certificates are sold only to a bank, insurance company or similar financial institution or other entity approved by the LGC. Notwithstanding the foregoing, no assignment or reassignment of the Lender’s interest in the Mortgaged Property or this Agreement shall be effective unless and until the County shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each assignee. The County covenants and agrees with the Lender and each subsequent assignee of the Lender to maintain for the full term of this Agreement a written record of each such assignment or reassignment. The County hereby appoints the Lender as its agent for the purpose of maintaining any written record in connection with an assignment under this Section, and the Lender hereby accepts such appointment. The County agrees to execute any document reasonably required by the Lender in connection with any assignment. Notwithstanding any assignment by the Lender of its interest in this Agreement, the County shall not be obligated to provide any financial or other information to any assignee of the Lender except as set forth in Section 7.7.

After the giving of notice described above to the County, the County shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgement shall in no way be deemed to make the assignment effective.

The Lender covenants that any disclosure document circulated by it or an assignee in connection with the sale of the Lender’s rights in this Agreement will contain a statement to the effect that the County has not reviewed and is not responsible for the disclosure document. The Lender covenants to defend, indemnify and hold harmless the County and its officers, employees and agents against any and all losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which the County or its officers, employees and agents may become subject on account of any statement included in a disclosure document, or failure to include a statement in a disclosure document, unless the County shall have expressly approved the use of such disclosure document.
SECTION 8.2. Assignment and Leasing by the County. (a) This Agreement may not be assigned by the County without the prior written consent of the Lender.

(b) The County may lease all or any portion of the Mortgaged Property, subject to each of the following conditions:

   (i) the obligation of the County to make Installment Payments hereunder shall remain the obligation of the County;

   (ii) the County shall prior to the execution and delivery of any such lease, furnish or cause to be furnished to the Lender, a true and complete copy of the form of such lease;

   (iii) the Lender shall have received evidence satisfactory to the Lender that such lease will be subordinate in all respects to the lien of the Deed of Trust; and

   (iv) the lease by the County shall not cause the interest component of the Installment Payments to be includable in the gross income of the Lender for purposes of federal income taxation.
ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined. The following shall be “events of default” under this Agreement and the terms “events of default” and “default” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) The failure by the County to pay any Installment Payment required to be paid hereunder when due.

(b) The occurrence of an Event of Nonappropriation.

(c) Failure by the County to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto other than as referred to in clause (a) or (b) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the County by the Lender; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period and if corrective action is instituted by the County within the applicable period and diligently pursued, the County shall have such additional period of time to correct the failure as shall be necessary to correct such failure so long as such correction is diligently pursued.

(d) The County becomes insolvent or the subject of insolvency proceedings; or is unable, or admits in writing its inability, to pay its debts as they mature; or makes a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or files a petition or other pleading seeking reorganization, composition, readjustment or liquidation of assets, or requesting similar relief; or applies to a court for the appointment of a receiver for it or for the whole or any part of its property; or has a receiver or liquidator appointed for it or for the whole or any part of its property (with or without the consent of the County) and such receiver is not discharged within ninety (90) consecutive days after his appointment; or becomes the subject of an “order for relief” within the meaning of the United States Bankruptcy Code; or files an answer to a creditor’s petition admitting the material allegations thereof for liquidation, reorganization, readjustment or composition or to effect a plan or other arrangement with creditors or fail to have such petition dismissed within sixty (60) consecutive days after the same is filed against the County.

(e) The occurrence of an “Event of Default” under the Deed of Trust as defined therein.

(f) The County shall fail to pay the principal of or the interest or any redemption premium on any general obligation bonds or notes of the County as required by such bonds or notes or the documents providing for the issuance thereof.

(g) Any warranty, representation or statement made by the County herein or in the Deed of Trust or any other document executed and delivered by the County in connection herewith is found to be incorrect or misleading in any material respect as of the date made.
SECTION 9.2. Remedies on Default. Upon the occurrence of any event of default under Section 9.1, the Lender may, without any further demand or notice, exercise any one or more of the following remedies:

(a) declare the entire amount of the principal component of the Installment Payments and the accrued and unpaid interest component to the date of declaration to be immediately due and payable;

(b) exercise all remedies available at law or in equity or under the Deed of Trust, including foreclosure and sale of the Mortgaged Property, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorneys’ fees incurred with the recovery, repair, storage and other sale or other disposition costs, toward the principal component and accrued and unpaid interest of the balance of Installment Payments due; and

(c) subject to the Enforcement Limitation, proceed by appropriate court action to enforce performance by the County of the applicable covenants of this Agreement or to recover for the breach thereof.

NOTWITHSTANDING ANY OTHER PROVISIONS HEREBEIN, IT IS THE INTENT OF THE PARTIES HERETO TO COMPLY WITH SECTION 160A-20 OF THE GENERAL STATUTES OF NORTH CAROLINA, AS AMENDED. NO DEFICIENCY JUDGMENT MAY BE ENTERED AGAINST THE COUNTY IN FAVOR OF THE LENDER OR ANY OTHER PERSON IN VIOLATION OF SAID SECTION 160A-20, INCLUDING, WITHOUT LIMITATION, ANY DEFICIENCY JUDGMENT FOR AMOUNTS THAT MAY BE OWED HEREBEIN WHEN THE SALE OF ALL OR ANY PORTION OF THE MORTGAGED PROPERTY IS INSUFFICIENT TO PRODUCE ENOUGH MONEYS TO PAY IN FULL ALL REMAINING OBLIGATIONS HEREBEIN.

SECTION 9.3. No Remedy Exclusive. No remedy conferred herein upon or reserved to the Lender is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. To the extent permitted by law, any delay or omission to exercise any right or power accruing upon any default shall not impair any such right or power nor shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lender to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be required in this Article or by law.

SECTION 9.4. Agreement to Pay Attorneys’ Fees and Expenses. In the event the County should default under any of the provisions hereof and the Lender should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the County contained herein, the County agrees that it will pay on demand to the Lender, subject to the limitations and provisions of Section 6-21.2 of the General Statutes of North Carolina, as amended, the reasonable fees of such attorneys and such other expenses so incurred by the Lender. For purposes of this Section,
the reasonable fees of attorneys shall mean attorneys’ fees actually incurred at such attorneys’ standard hourly rate for such services and shall not be based on any percentage of the outstanding amount due; provided, however that such attorneys’ fees shall not exceed the maximum amount permitted by law.

SECTION 9.5. No Additional Waiver Implied by One Waiver. In the event any provision contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder except as may be provided by law.
ARTICLE X
PREPAYMENT OF INSTALLMENT PAYMENTS

SECTION 10.1. No Prepayment of Installment Payments. The County may not prepay, in whole or in part, the outstanding principal component of the Installment Payments on or prior to the scheduled Installment Payment Dates.

SECTION 10.2. Defeasance and Release of Mortgaged Property. (a) In the event that the County shall deposit with the Lender or an escrow agent acceptable to the Lender in trust for the benefit of the Lender cash of non-callable Government Obligations in an amount sufficient, together with any interest earnings thereon, to pay in full all of the remaining Installment Payment as the same become due and payable during the term of this Agreement, the Lender hereby agrees to cancel the Deed of Trust of record and relinquish all rights, title and interest in and to the Mortgaged Property. In such case, all representations, warranties and covenants set forth herein and in the Deed of Trust relating to the Mortgaged Property shall be cancelled and terminated and shall no longer be in force or effect.

(b) For purposes of this Section, “Government Obligations” means direct obligations of, or obligations the principal of and the interest on which are fully and unconditionally guaranteed by, the United States of America in either certificated or book-entry form, including (a) to the extent permitted by law, evidences of ownership of, or fractional undivided interests in, future interest and principal payments on such obligations and (b) to the extent permitted by law, obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511(a) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, and commonly known as “interest strips” of the Resolution Funding Corporation.
ARTICLE XI

MISCELLANEOUS

SECTION 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received upon the earlier of actual receipt or three days after deposit in the United States first-class, registered or certified mail (unless otherwise provided herein), postage prepaid, at the following addresses:

If to the County:

County of Lee, North Carolina
408 Summit Drive (27330)
Post Office Box 1968
Sanford, North Carolina 27331-1968
Attention: Assistant County Manager/Finance Director

If to the Lender:

JPMorgan Chase Bank, N.A.
4350 Congress Street
Charlotte, North Carolina 28209
Attention: Jeremy E. Fisher, Vice President

The County and the Lender, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

SECTION 11.2. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the County and the Lender and their respective successors and assigns. Whenever in this Agreement either the County or the Lender is named or referred to, such reference shall be deemed to include the successors or assigns thereof and all the covenants and agreements in this Agreement contained by or on behalf of the County or the Lender shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 11.3. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 11.4. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11.5. Commitment Letter. The terms of this Agreement shall supersede the terms of any commitment letter, proposal or other term sheet provided by the Lender. To the extent of any conflict between this Agreement and such other documents, this Agreement shall take priority.
SECTION 11.6. Applicable Law. This Agreement shall be construed and governed in accordance with the laws of the State of North Carolina.

SECTION 11.7. Waiver of Jury Trial. The County and the Lender hereby waive, to the fullest extent permitted by applicable law, any right to have a jury participate in resolving any dispute in any way related to the transactions contemplated by this Agreement, the Deed of Trust or any other documents related thereto.

SECTION 11.8. E-Verify. The Lender hereby certifies that the Lender understands that “E-Verify” is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. The Lender uses E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. The Lender shall require that any subcontractor that it uses in connection with the transactions contemplated by this Agreement certify to such subcontractor’s compliance with E-Verify.

(signatures to follow)
IN WITNESS WHEREOF, the County and the Lender have caused this Agreement to be executed in their respective names by their respective duly authorized officers as of the date first above written.

COUNTY OF LEE, NORTH CAROLINA

[SEAL]

By: _____________________________
    Chair of the Board of Commissioners

Attest:

______________________________
Clerk to the Board of Commissioners

JPMORGAN CHASE BANK, N.A.

By: _____________________________
    Vice President
CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The foregoing Installment Financing Agreement has been approved under the provisions of Section 160A-20 and Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

__________________________________________
Secretary
Local Government Commission of North Carolina
### INSTALLMENT PAYMENT SCHEDULE

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MEETING DATE: June 1, 2020
SUBJECT: Approval of bid for Courthouse and Government Center renovations.
DEPARTMENT: Administration
CONTACT PERSON: Jennifer Gamble, Deputy County Attorney/Clerk to the Board of Commissioners
TYPE: Action Item

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<th>REQUEST</th>
<th>Approve bid for Courthouse and Government Center renovations subject to approval of financing by the Local Government Commission.</th>
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<td>TBD based on options available outside of base bid amount and unforeseeable expenditures</td>
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<td>ATTACHMENTS</td>
<td>Projects have been approved through previous board action for financing.</td>
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<td>PRIOR BOARD ACTION</td>
<td>Approve bid for Courthouse and Government Center renovations subject to approval from the Local Government Commission.</td>
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SUMMARY

Out of 9 bidders, Bar Construction Company, Inc. located in Greensboro, North Carolina was identified by staff and confirmed by Mosely Architects as the responsible low bidder for the Courthouse and Government Center renovation project. Bar Construction has provided an affidavit providing that at least 11% of the total dollar amount of the contract will be contracted through minority business enterprises. Further information will be provided at the June 1st Board of Commissioner meeting. A contract with Bar Construction Company, Inc. will be provided for the Board's approval at a future meeting date.