LEE COUNTY BOARD OF COMMISSIONERS
MCSWAIN EXTENSION EDUCATION AND AGRICULTURE CENTER
2420 TRAMWAY ROAD
SANFORD, NC 27330

Monday, April 7, 2025
6:00 PM

A G E N D A

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

I. ADDITIONAL AGENDA

II. APPROVAL OF CONSENT AGENDA

II.A Minutes from the March 17, 2025 Regular Meeting

II.B Minutes from the March 19, 2025 Joint Board of Commissioners and Board of Education Meeting

II.C Update theÂ Resolution designating Plat Review Officers to review and certify Maps and Plats for Lee County, North Carolina

II.D Budget Amendment # 04/07/25/16

II.E MOU Between LCG and the San-Lee Chapter of AACA

II.F FY 25-26 State Consolidated Agreement

II.G Purchasing Policy Update

II.H Update to the Lee County Hazard Mitigation Plan

II.I Grace Christian School Request for Fireworks Display

II.J Update Resolution Establishing a Youth Council Representative at Lee County Board of Commissioners and Advisory Board Meetings

II.K Sole Source Justification for TentCraft Enclosed Drive Thru Tent

II.L Letter in Opposition of Legislation Increasing Truck Load Weight

II.M Central Carolina Holdings Recycling and Disposal Contract

III. SPECIAL PRESENTATION

III.A Â Proclamation Honoring the Southern Lee High School State Championship Bowling Team

III.B Proclamation Recognizing Electric Utility Line Worker Appreciation Day

III.C Proclamation Recognizing 4th Annual Lee County "Ag Week"

III.D Child Abuse Prevention Month and Shine the Light on Child Abuse

IV. PUBLIC COMMENTS

V. OLD BUSINESS

VI. NEW BUSINESS

VI.A Major Subdivision Preliminary Plat

VI.B FY 2026-2030 Capital Improvements Plan (CIP)

VII. MANAGERS' REPORTS

VIII. COMMISSIONERS' COMMENTS

IX. CLOSED SESSION

ADJOURN

ITEM #: II.A

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Minutes from the March 17, 2025 Regular Meeting

DEPARTMENT: Administration

CONTACT PERSON: Hailey Hall, Clerk to the Board/Communications Specialist

TYPE: Action Item

REQUEST	Approve the Minutes from the March 17, 2025 Regular Meeting.
BUDGET IMPACT	N/A
ATTACHMENTS	BOC Regular Meeting Minutes_3-17-25_final.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve the Minutes from the March 17, 2025 Regular Meeting.

SUMMARY

A draft of the minutes from the March 17, 2025 regular meeting are attached for the Board's review and approval. For questions, contact the Clerk to the Board at hhall@leecountync.gov.

LEE COUNTY BOARD OF COMMISSIONERS
MCSWAIN EXTENSION EDUCATION AND AGRICULTURE CENTER
2420 TRAMWAY ROAD
SANFORD, NC 27330

March 17, 2025

MINUTES

Roll Call
Present: Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck (arrived at 6:19 p.m.), Samantha Martin

CALL TO ORDER
Chairman Kirk Smith called the meeting to order at 6:00 p.m.

INVOCATION
Commissioner Cameron Sharpe led the Board in a moment of silence and in the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

I. ADDITIONAL AGENDA
Motion: Motion to approve the Agenda as presented.
Mover: Cameron Sharpe
For: 6 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Mark Lovick, Samantha Martin
Absent: 1 - Taylor Vorbeck
Motion Result: Passed

II. APPROVAL OF CONSENT AGENDA
Motion: Motion to approve the Consent Agenda as presented.
Mover: Cameron Sharpe
For: 6 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Mark Lovick, Samantha Martin
Absent: 1 - Taylor Vorbeck
Motion Result: Passed

II.A Minutes from the March 3, 2025 Regular Meeting

Minutes 3-3-25_final.pdf

II.B March 3, 2025 Closed Session Minutes

II.C County of Lee Transit System Annual Safety Plan
Lee_County_Safty_Plan_Policy_Statement_BOC.pdf

II.D Refund and Release Report for February 2025
Gen Statute 105.pdf
RELEASE CODES SPREADSHEET.pdf
February 2025 Personal Property Abatement Report.pdf
February 2025 Real Property Abatement Report.pdf

II.E Application Submission for the NC Department of Military and Veterans Affairs (DMVA) Grant Program for County Veterans Offices
DMVA County Veterans Offices Grant - Invitation to Apply.pdf

II.F Budget Amendment #03/17/25/15
Budget Amendment Packet 3-17-25-15.pdf

II.G Purchase Truck to Replace Totaled Vehicle
2025 Chevy Silverado.pdf

II.H General Services Parking Lot Rehabilitation
Certified Bid Tab Sheet_GS Parking Lot Rehab.pdf
Low Bid_Triangle Grading_GS Parking Lot
Rehab.pdf Contract_Triangle_Grading___Paving.pdf

II.I Axon Taser Agreement for the Lee County Jail
UPDATEDLeeCounty.pdf

II.J Lee County Schools Lottery Fund Applications
Scan_2025-03-12-08-41-34.pdf

III. PUBLIC COMMENTS

- Sean O'Conner, 145 Rand Street (Lee County Athletic Park fee schedule)

IV. OLD BUSINESS

There was no Old Business to discuss.

V. NEW BUSINESS

V.A Request for the Lee County Code of Ordinances to be amended to forbid concealed carry of firearms at Election Sites

Lee County Board of Elections Chairperson Susan Feindel presented a Resolution and request from the Board of Elections to the Lee County Commissioners to amend the Code of Ordinances to prohibit concealed carry of firearms on County owned property where election activity is taking place. She advised the Board that this request is being made for the safety of the elections workers. A copy of the request is attached and incorporated into these minutes. County Attorney Whitney Parrish advised that ordinance changes require two readings, even if the Board would like to vote tonight since not every commissioner is present.

Proposed Amendment.pdf

Ordinance ArticleII Section 2-31.pdf

Motion: Motion to approve the Request for the Lee County Code of Ordinances to be amended to prohibit concealed carry of firearms on County owned sites where election activity is taking place.
Mover: Cameron Sharpe
For: 3 - Robert Reives, Cameron Sharpe, Mark Lovick
Against: 3 - Dr. Andre Knecht, Kirk Smith, Samantha Martin
Absent: 1 - Taylor Vorbeck
Motion Result: Failed

Commissioner Robert Reives asked staff to obtain additional research concerning this subject and to bring the request back to the Board for additional consideration at the next meeting.

V.B Lee County Athletic Park Fee Schedule

Parks and Recreation Director Joseph Keel presented the proposed fee schedule for the Lee County Athletic Park created with staff research and approved by the Parks and Recreation Advisory Board. All currently rented County fields will continue to be available for rent, along with the new Athletic Park fields. The schedule provides different rates for monthly rentals, hourly rentals, day rentals and tournament rentals. Monthly rentals would take priority over tournament requests. The fields will be open for use to the public when not rented. Mr. Keel noted that with the fees in place, the department is only estimating an 18% cost recovery. The Parks and Recreation Advisory Board thinks the fees are low, but they can be adjusted going forward. Mr. Keel did meet with the Sanford Area Soccer League (SASL) but does not know what fields SASL may want to rent.

Commissioner Taylor Vorbeck arrived at 6:19 p.m.

Lee County Athletic Park Fee Schedule.pdf

Athletic Field Rate Comparison.pdf Park Map.pdf

Motion: Motion to approve the Lee County Athletic Park Fee Schedule.
Mover: Taylor Vorbeck
For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin
Motion Result: Passed

V.C Lee County Athletic Park Positions Request

Parks and Recreation Director Joseph Keel presented a request for two positions, Maintenance Supervisor (Grade 68) and Park Operations Supervisor (Grade 71), for immediate hire for the Lee County Athletic Park as the County transitions from the project contractor (Sanford Contractors) to the County for maintenance and occupation of the site prior to the opening. County Manager Lisa Minter noted that the funds to pay for these two positions through June 30, 2025 will come from investment earnings on the project. Funding for the additional positions for the Lee County Athletic Park have been included in the FY 2025-2026 Parks and Recreation requested budget. Commissioner Samantha Martin asked for a comparison of contracting services out for hiring full-time staff. Mr. Keel said it typically costs more to contract out than to keep services in-house due to their specialized nature. The organizations Mr. Keel contacted all had staff in house. The athletic park will not have concessions, but will have food trucks scheduled every week that will pay a set upfront fee.

New Position Request- Maintenance Supervisor (LCAP).pdf
New Position Request - Park Operation Supervisor.pdf
LCAP Positions by Date.pdf
Pay_Plan_Effective_March_3_2025.pdf

Motion: Motion to approve the addition of a Maintenance Supervisor (Grade 68) and Park Operations Supervisor (Grade 71) for the Lee County Athletic Park for immediate hire.

Mover: Taylor Vorbeck
For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin
Motion Result: Passed

VI. MANAGERS' REPORTS

VI.A Monthly Financial Reports

Assistant County Manager of Governmental Support Angelina Noel provided the February 2025 Monthly Financial Report, as well as the December 2024 Sales Tax Report. The sales tax was the lowest it has been in the last four years.

Feburary 2025 Monthly Financial Statement.pdf
monthly sales tax distribution.pdf historical
sales tax analysis.pdf
countywide sales tax analysis 2024-25.pdf

VI.B County Manager's Monthly Report

County Manager Lisa Minter provided her monthly report for March, a copy of which is attached and incorporated into these minutes. Ms. Minter also recognized Parks and Recreation Director Joseph Keel for recently graduating from Revenue Development and Management School through NC State University and the National Recreation and Park Association. The City of Sanford notified the County of a test shoot for fireworks for their July 4th event on March 28 on the County's side of Kiwanis Family Park.

County Managers Report - 03-17-2025.pdf
CHSAB Minutes 12-18-2024.pdf

Library_25.03.12 LCL Board Meeting Agenda.pdf
Library_2025_February_Library_Director_Report.pdf
Parks and Rec Board Minutes_January 2025.pdf
PERMIT ISSUANCE REPORT- FEBRUARY
2025.pdf Tax_Monthly Managers Report February
2025.pdf TRC Agenda_March 2025.pdf

VII. COMMISSIONERS' COMMENTS

Commissioner Cameron Sharpe asked staff to reach out to NCDOT about littering that is occurring on Cox Mill Road, and Commissioner Mark Lovick asked for Colon Road to be added as well. Commissioner Robert Reives asked for the status of the joint bus garage project idea and County Manager Lisa Minter said staff is no longer exploring a joint project with the School Board. She also noted that Kara Millonzi with the UNC School of Government and Dare County Manager Bobby Outten will present at the joint boards meeting to speak on school funding and a 5 on 5 committee concept, respectively. Chairman Kirk Smith said the Triangle Land Conservancy reached out to him thanking the Board for establishing a conservation easement fund.

ADJOURN

Motion: Motion to adjourn. The Board adjourned at 6:52 p.m.
Mover: Taylor Vorbeck
For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin
Motion Result: Passed

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Kirk Smith, Chairman
Lee County Board of Commissioners

ATTEST:

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Hailey Hall, Clerk to the Board

ITEM #: II.B

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Minutes from the March 19, 2025 Joint Board of Commissioners and Board of Education Meeting

DEPARTMENT: Administration

CONTACT PERSON: Hailey Hall, Clerk to the Board/Communications Specialist

TYPE: Action Item

REQUEST	Approve the Minutes from the March 19, 2025 Joint Board of Commissioners and Board of Education Meeting.
BUDGET IMPACT	N/A
ATTACHMENTS	BOC BOE Joint Meeting Minutes_3-19-25_final.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve the Minutes from the March 19, 2025 Joint Board of Commissioners and Board of Education Meeting.

SUMMARY

A draft of the minutes from the March 19, 2025 Joint Board of Commissioners and Board of Education Meeting are attached for the Board's review and approval. For questions, contact the Clerk to the Board at hhall@leecountync.gov.

LEE COUNTY BOARD OF COMMISSIONERS &
LEE COUNTY BOARD OF EDUCATION
SPECIAL JOINT MEETING

MCSWAIN EXTENSION EDUCATION AND AGRICULTURE CENTER
2420 TRAMWAY ROAD
SANFORD, NC 27330

March 19, 2025

MINUTES

Roll Call
Present: Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin

Absent: Dr. Andre Knecht, Robert Reives

CALL TO ORDER
Lee County Board of Commissioners Chairman Kirk called the Board of Commissioners to order at 6:00 p.m. Lee County Board of Education Chairperson Sherry Lynn Womack called the Board of Education to order at 6:00 p.m.

I. APPROVAL OF AGENDA
Motion: Motion to approve the Agenda as presented.
Mover: Cameron Sharpe
For: 5 - Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin
Absent: 2 - Dr. Andre Knecht, Robert Reives
Motion Result: Passed

II. INTRODUCTIONS
The Lee County Board of Commissioners, Lee County Board of Education, and staff introduced themselves.

III. SCHOOL FUNDING PRESENTATION
Kara Millonzi, with the UNC School of Government, provided a presentation on school funding. A copy of her presentation is attached and incorporated into these minutes. Ms. Millonzi provided the legal responsibilities of school funding including the different sources of funding the schools receive from the federal, state and local governments. Mrs. Millonzi also went through operational and capital funding and

the dispute resolution process. Locally, Lee County Schools currently gives funding to nine charter schools. When discussing the needs-based grant funds, Superintendent Dr. Chris Dossenbach noted that based on Lee County's tax base, there were some counties with a higher need. Ms. Millonzi said municipalities are able to give one-time funding to public school districts, unlike the counties that are required to give annually. Public school districts are able to call for a supplemental school tax; however, this can only occur during general county elections held in even-numbered years. Board Member Alan Rummel asked if counties were responsible for providing funding for school district employees. Ms. Millonzi noted counties are only responsible for minimum funding and are, per statute, responsible for 0% of school district employees. Local boards of commissioners could elect to provide funding for employees, but there are no statutes or guidance for classified staff.

IV. 5 ON 5 COMMITTEE (CAPITAL IMPROVEMENT PLAN FORMULA)

Dare County Manager Bobby Outten provided a presentation on Dare County and Dare County Schools 5 on 5 committee. A copy of his presentation is attached and incorporated into these minutes. The committee meets at least quarterly, but may be more frequent depending on issues that arise and require discussion. Mr. Outten said communication is key to making this a successful venture. Mr. Outten noted that in Dare County the 5 on 5 Committee was established by getting his Finance Director and the School Superintendent and Finance Officer together to figure out way to address school funding at the local level. Once staff got a model for funding, they started pulling in individual board members to get their support. Once support was given by both Boards, the official 5 on 5 Committee was formed. Mr. Outten advised that our staff need to start working with numbers and each other, then presenting the findings to both boards. In Dare County, if the State or federal government cut a funding for a program, Dare County will not backfill it. Mr. Outten noted that if Dare County were to do so, it would be the county's responsibility forever. Mr. Outten said the 5 on 5 Committee works well for Dare County. Chairman Smith asked the Board of Commissioners if there was consensus to direct the County Manager and Finance Director to coordinate with the Schools Superintendent and Finance Director to work on this. County Manager Lisa Minter asked to also include Budget and Management Analyst Ben McQueary, which was granted.

Motion: Chairman Smith asked the Board of Commissioners if there was consensus to direct the County Manager, Finance Director, and Budget and Management Analyst to coordinate with the Schools Superintendent and Finance Director to work on this.
Mover: Taylor Vorbeck
For: 5 - Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin
Absent: 2 - Dr. Andre Knecht, Robert Reives
Motion Result: Passed

Chairman Smith called for a 10-minute break at 7:48 p.m.

V. BUS GARAGE/SLHS AUDITORIUM

Chairperson Sherry Lynn Womack directed staff of Lee County Schools to immediately research and start implementing certain aspects of the 5 on 5 Committee to be discussed later and to also, during that time, provide one of the Board Members an opportunity with the 5 on 5 to discuss some of the things currently on the agenda. Vice Chair Alan Rummel believes the joint bus garage discussion has ended since there was no interest in doing a joint venture. Board Member Chris Gaster made a motion to begin the 5 on 5 Committee between the Board of Commissioners and the School Board to begin further discussion on CIP projects for the school system and other important criteria. Board Member Megan Garner seconded the motion and it was a unanimous vote. Lee County Manager Lisa Minter noted the Jonesboro Elementary School site, for the entire parcel, is currently valued at $2,948,100. Chairman Smith noted that the County would not be able to do a joint project due to the cost.

VI. EXPECTATIONS FROM COUNTY COMMISSIONERS OF SCHOOL BOARD

Commissioner Cameron Sharpe said there needs to be professionalism on both sides and the inaccurate social media posts need to stop. He also asked for requested information to be provided in a timely manner. Commissioner Mark Lovick noted that if the State did its job (funding school districts properly), we wouldn't have these problems. Commissioner Samantha Martin has observed frustration on both sides and little collaboration. She added that the schools have to be willing to compromise and the county needs to be willing to see the needs of the schools. Commissioner Taylor Vorbeck said she asks questions to gain more knowledge, not to judge someone's character or correctness, and that grace needs to be given on both sides.

ADJOURN

Motion: Motion to adjourn. The Lee County Board of Commissioners adjourned at 8:19 p.m. The Lee County Board of Education also adjourned at 8:19 p.m.

Mover: Taylor Vorbeck
For: 5 - Cameron Sharpe, Kirk Smith, Mark Lovick, Taylor Vorbeck, Samantha Martin
Absent: 2 - Dr. Andre Knecht, Robert Reives
Motion Result: Passed

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Kirk Smith, Chairman
Lee County Board of Commissioners

ATTEST:

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Hailey Hall, Clerk to the Board

ITEM #: II.C

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Update the Resolution designating Plat Review Officers to review and certify Maps and Plats for Lee County, North Carolina

DEPARTMENT: GIS

CONTACT PERSON: Hailey Hall, Clerk to the Board/Communications Specialist

TYPE: Action Item

REQUEST	Approve updating the Resolution designating Plat Review Officers to review and certify Maps and Plats for Lee County, North Carolina.
BUDGET IMPACT	N/A
ATTACHMENTS	APPOINTING RESOLUTION_DESIGNATING_PLAT_REVIEW_OFFICERS_2025-4-7.pdf
PRIOR BOARD ACTION	The Board previously updated this resolution at its February 3, 2025 meeting.
RECOMMENDATION	Approve updating the Resolution designating Plat Review Officers to review and certify Maps and Plats for Lee County, North Carolina.

SUMMARY

N.C. General Statute 47-30.2 requires that the Lee County Board of Commissioners designate by name one or more persons experienced in mapping or land records management as Plat Review Officers to review and certify maps and plats as required before being presented to record in the office of the Register of Deeds. GIS is requesting to update their designation resolution (attached) due to a staff member retiring.

APPOINTING RESOLUTION DESIGNATING PLAT REVIEW OFFICERS TO REVIEW AND CERTIFY MAPS AND PLATS FOR LEE COUNTY, NORTH CAROLINA

WHEREAS, N.C. General Statute 47-30.2 requires that the Lee County Board of Commissioners designate by name one or more persons experienced in mapping or land records management as Plat Review Officers to review and certify maps and plats as required before being presented to recording in the office of the Register of Deeds; and

WHEREAS, a resolution Designating Plat Review Officers as required by said General Statute was adopted by the Lee County Board of Commissioners on May 19, 2008, and recorded in the office of the Register of Deeds in Deed Book 01143, Page 0515; and

WHEREAS, additional staff members of the Lee County Strategic Services Department have gained certification as Plat Review Officers on December 10, 2024; and

NOW, THEREFORE, BE IT RESOLVED, by the Lee County Board of Commissioners, that the following persons are now hereby designated by name as Plat Review Officers for Lee County, North Carolina, in accordance with the provisions of N.C. General Statute 47-30.2;

Jeannatte Bowmer
Renee Scott
Angela Wood
Carson Mann
Victoria Day

BE IT FURTHER RESOLVED, that this resolution, once adopted, shall be recorded in the office of the Register of Deeds of Lee County, North Carolina, and indexed on the grantor index in the name of each Plat Review Officer, and that no map or plat, required to be submitted for review, shall be recorded in said office of the Register of Deeds without an affixed certification of a designated Plat Review Officer as identified above pursuant to the provisions of said General Statutes. Once adopted, this resolution revokes all previously approved Plat Review Officers who are not listed in this resolution.

Adopted this 7th day of April, 2025.

____
Kirk D. Smith, Chair
Lee County Board of Commissioners

ATTEST:

____
Hailey Hall, Clerk to the Board

ITEM #: II.D

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Budget Amendment # 04/07/25/16

DEPARTMENT: Finance

CONTACT PERSON: Jen Waterhouse,

TYPE: Consent Agenda

REQUEST	Approve Budget Amendment # 04/07/25/16.
BUDGET IMPACT	See below.
ATTACHMENTS	Budget Amendment Packet 4-07-25-16.pdf
PRIOR BOARD ACTION	March 3, 2025- approved transfer of funds for Farmland Preservation.
RECOMMENDATION	Approve Budget Amendment # 04/07/25/16.

SUMMARY

Strategic Services/Community Support Services: Correcting revenue lines ($225,000) Farmland Preservation: Allocating funds ($340,610) to Farmland Preservation. Register of Deeds: Appropriate ($2,400) from the Automation Reserve Funds to Capital Outlay for the purchase of a specialized stamp to replace the one that is no longer in commission. Funds will be used from restricted revenue related to automation for the Register of Deeds.

MEMO TO: LEE COUNTY BOARD OF COMMISSIONERS

FROM: LISA MINTER, LEE COUNTY MANAGER

SUBJECT: BUDGET AMENDMENT:# 04/07/25/16

DATE: April 07, 2025

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Community Support	1100-3570-34840	State DAC Funds	-	225,000	225,000
Fund Balance Appropriated	1100-3990-39900	Fund Balance Appropriated	9,831,413	343,010	10,174,423
				568,010	

SECTION II. THE FOLLOWING GENERAL FUND (1100) *REVENUE DECREASES* ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Strategic Services	1100-3930-37320	Strategic Services Fees	225,000	225,000	-
					-
		TOTAL CHANGES		225,000	

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Register of Deeds	1100-4180-46400	Capital Outlay	-	2,400	2,400
Misc Expense	1100-9800-49583	XFER Farmland Preservation	-	340,610	340,610
		TOTAL CHANGES		343,010	

KIRK SMITH, CHAIR

HAILEY HALL, CLERK TO THE BOARD

ITEM #: II.E

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: MOU Between LCG and the San-Lee Chapter of AACA

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish ,

TYPE: Consent Agenda

REQUEST	Approve the MOU Between LCG and the San-Lee Chapter of AACA.
BUDGET IMPACT	N/A
ATTACHMENTS	MOU San Lee Antique Car Show 2025.pdf
PRIOR BOARD ACTION	The Board has approved this since 2023.
RECOMMENDATION	Approve the MOU Between LCG and the San-Lee Chapter of AACA.

SUMMARY

The San Lee AACA chapter has hosted a Classics to Customs car show the first of June in downtown Sanford. In prior years, they have utilized the Buggy Factory Building to set up registration, to allow use of the restrooms for its attendees, and utilized the side parking lot for the car show. The car show is set to occur on June 7, 2025 and the San-Lee AACA chapter would use the building from 7:00 a.m. until 5:00 p.m. Staff has prepared a memorandum of understanding covering this one-day use of the building.

Memorandum of Understanding
Between the Lee County Government
and San-Lee Chapter of AACA

This Memorandum of Understanding, made and entered into this the ____ day of _______, 2025 by and between the Lee County Government and the San-Lee Chapter of AACA, governs the classic car show hosted by the San-Lee Chapter of AACA.

WHEREAS, the San-Lee Chapter of AACA will host a classic car show on June 7, 2025 which is a free event to the public involving displays of antique cars, modern classics and hot rod cars, among other categories;

WHEREAS, the San-Lee Chapter of AACA has requested the use of a portion of the first floor of the Buggy Factory and the side parking lot adjacent to the Buggy Factory which are owned by the County on June 7, 2025;

THEREFORE, the parties agree that they have the authority to sign on behalf of their organization and to bind the organization to the following terms for June 7, 2025:

Lee County Government agrees to:

- Coordinate with a representative of the San-Lee Chapter of AACA for the morning of the car show, to open the building and allow access inside the building at 7 am.
- Coordinate with a representative of the San-Lee Chapter of AACA at the end of the event at 5 pm to inspect the property and to safely secure and lock the property.
- During the inspection at the end of the event, a Lee County employee will immediately notify Mr. Ken Foushee or Mr. Bennie Pokemire of any damage that has occurred and how it will need to be addressed.
- Assist with the removal of any trespasser from the building if it becomes necessary.
- Have an on-call representative available to the San-Lee Chapter of AACA should any problem or issue arise during the show.
- Not charge a usage fee to the San-Lee Chapter of AACA.

The San-Lee Chapter of AACA agrees to:

- Only access and use the common/open areas of the first floor of the Buggy Factory to set up registration for its classic car show event and only allow use of the public bathrooms on the first floor.
- Ensure its registrants and attendees do not enter any other area of the building.
- Keep an attendant present in the building during the entire time of use.

- Set up and tear down the registration tables prior to the event and after the event and supply all tables, chairs, and other necessary supplies.
- Leave the building and parking lot in as good a condition or better than when the event began.
- Make sure no trash or debris is found in any of the areas its attendees and registrants have access to during the event.
- Not allow any registrant or attendee to drink, eat, smoke or vape or conduct illegal activity inside the building.
- Immediately contact the Lee County representative should any problem or issue arise during the car show and report any damage or issue to the Lee County representative.
- Provide a representative to walk through the areas used with the Lee County representative at the conclusion of the show to inspect the premises.
- Be fully responsible for any damage caused to the premises that occurs during the time of the show.

The undersigned acknowledges they have authority to act on behalf of their organization.

______________________________	______________________________
San-Lee Chapter of AACA	Lee County Government
Bennie Pokemire, President	Lisa Minter, County Manager
______________________________	______________________________
Date	Date

ITEM #: II.F

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: FY 25-26 State Consolidated Agreement

DEPARTMENT: Health

CONTACT PERSON: Heath Cain, Health Department Director

TYPE: Consent Agenda

REQUEST	This is a request for the Commissioners to approve the FY 25-26 State Consolidated Agreement.
BUDGET IMPACT	Payments of state and federal funds will not be made to the County until the Consolidated Agreement is signed and received by the State Contracts Office.
ATTACHMENTS	CA FY26 Lee.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	The Health Department respectfully requests the Commissioners to approve the FY 25-26 Consolidated Agreement.

SUMMARY

The Consolidated Agreement, along with the accompanying program Agreement Addenda or (â€œAAsâ€), are the primary mechanisms that DPH and DCFW use to: (1) provide state and federal funding to local health departments; (2) identify any applicable expectations or requirements tied to those funds. Without the approved Consolidated Agreement, the County will not receive funding for Agreement Addendums next fiscal year. The CHSA Board approved this request March 19th, 2025.

FY 2026 CONSOLIDATED AGREEMENT

This Consolidated Agreement is made between the **North Carolina Department of Health and Human Services, Division of Child and Family Well-Being** (hereinafter referred to as "**DCFW**") and **Division of Public Health** (hereinafter referred to as "**DPH**"), (herein DCFW and DPH collectively referred to as "**NCDHHS**"), and the **Lee County Health Department** (herein after referred to as "**LHD**") (herein DCFW, DPH, and LHD may individually be referred to as a "party" and collectively as the "parties") for the purposes of maintaining and promoting the advancement of public health in North Carolina. This Consolidated Agreement shall cover a period from June 1, 2025 to May 31, 2026 and shall remain in force until the next Fiscal Year Consolidated Agreement is signed except as provided for in Section X. Provision of Termination.

Now, therefore, NCDHHS and LHD agree that the provisions and clauses herein set forth shall be incorporated in and constitute the terms and conditions applicable for activities involving State funding. (State funding or funds means State, federal, and/or special funding or funds throughout this Consolidated Agreement and any Agreement Addenda.)

I. LHD RESPONSIBILITIES

A. Performance

1. LHD shall perform activities in compliance with applicable program rules contained in the North Carolina Administrative Code (NCAC), as well as all applicable North Carolina statutes and federal laws and regulations.

2. LHD shall perform the activities specified in the Agreement Addenda for State-funded budgets. LHD must negotiate these Agreement Addenda in good faith to the satisfaction of NCDHHS representatives as part of the Agreement execution. LHD will meet or exceed the Agreement Addenda deliverables unless extenuating circumstances prevail and are explained in writing and subsequently approved by the NCDHHS division, section, branch, or program.

3. LHD shall be committed to achieving health equity, promoting inclusion of all populations affected by conditions contributing to health disparities (including race or ethnicity, sex, sexual identity, age, disability, socioeconomic status, and geographic location), and ensuring all staff, clinical and non-clinical, participate in ongoing training focused on health equity, health disparities, and/or social determinants of health to support individual competencies and organizational capacity to promote health equity.

4. LHD shall administer and enforce all rules that have been adopted by the Commission for Public Health or adopted by the Local Board of Health, Consolidated Human Services Board, or Board of County Commissioners (hereinafter referred to as "LHD governing board"), and laws that have been enacted by the North Carolina General Assembly.

5. LHD shall provide to DPH and DCFW a copy of any rules adopted, amended, or rescinded by the LHD governing board pursuant to N.C.G.S. § 130A-39 Powers and duties of a local board of health and Public Health Ordinances adopted by the County Commissioners, within 30 days of adoption or rescission. These rules and ordinances are to be sent to the DPH Deputy Director and DCFW Director.

6. LHD shall provide formal training/orientation for its LHD governing and/or advisory board members.

7. LHD shall not require a client to present identification that includes a picture of the client for, at a minimum, immunization, pregnancy prevention, sexually transmitted disease, and communicable disease services.

8. LHD shall provide or assure provision of care management services for all Care Management for High-Risk Pregnancies (CMHRP) and Care Management for At-Risk Children (CMARC) populations. These services may be funded by Medicaid, state or federal funding through Agreement Addenda, private funders, or local funds.
   a. Per the federal Child Abuse Prevention and Treatment Act (CAPTA) requirements, a notification to the county child welfare agency must occur upon identification of an infant as "substance-affected," as defined by NCDHHS, for the development of a Plan of Safe Care (POSC). NCDHHS requires that all substance-affected infants be referred by the local Child Welfare Agency to CMARC or the designated care management entity for care management and care coordination for that county. The CMARC Referral and Supervisor Directory has the most up to date contact for each county for DSS.[1]
   b. LHD shall use every resource including technical assistance from the regional consultants and State CMHRP and CMARC program managers to resolve issues to prevent care gaps and discontinuation of services.
   c. In the event that LHD determines it cannot directly provide care management services for CMHRP and/or CMARC populations, LHD shall:
      1) Notify NCDHHS in writing of LHD's intention to discontinue the services at least 180 calendar days in advance of discontinuing the services. Notifications regarding the provision of CMHRP shall be provided to the DPH Deputy Director. Notifications regarding CMARC shall be provided to the DCFW Director. LHD is still responsible to provide the care management services during the 180-day period, until those services are transitioned to another entity who can assure continued care without service gaps;
      2) Follow the "Companion Guide Care Management Service Termination and Transfer of Services"[2] process from the Division of Health Benefits; and
      3) Identify another local health department(s) and/or other entity(ies) that can provide continuous care management services for all CMHRP and CMARC populations through SFY26.

9. LHD shall notify the DCFW Director and the DPH Deputy Director if any of the following occurs:
   a. There is a legal name change to LHD.
   b. A local health director or interim local health director is appointed or leaves office.
   c. LHD becomes part of a consolidated human services agency, a district, or a public health authority.
   d. There is any other governance change.
   e. LHD is no longer subject to the NC Human Resources Act.

   Notification shall be in writing within the next business day of the change and is to include a governance organizational chart and any relevant supporting documents reflecting the changes.

10. LHD shall retain financial and program records including electronic records in accordance with the North Carolina Department of Natural and Cultural Resources' Local Government Schedules

[1] https://medicaid.ncdhhs.gov/care-management/care-management-risk-children-cmarc
[2] https://medicaid.ncdhhs.gov/companion-guide-care-management-service-termination-and-transfer-service-process

records retention policy[3] and in accordance with the retention of those records as described in Section IV. Fiscal Control, Paragraph H. Records resulting from these services shall not be destroyed, purged, or disposed of except in accordance with the records retention policy and in accordance with State and federal law. The State's 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 since 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 Consolidated Agreement or any Agreement Addenda 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.

11. By July 1, 2025, LHD will have developed a plan in partnership with the DPH Environmental Health Section to develop quality assurance plans for each of the following programs: Onsite Wastewater, Private Drinking Water Wells, Childhood Lead Poisoning Prevention, Tattoos, Public Swimming Pools, and Child Care and School Buildings. LHD shall submit these plans to the DPH Environmental Health Section by January 1, 2026 for review and approval. Following submission to the DPH Environmental Health Section, LHD shall abide by the plans and any modifications requested by the DPH Environmental Health Section to the plans in order for registered environmental health specialists, registered environmental health specialist interns, or registered environmental health associates employed by or contracted to work for the LHD to be eligible for defense by the Attorney General's Office or to have all or a portion of their judgment or settlement paid by the Department in accordance with G.S. 143-300.8.[4]

B. **Data/Reporting**

1. LHD shall report client, service, encounter, and other data as specified by applicable program rules, Agreement Addenda for State-funded budgets, North Carolina General Statutes, the North Carolina Administrative Code, and/or federal law or regulation. Data shall be reported through North Carolina's centralized reporting system known as the LHD Health Services Analysis (LHD-HSA). To ensure that such data is accurately linked to the specific client served in a manner that results in a unique identifier from the DHHS Common Name Data Service except as allowed by N.C.G.S. § 130A-34.2, LHD shall allow the State to submit (on its behalf) the Social Security Numbers of all clients to the Social Security Administration for verification.

2. LHD shall submit monthly reports of On-Site Wastewater activities to the On-Site Water Protection Branch in the DPH Environmental Health Section in the format provided by the DPH Environmental Health Section.

3. LHD shall provide access to patient records to authorized staff from DCFW and DPH for technical consultation, program monitoring, and program evaluation, as specified by this Consolidated Agreement, Agreement Addenda for State-funded budgets, North Carolina law, North Carolina Administrative Code, and federal law and regulation.

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[3] https://archives.ncdcr.gov/government/local

[4] Per SL2024-49, which modifies N.C.G.S. §143-300.8(b), states that "All local health departments shall enter into an annual agreement with the Department to provide environmental health services in accordance with Chapter 130A of the General Statutes. The annual agreement shall include a requirement for quality assurance for all environmental health services."

4. In accordance with N.C.G.S. § 130A-94, the local health director shall serve as the local registrar of vital statistics. In accordance with N.C.G.S. § 130A-96, the local registrar shall appoint a deputy local registrar. The LHD shall report the name and contact information of any local registrar and deputy local registrar to the State Registrar of Vital Statistics within one business day of appointment. The LHD shall also report to the State Registrar when any local registrar or deputy registrar resigns or otherwise departs from the role. The local registrar shall fulfill duties as set out in N.C.G.S. § 130A-97. In accordance with N.C.G.S. § 130A-97(5), the local registrar may have a copy of the data from each certificate and maintain it for up to two years. This data shall be maintained securely, as set out in Subparagraphs 5., 6., and 7 below, and used in accordance with applicable law.

5. LHD shall provide network and internet access at its facilities (or to the county network where desired) in order to:
   a. Connect with critical data and surveillance systems including, but not limited to, the North Carolina Health Alert Network (NC HAN), North Carolina Electronic Disease Surveillance System (NC EDSS), North Carolina Immunization Registry (NCIR), Local Health Department Health Services Analysis (LHD-HSA), North Carolina Crossroads WIC System, North Carolina Database Application for Vital Events (NCDAVE), Electronic Birth Registration System (EBRS), and Environmental Health Inspection Data System (EHIDS);
   b. Rapidly communicate email alerts to and from DPH regarding bioterrorism and public health topics (outbreaks, emergency alerts, etc.);
   c. Access NCDHHS training material and information used for training staff, including access to webinars;
   d. Maintain a secure infrastructure for remote data entry; and
   e. Report electronically all required DPH Environmental Health Section inspection data in the format and frequency specified by DPH.

6. LHD must utilize security products (e.g., firewalls) to maintain network connectivity and security integrity. The LHD network configuration and security practices should comply with State security standards and must allow communication with systems within the NCDHHS networks.[5]

7. LHD shall be responsible to report all privacy and security breaches that may affect NCDHHS data and surveillance systems to NCDHHS as soon as possible but no later than 24 hours from discovery of the breach by completing a report via the NCDHHS Privacy and Security Office – Incident Reporting Form.[6] If the breach involves Social Security Administration (SSA) data or Centers for Medicare and Medicaid Services (CMS) data, the LHD shall report the breach within 1 hour of becoming aware of the breach. This may include but is not limited to ransomware attacks, malicious code execution, or network breaches. LHD's access to NCDHHS data and surveillance systems may be limited or turned off until proof of remediation is supplied by LHD. LHD shall reimburse NCDHHS or otherwise be held responsible for the costs associated with giving affected persons written notice of a privacy or security incident, as required by any applicable federal or state law, when the privacy or security incident arises out of LHD's performance under this Consolidated Agreement or Agreement Addenda. If a subcontractor is used by LHD in its performance of this work, the LHD must hold the subcontractor to the same privacy and security requirements set out in this Consolidated Agreement and Agreement Addenda.

[5] https://it.nc.gov/resources; https://it.nc.gov/resources/state-it-standards
[6] https://security.ncdhhs.gov/

C. **Assessments and Plans**

1. LHD shall provide to the DPH Community Health Assessment Director:

   a. A comprehensive community health assessment (CHA) at least every four years for each county or health district as follows:

      1) The CHA report is due on the first Monday in March following the year of CHA.
      2) The CHA report shall be submitted as an attachment via the web-based software, Clear Impact Scorecard. The executive summary and community priorities will appear in the note fields.
      3) The CHA shall be a collaborative effort with local partners inclusive of hospitals, businesses, community partners, and local community health coalitions, and the CHA report shall identify a list of community health problems based on the assessment.
      4) The CHA report shall include primary and secondary data that is collected and analyzed.
      5) Secondary data shall be obtained from published statistical tables and reports from the State Center for Health Statistics (SCHS) or other official sources.
      6) Primary data needs and methodologies shall be determined once secondary data have been reviewed and gaps in knowledge about the community are identified.
      7) After analyzing primary and secondary data, the CHA report shall describe available community resources and resource needs for the identified community health problems.
      8) Each identified community health problem shall be prioritized and described in the narrative. The CHA report shall include data analysis of those indicators listed in the Accreditation Self-Assessment Inventory, Benchmark 1, Activity 1.1.

   b. A Community Health Improvement Plan (CHIP) no later than six months after the completion of the CHA as follows.

      1) The CHIP is due by the first Monday in September following the year of assessment.
      2) The CHIP shall be submitted via the web-based software, Clear Impact Scorecard.
      3) The CHIP shall address a minimum of two priorities identified in the most recent community health assessment.
      4) The CHIP shall be data driven and derived by using results-based accountability to focus on both population and program accountability. Results, indicators, programs, and performance measures must be included.
      5) The CHIP shall be aligned with one or more of the Healthy North Carolina 2030 (HNC 2030) indicators and use best evidence interventions targeting health behaviors, the physical environment, social and economic factors, and/or clinical care.
      6) The CHIP shall be aligned with the current North Carolina State Health Improvement Plan and consider policy recommendations as a best practice opportunity.
      7) The CHIP shall be updated at least annually, and LHD must monitor its performance against the CHIP annually.
      8) Components of the CHIP may persist across CHA-CHIP cycles when:
         a) the health problem persists and continues to be a priority; and
         b) new interventions are needed; and/or
         c) the interventions need to be expanded to a new target population.

   c. A state of the county or district health report (SOTCH) during each interim year between CHAs as follows:

1) The SOTCH is due by the first Monday in March in years when a CHA report is not submitted.
2) The SOTCH shall be submitted via the web-based software, Clear Impact Scorecard.
3) The SOTCH shall include:
   a) progress made on each performance measure in the CHIP;
   b) morbidity and mortality changes since the last CHA;
   c) emerging issues since the last CHA; and
   d) new, paused, and/or discontinued initiatives since the last CHA.

2. LHD shall make a written request for any variances in submission of CHA, CHIP, and SOTCH documents in advance of the required date of submission. Emails may be sent to the DPH Community Health Assessment Director at cha.sotch@dhhs.nc.gov.
3. For LHD accreditation, all instances of Clear Impact Scorecard must be linked to the HNC 2030 Scorecard licensed by DPH.
4. Guidance about CHA, CHIP, and SOTCH is located on the North Carolina State Center for Health Statistics website under "Local Data Analysis and Support."[7]

II. NCDHHS RESPONSIBILITIES

A. Training, Consultation, and Support

1. DCFW and DPH shall provide training to LHD for LHD's response to this Consolidated Agreement and to the Agreement Addenda. Upon request, consultation will be provided by DCFW and/or DPH to LHD.

2. DCFW and/or DPH shall provide coordination and support for the education and training for the public health workforce, including developing training opportunities at the Section/Branch/Program level to achieve health equity, promote inclusion of all populations affected by health disparities (including racial/ethnic minority groups and persons with disabilities), and ensure all staff, clinical and non-clinical, have opportunities for training focused on health equity, health disparities, and/or social determinants of health to support individual competencies and organizational capacity to promote health equity.

3. DCFW and DPH shall provide leadership for liaison activities between NCDHHS and LHD for general problem solving and technical support around areas addressed within this Consolidated Agreement.

4. DPH shall provide high-level consultation, technical assistance, and advice to local health directors and teams via the DPH Local and Community Support (LCS) Section. For more information, contact the DPH Deputy Director/LCS Section Chief. Broad content areas include, but are not limited to:
   a. Board Relations;
   b. Management Teams and Staffing;
   c. Policy Development;
   d. Program Planning and Implementation;
   e. Quality and Performance Improvement; and

[7] https://schs.dph.ncdhhs.gov/units/ldas/cha.htm

f. General Administrative Consultation, including consultation and technical assistance in budgeting, fiscal, administrative and management support topic areas.

5. DCFW and DPH shall provide technical assistance and consultant services, as required, for specific health program areas, including providing guidance and consultation about specific patient clinical issues, when requested. Contact the specific division's section chief or branch head to arrange for technical assistance and consultant services.

6. DPH shall provide course coordination, consultation, and technical assistance on nursing practice and standards, policies, and procedures that cross programs via the DPH LCS Section, Local Technical Assistance and Training Branch (LTATB). Contact the DPH Chief Public Health Nurse/Branch Head, LTATB to arrange this assistance.

7. DPH shall provide support and consultation to the public health workforce in LHD, through the provision of regional public health consultants who offer professional development and training on finance, billing, and budget. Contact the DPH Chief Public Health Nurse/Branch Head, LTATB to arrange a consultation.

B. **Performance**

1. DCFW and DPH shall act as liaisons between the public health system and the Division of Health Benefits (the State's Medicaid agency) on issues related to Medicaid-reimbursed services provided by the State and LHD. DCFW and DPH shall cooperate with the Division of Health Benefits to provide technical assistance, guidance, and consultation to local health programs to ensure compliance with Medicaid policies and procedures.

2. For services of the DPH State Laboratory of Public Health (SLPH), DPH shall:

   a. Provide free or at-cost mailers that meet the US Postal Service/DOT UN3373 Biologic substance shipping and packaging regulations for samples submitted to the SLPH only, when ordered via the SLPH's web-based mailroom ordering system;

   b. Ensure qualified personnel to process, analyze, and report test results;

   c. Ensure that SLPH maintains Clinical Laboratory Improvement Amendments of 1988 (CLIA) certification;

   d. Submit invoices to LHD via electronic means;

   e. Collect interest (per N.C.G.S. § 147-86.23 Interest and penalties) and a 10% late fee as appropriate; and

   f. Provide a qualified Laboratory Director and a Technical Consultant for LHD's laboratories participating in the North Carolina SLPH CLIA Contract Program. Services provided by the oversight of this personnel include training and continuing education, CLIA inspection assistance, proficiency testing and enrollment, competency assessment, and models for laboratory forms, procedures, and policies.

3. DCFW and DPH will provide support and technical assistance for LHD to comply with all applicable laws, regulations, and standards relating to the activities covered in this Consolidated Agreement.

4. DCFW and DPH shall conduct reviews, audits, and program monitoring to determine compliance with the terms of this Consolidated Agreement and its associated Agreement Addenda.

C. **Data/Reporting**

1. DCFW and DPH shall provide automated data and surveillance systems to collect and store client, service, encounter, and other data related to DCFW and DPH programs on behalf of LHD and other public health programs. DCFW and DPH shall provide business and technical support to the users of these systems. DCFW and DPH shall notify LHD as opportunities and/or timelines for improved or emerging technology systems occur. These systems may include, but are not limited to:
   a. LHD-Health Services Analysis (LHD-HSA) for automated reporting of clinical service data fields;
   b. Environmental Health Inspection Data System (EHIDS) for Food and Lodging inspection and billing data;
   c. Aid-to-Counties Database (ATC) for reporting and claiming State funds and any federal funds which are allocated by DPH or DCFW;
   d. North Carolina Health Alert Network (NC HAN);
   e. North Carolina Electronic Disease Surveillance System (NC EDSS);
   f. North Carolina Immunization Registry (NCIR);
   g. North Carolina Crossroads WIC System;
   h. Electronic Birth Registration System (EBRS);
   i. COVID-19 Community Team Outreach (CCTO) Tool;
   j. COVID-19 Vaccine Management System (CVMS); and
   k. North Carolina Database Application for Vital Events (NCDAVE) for electronic death registration.

   Other automated data and surveillance systems may be added as they are developed; others may be discontinued.

2. DCFW and DPH shall be responsible in its use of data received and reviewed in its various roles as a public health authority, health oversight agency, and business associate. Protected health information (PHI) received by DCFW and DPH in its capacity as a covered entity or business associate shall be protected as required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (see this Consolidated Agreement's Attachment B: Business Associate Agreement Addendum).

D. **Fund Availability and Notification:** DCFW and DPH shall provide to LHD the Budgetary Estimates of Funding Allocations no later than February 14 of each year to use in preparation of its local budget proposals per N.C.G.S. § 108A-88 unless exceptions are noted in the respective Agreement Addenda. The Agreement Addendum for Activity 874 Food and Lodging is an exception, as the Agreement Addendum for it will be provided to LHD no later than March 30 for the State Fiscal Year (SFY) in which payment will be made.

1. DCFW and DPH shall each provide a Funding Authorization document to LHD after the receipt of the Certified State Budget.

2. Following receipt of the Certified State Budget for the fiscal year <u>and</u> upon receipt of this executed Consolidated Agreement and the executed Agreement Addenda, DCFW and DPH shall make funds available to LHD at the beginning of each fiscal year through the Aid-To-Counties Database (ATC). Funds will be dispersed in accordance with the LHD's certified expenditure reporting within ATC, and payments will be made to LHD according to the NCDHHS Controller's Office Aid-to-Counties Expenditure Control Schedule issued December of each year for the following calendar year.

III. FUNDING STIPULATIONS

A. Use of Funds

1. Funding for this Consolidated Agreement and all Agreement Addenda is subject to the availability of State, federal, and Special Funds for the purpose set forth in this Consolidated Agreement and the Agreement Addenda.

2. During the period of this Consolidated Agreement, LHD shall not use State, federal or Special Project funds received under this Consolidated Agreement or any Agreement Addenda to reduce locally appropriated funds as reflected in the Local Appropriations Budget (see Section IV. Fiscal Control, Paragraph H. Local Appropriations Budget).

3. **Required Reporting Certifications**: Per the revised Uniform Guidance, 2 C.F.R. 200, if awarded federal pass-through funds, the LHD as well as all Subrecipients of the LHD must certify the following whenever 1) applying for funds, 2) requesting payment, and 3) submitting financial reports:

   "I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812."

B. Compliance

1. To receive funding under this Consolidated Agreement, LHD shall comply with 10A NCAC 46, Section .0200 Standards for Local Health Departments.

2. LHD shall maintain authenticated employee time records to document the actual work activity of each employee on a daily basis. The percentage of time each employee spends in each activity shall be converted to dollars based upon the employee's salary and benefits at least on a monthly basis. The computation shall support the charges for salaries and benefits to all federal and State grants (as required in 2 C.F.R. Part 200) as well as provide the documentation of detailed labor cost per activity for preparation of Medicaid Cost Report.

3. LHD charges/billing. LHD shall:

   a. Establish one charge per clinical/support service for all payors (including Medicaid) based on its related costs as permitted by N.C.G.S. § 130A-39(g);

   b. Bill all payors the established charge (with the exception that when billing 340B Drug Pricing Program drugs or devices to Medicaid, all drugs or devices purchased using 340B Program must be billed to Medicaid at the acquisition cost);

   c. Make every reasonable effort to collect charges for services through public or private third-party payors (except where prohibited by federal regulations or State law) noting, however, that no one shall be refused services mandated by law solely because of an inability to pay; and

   d. Review all LHD fees, including environmental health fees, annually with the governing body in accordance with the North Carolina Local Health Department Accreditation Board guidance and local policies.

   LHD may accept negotiated or other agreed upon lower amounts (e.g., the Medicaid reimbursement rate) as payment in full.

4. LHD shall comply with the federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"), codified at 2 C.F.R. 200, when utilizing federal grant funds.
   a. When procuring goods and services with federal grant funds, LHD shall apply the most restrictive rule when following federal, State, and local government procurement requirements.

5. When administering the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program), LHD must adhere to the requirements set forth in Section 361 of the Healthy Hunger-Free Kids Act of 2010, which amended Section 12(b) of the Richard B. Russell National School Lunch Act (NSLA), 42 U.S.C. 1760(b). This Act requires local health departments to support full use of the federal administrative funds provided for the WIC Program. The federal administrative funds are specifically excluded from budget restrictions or limitations including, at a minimum, hiring freezes, work furloughs, and travel restrictions.

6. LHD agrees to execute the following consolidated Federal Certifications (Attachment C) as applicable when receiving federal funds and to immediately notify the DCFW Director and the DPH Deputy Director if the certifications, as executed, change during the term of the Consolidated Agreement:
   a. Certification regarding Nondiscrimination;
   b. Certification regarding Drug-Free Workplace Requirements;
   c. Certification regarding Environmental Tobacco Smoke;
   d. Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions; and
   e. Certification regarding Lobbying.

7. Pursuant to the Federal Funding Accountability and Transparency Act (FFATA), LHD is required to submit to DCFW and DPH information that is reportable by DCFW and DPH for all qualified sub-awardees of federal funds. LHD will complete and submit the FFATA Data Reporting Requirement forms provided by DCFW and DPH to determine the eligibility as a sub-awardee for reporting purposes. Information provided by LHD will be used by DCFW and DPH to report subawards (funding authorizations) equal to or greater than $30,000 from each federal grant.

8. If the LHD's Unique Entity Identifier (UEI) changes, the LHD shall provide its new UEI to the DCFW Director and the DPH Deputy Director. DCFW and DPH use the LHD's UEI when reporting subawards in the FFATA Subaward Reporting System (FSRS). The federal government's System for Award Management (SAM) assigns the UEI to uniquely identify business entities.

9. LHD shall comply with the federal Required Disclosures for Federal Awardee Performance and Integrity Information System (FAPIIS) when receiving federal funds: LHD shall disclose, in a timely manner, in writing to the NCDHHS funding entity (DPH or DCFW) and the federal Health and Human Services Office of the Inspector General (HHS OIG) all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to the DPH Deputy Director or DCFW Director and to HHS OIG. (Guidance is available on the HHS OIG website.[8])

[8] https://oig.hhs.gov/compliance/self-disclosure-info/hhs-oig-grant-self-disclosure-program/

C. **Training Reimbursement**

1. Subject to the availability of funds and approval by the DPH Environmental Health Section, LHD may request reimbursement for in-person Centralized Intern Training (CIT) and a one-time mileage allocation. Reimbursement requests must be submitted by LHD to the DPH Environmental Health Section within 60 days of course completion and within the same fiscal year the training is completed. Reimbursement requires successful completion of the course. No reimbursements are offered for virtual trainings. (Reimbursement Request Form DHHS 4125 *Centralized Intern Training Funds Reimbursement Request* is available on the DPH Environmental Health website under "Centralized Intern Training and Authorization."[9])
   a. For Interns attending CIT sessions in person, reimbursement amounts are based on the session attended:
      1) Food Protection & Facilities Track — $280
      2) On-Site Water Protection Track — $560
   b. For cross-training Registered Environmental Health Specialists (REHS) attending CIT sessions in person, reimbursement amounts are based on the session attended:
      1) Food, Lodging, & Institutions — $170
      2) Child Care & School Sanitation — $62
      3) On-Site Water Protection — $450
      4) Private Drinking Water Wells — $62
      5) Public Swimming Pools — $62
      6) Tattoo — $62
   c. A one-time mileage allocation per two REHSs from the same county per training session is based on one of the four geographical areas in which they are employed.
      1) Area 1 — $57: Alamance, Caswell, Chatham, Cumberland, Duplin, Durham, Edgecombe, Franklin, Granville, Greene, Guilford, Halifax, Harnett, Hoke, Johnston, Lee, Lenoir, Montgomery, Moore, Nash, Orange, Person, Randolph, Sampson, Vance, Wake, Warren, Wayne, Wilson.
      2) Area 2 — $170: Alexander, Alleghany, Anson, Ashe, Beaufort, Bertie, Bladen, Brunswick, Cabarrus, Camden, Carteret, Catawba, Chowan, Columbus, Craven, Currituck, Dare, Davidson, Davie, Forsyth, Gaston, Gates, Hertford, Hyde, Iredell, Jones, Lincoln, Martin, Mecklenburg, New Hanover, Northampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Pitt, Richmond, Robeson, Rockingham, Rowan, Scotland, Stanly, Stokes, Surry, Tyrrell, Union, Washington, Watauga, Wilkes, Yadkin.
      3) Area 3 — $283: Avery, Buncombe, Burke, Caldwell, Cleveland, Haywood, Henderson, Jackson, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, Yancey.
      4) Area 4 — $396: Cherokee, Clay, Graham, Macon, Swain.

D. **Purchases**

1. Equipment is a type of fixed asset consisting of specific items of property that: (1) is tangible in nature; (2) has a life longer than one year; and (3) has a significant value.

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[9] https://ehs.dph.ncdhhs.gov/oet/index.htm
Note: This form can also be downloaded at https://ehs.dph.ncdhhs.gov/oet/docs/cit/CentralizedInternTrainingFundsReimbursementRequest.pdf

a. For Inventory Purposes:
   1) Equipment must be accounted for in accordance with guidance published by the Governmental Accounting Standards Board (GASB) for capital assets.
   2) All equipment with an acquisition cost of $500 or more that was purchased with the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program) Funds prior to January 1, 2018 will be inventoried with the DCFW Community Nutrition Services Section. The LHD is responsible for assigning a fixed asset number and applying a fixed asset tag to equipment purchased by the LHD, using WIC Program funds, after January 1, 2018. Within 60 days of the purchase, the LHD will provide to the DCFW Community Nutrition Services Section a written report of the purchase, including a description of the item purchased, serial number, fixed asset tag number, and a copy of the bill of sale.

b. For Prior Approval Purposes:
   1) Unless a more restrictive requirement applies in an Agreement Addendum, all equipment purchased or leased with an acquisition cost exceeding $2,500, where there is an option to purchase with State/federal funds, the purchase or lease must receive prior written approval from the appropriate Section and Branch within DCFW or DPH. [See Subparagraph 2 below for WIC Program requirements.] For those purchased with DPH Public Health Preparedness and Response (PHP&R) Branch funds only, any purchase exceeding $2,500 per invoice shall be treated as a single purchase for prior approval purposes. [For example, on one invoice, the LHD purchases a computer, monitor, and printer totaling more than $2,500, or purchases six computers at $500 each.]
   2) For WIC Program, all computer and medical equipment, whether purchased or leased, must receive prior written approval from the DCFW Community Nutrition Services Section regardless of cost. All other tangible assets (non-computer/medical) with an acquisition cost exceeding $500 must receive prior approval. Computer accessories, such as keyboards and monitors, do not require approval.

c. For Accounting Purposes
   1) LHD must utilize the depreciation schedule provided by the State for all assets with an acquisition cost of $5,000 or greater. The accumulated depreciation shall be recorded in the general fixed assets account group.

2. Prior approval required for purchases other than equipment:
   a. For DPH PHP&R Branch funds, purchases for meals and refreshments must receive prior written approval from the DPH PHP&R Branch.
   b. The use of Medicaid fees generated by maternal and child health programs for capital improvements requires prior written approval from the State Title V Director; the State Title V Director will secure proper programmatic approval as applicable.
   c. For other prior approval requirements, see individual Agreement Addenda.

IV. FISCAL CONTROL

A. LHD shall comply with the Local Government Budget and Fiscal Control Act, North Carolina General Statute Chapter 159, Article 3.

   1. LHD shall maintain a purchasing and procurement system in accordance with generally accepted accounting principles and procedures set forth by the Local Government Commission.[10]

[10] https://www.nctreasurer.com/divisions/state-and-local-government-finance-division/local-government-commission

B. LHD shall execute written agreements with all parties who invoice LHD for payment for the provision of services to patients. Exceptions may be permitted in cases where the patient has a preference for a non-contracted provider and that provider verbally agrees to abide by program requirements and to accept program payment as payment in full.

C. **When subcontracting**, LHD must meet the following requirements:

1. LHD is not relieved of the duties and responsibilities provided in this Consolidated Agreement and Agreement Addenda.

2. LHD will not enter into a financial assistance agreement with any entity on the current North Carolina Office of State Budget and Management (OSBM) Suspension of Funding List (SOFL) and shall withhold funds not yet disbursed until the entity has been removed from the SOFL. Updated SOFLs are released weekly and are available on the OSBM website.[11]

3. LHD shall require its subcontractor to agree to abide by the standards set out in this Consolidated Agreement and relevant Agreement Addenda or to provide such information as to allow LHD to comply with these standards.

4. LHD shall subject its subcontractor to all conditions of this Consolidated Agreement and of any subsequent Agreement Addenda for which they perform work on behalf of LHD.

5. LHD shall require its subcontractor to allow DCFW and/or DPH and federal authorized representatives' access to any records pertinent to its role as a subcontractor of LHD.

6. Upon request, LHD will make available to DCFW and/or DPH a copy of subcontracts supported with State or federal funds.

7. **Reporting Required Subcontract Information**: In accordance with revised NCDHHS guidelines <u>effective October 1, 2024</u>, the LHD must provide the information listed below for every subcontract from the LHD that is to carry out any or all of an Agreement Addendum's work and which utilizes any of that Agreement Addendum's DPH or DCFW funding.

   Subcontracts are contracts or agreements issued by the LHD to a vendor ("Subcontractor" of the LHD) or a pass-through entity ("Subrecipient" of the LHD).

   Subcontractors are vendors hired by the LHD via a contract to provide a good or service required by the LHD to perform or accomplish specific work outlined in an executed Agreement Addendum (AA). For example, if the LHD needed to build a data system to satisfy reporting requirements of an AA, the vendor hired by the LHD to build the data system would be a Subcontractor. Reference Section F.3. for the definition of "Vendor." However, not all Vendors are considered Subcontractors. Entities performing general administrative services to the LHD (e.g., certified professional accountants) are not considered Subcontractors,.

   Subrecipients of the LHD that receive DPH or DCFW pass-through funding from the LHD via a contract or agreement to carry out all or a portion of the programmatic responsibilities outlined in the executed Agreement Addendum. Reference Section F.1. and F.2. for definitions of "Subrecipient" and the "Subrecipient relationship." Subrecipients are also referred to as Subgrantees in NCAC.

[11] https://www.osbm.nc.gov/stewardship-services/grants-management/suspension-funding-memos

The following information must be provided to the relevant Agreement Addendum's DPH Program Contact or DCFW Program Contact *prior* to the entity being awarded a contract or grant from the LHD:

- Organization or Individual's Name (if an individual, include the person's title)
- EIN or Tax ID
- Street Address or PO Box
- City, State and ZIP Code
- Contact Name
- Contact Email
- Contact Telephone
- Fiscal Year End Date (of the entity)
- State whether the entity is functioning as a Subrecipient or as a Subcontractor of the LHD.

D. LHD must receive prior written approval from the DCFW Director and/or the DPH Deputy Director to subcontract when either of the following conditions exist:

1. LHD proposes to subcontract to a single entity 50 percent or more of the total State and federal funds made available through this Consolidated Agreement;

2. LHD proposes to subcontract 50 percent or more, or $50,000, whichever is greater, of the total State and federal funds made available through this Consolidated Agreement or any Agreement Addendum.

E. LHD must receive prior written approval from the Program Contact listed on the applicable DCFW or DPH Agreement Addendum to subcontract when either of the following conditions exist:

1. LHD proposes to subcontract for any of the services in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program).

2. LHD provides financial assistance of any funding amount with a contract to a Subrecipient who will carry out the LHD's programmatic responsibilities within the Agreement Addendum, regardless of funding source.

F. Definitions for Subrecipient and Vendor:

1. Subrecipient: The federal government defines a subrecipient as a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal [or State] program.[12] Subrecipient means any entity who receives pass-through funding in the form of a grant or grant contract from a grant recipient or Subrecipient. E.g., CDC issues NCDHHS a grant, making NCDHHS the prime recipient; NCDHHS passes-though grant funds to an LHD, making the LHD a Subrecipient of NCDHHS; If the LHD further passes through their grant funds to a community-based organization, that organization is a Subrecipient of the LHD.

   The definition of Subrecipient does not include an individual who is a beneficiary of such program (e.g., a client) or a vendor that provides administrative services (e.g., accountant, staffing) or products (e.g., software, assessment) to the program.

   A Subrecipient receives financial assistance to provide core programmatic services and is responsible for how the programmatic work is done, programmatic and financial reporting, and abiding by the award terms and conditions. "Subgrantee" shall have the same meaning as Subrecipient.

[12] https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR031321e29ac5bbd/section-200.331

2. Subrecipient Relationship: A Subrecipient Relationship exists when a recipient or Subrecipient issues its own subaward for financial assistance via a contract with an entity, through which the entity becomes responsible for the programmatic work, reporting, and award terms and conditions in the same way the original recipient or Subrecipient is responsible. The entity receiving the subaward of passed-through funding is now a Subrecipient. All conditions of the original funding are passed through to all recipients and Subrecipients; this is a key feature of the Subrecipient Relationship. A Subrecipient Relationship exists between NCDHHS and the LHD. If the LHD passes funding through to their own Subrecipient, the LHD is responsible for monitoring its Subrecipients in the same way DCFW and DPH monitor the LHD.
3. Vendor: A Vendor provides goods and/or services to the LHD via a purchase order or contract to pay for the purchased goods or services. A Vendor has no responsibility beyond delivering the purchased goods or services; a Vendor is not responsible for the programmatic work, reporting, or award terms/conditions within the applicable Agreement Addendum. A Vendor provides these goods or services as part of its regular business to any customer that orders from it or contracts with it.

G. LHD shall return by email a signed copy of all DCFW Funding Authorization documents to the DCFW Budget Office and a signed copy of all DPH Funding Authorization documents to the DPH Budget Office.

H. LHD shall retain a copy of all signed Funding Authorization documents, the files (paper or electronic) produced by the LHD to document its monthly expenditure requests made in the Aid-to-Counties Database (ATC), this signed Consolidated Agreement and subsequent Amendments, all signed Agreement Addenda, signed Agreement Addenda Revisions, and other financial records in accordance with the current Records Disposition Schedule for Local Health Departments issued by the North Carolina Department of Natural and Cultural Resources.[13]

I. **Audits/Monitoring:** The county or LHD shall have an annual audit performed in accordance with the Single Audit Act of 1984 (with amendment in 1996) and 2 C.F.R. Part 200. The audit report shall be submitted to the Local Government Commission (LGC) by the County Administration (if single county LHD) or the District Health Department or Public Health Authority (if so organized) within six months following the close of the Agreement. Audit findings referred to the NCDHHS Internal Audit Office by LGC will be investigated and findings verified by the NCDHHS Controller's Office staff with assistance of DPH and/or DCFW Program Staff.

J. **Local Appropriations Budget:**

1. LHD shall prepare and maintain a Local Appropriations Budget (reflecting the plans to use local appropriations or earned fees) for each Agreement Addendum in a manner consistent with instructions provided in funding-specific budgetary guidance from DCFW and DPH and the specific guidance from the respective programs.

2. LHD shall not reduce county appropriations for maternal and child health services provided by the local health departments because they have received State appropriations for this purpose, pursuant to N.C.G.S. § 130A-4.1.(a) State funds for maternal and child health care/nonsupplanting.

3. LHD shall budget and expend all income earned by LHD for maternal and child health programs supported in whole or in part from State or federal funds, received from NCDHHS, to further the

[13] https://archives.ncdcr.gov/government/local-government-agencies/local-health-departments-schedule

objectives of the program that generated the income, pursuant to N.C.G.S. § 130A-4.1.(b) State funds for maternal and child health care/nonsupplanting.

4. LHD shall not reduce county appropriations for health promotion services provided by the local health departments because they have received State appropriations for this purpose, pursuant to N.C.G.S. § 130A-4.2. State funds for health promotion/nonsupplanting.

5. LHD shall complete and return to DPH the LHD Assurance of County Appropriations Maintenance (Nonsupplanting) (Attachment A) regarding its compliance with these requirements.

K. **Local Earned Revenues Budgeting and Reporting:** LHD shall observe the following conditions when budgeting and expending Local Earned Revenues:

1. Locally appropriated funds may not be withdrawn due to fee collection greater than projected in the budget or due to new grant funding except during the last two months of the fiscal year to allow the county to manage end of year budget close out.

2. Earned revenue (officially classified as local funds) must be budgeted and spent in the program that earned it unless otherwise noted in the respective Agreement Addenda.

   a. Revenue generated by a women's or children's health program may be budgeted and expended in any women's or children's health program, unless a specific Agreement Addendum has a more restrictive requirement.

3. LHD shall not use personal health program funds to support environmental health programs nor use environmental health program funds to support personal health programs.

4. Use of program income generated by the expenditure of federal categorical funds will be governed by applicable federal regulations, including, but not limited to, 2 C.F.R. Part 200.

5. A local account shall be maintained for unexpended earned revenues (i.e., Title XIX fees, private insurance, or private pay [cash]). Accounts shall be maintained in sufficient detail to identify the program source generating the fees.

6. The amount of Title XIX fees budgeted and expended in FY 2025-2026 must equal or exceed the amount of Title XIX revenues earned during FY 2023-2024. The State will not approve program activity budgets that do not include an amount of Title XIX fees sufficient to meet the requirements of this section. The State may waive this requirement if LHD provides sufficient justification.

L. **Aid-to-Counties Database and Expenditure Reporting**:

1. LHD shall submit its actual State, federal, and local required match expenditures for all its program Activities to the NCDHHS Controller's Office via the Aid-to-Counties Database (ATC).

2. Specific ATC instructions and training will be provided by DPH LTATB to LHD.

3. Submission dates for these expenditures are published each December for the following calendar year by the NCDHHS Controller's Office and are found in its Aid-to-Counties Expenditure Control Schedule. This schedule allows LHD at least seven days to enter the pertinent month's expenditures into ATC. LHD must submit these monthly Expenditure Reports via ATC consecutively throughout the Consolidated Agreement period. Failure to meet the month's reporting deadline will result in the exclusion of those expenditures for that month.

4. The LHD's health director and finance officer will approve the monthly expenditures in ATC to certify them. Certification here indicates that the total State and federal expenditures reported by the LHD, as well as the local required match expenditures, are valid for the pertinent month's actual expenditures. Funding is based on an allocation method, not a contract method, and counties receive reimbursement for services provided during one month in the following month.

   Once the LHD has certified the month's expenditures in ATC, ATC will alert the NCDHHS Controller's Office staff that expenditures have been approved and certified, and are ready to be paid.

5. May is the last service month to be paid in the SFY, with the final expenditure reporting submitted, certified, and paid in June. (Services provided in June are reported in July and will be paid out of the next SFY.)

6. When Agreement Addenda are supported by federal funding or grants that do not coincide with the SFY, care must be taken to be attentive to the service month and payment months for each grant as well as the ending liquidation date for each grant. Expenditures of federal funds must be reported according to the funding period for a grant. For each grant, the Budgetary Estimate document and the Funding Authorization document will have service and payment month dates listed. Failure to report expenditures after the payment period ends may result in non-payment.

7. LHD shall have the opportunity to amend its expenditure reporting in the month following discovery of the error. LHD must not wait to submit its adjustments as there must be sufficient time remaining for verification of the adjustments before the last payment in the SFY.

   a. In accordance with Subparagraph 6 above, LHD must ensure that its reporting adjustments against federal funds are received in time to be paid within the grant's payment period. Amended expenditure reports must be submitted no later than the next reporting date after the grant period ends in order to be paid, unless an exception is approved by the DCFW Budget Office or the DPH Budget Office, as appropriate.

   b. Any overpayments identified by either the State or LHD will be adjusted out of the next month's claim for reimbursement by the NCDHHS Controller's Office or by submitting a check to NCDHHS for payment if it is the last month of the fiscal year or if the federal grant is closed. There is no provision to carry forward funds from one SFY to another.

8. LHD shall review its prior reimbursement claims against payments monthly.

V. PERSONNEL POLICIES

A. LHD shall adhere to and fully comply with State and county personnel policies, as applicable.

B. Environmental Health Specialists employed by the LHD shall be delegated authority by the State to administer and enforce State environmental health rules and laws as directed by the State pursuant to N.C.G.S. § 130A-4 Administration. This delegation shall be done according to 15A NCAC 01O .0101 Scope of Delegated Authority.

   1. LHD is responsible for sending its newly employed environmental health specialists (interns) to centralized intern training within 180 days from date of employment.

   2. Arrangements for centralized intern training for newly employed environmental health specialists will be handled by DPH Environmental Health Section Education and Training Staff.

3. LHD, when contracting with an environmental health specialist (EHS) employed by another entity, shall be responsible for ensuring that all original documents/public records (e.g., permits, inspection reports, correspondence) generated by the contracted EHS be maintained by LHD. All contracts covering this work shall stipulate that the contracted EHS shall be available for consultation with the public concerning work performed under the contract.

C. LHD shall comply with 10A NCAC 46 .0301 Minimum Standard Health Department: Staffing and 10A NCAC 46 .0302 Medical Consultants.

D. LHD shall complete the State Certifications (Attachment D) regarding its compliance with E-Verify, its eligibility status as a Subrecipient of NCDHHS, and that its officers have not violated any State or federal Securities Acts.

VI. CONFIDENTIALITY

A. LHD shall protect the confidentiality of all information, data, instruments, documents, studies, or reports received under this Consolidated Agreement and/or Agreement Addenda in accordance with the standards of the State of North Carolina and NCDHHS privacy[14] and security policies,[15] applicable local laws, State regulations, and federal regulations including: the Privacy Rule at 45 C.F.R. Part 160 and subparts A and E of Part 164, Security Standards at 45 C.F.R. Parts 160, 162, and subparts A and C of Part 164 ("the Security Rule"), and the applicable provisions of the Health Information Technology for Economic and Clinical Health Act (HITECH).

B. All information obtained by LHD personnel in connection with the provision of services or other activity under this Consolidated Agreement and/or Agreement Addenda shall be confidential, except as may be required or allowed by law or otherwise permitted by this Consolidated Agreement and/or Agreement Addenda. Information may be disclosed in accordance with North Carolina and federal law, which may include in summary, statistical, or other form that does not directly or indirectly identify particular individuals. Otherwise, information shall not be disclosed or made available to any individual or organization without the prior written consent of the client or responsible person, except as may be required or allowed by law or otherwise permitted by this Consolidated Agreement and/or Agreement Addenda.

C. LHD employees, contractors, volunteers, students, and those acting on LHD's behalf and authority must sign confidentiality agreements documenting knowledge of confidentiality requirements and the agreement to maintain personal and medical confidentiality.

VII. CIVIL RIGHTS

A. LHD shall assure that no person, on the grounds of race, color, age, religion, sex (including pregnancy, gender identity, and sexual orientation), marital status, immigration status, national origin, disability, or genetic information (including family medical history) be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity covered by this Consolidated Agreement and/or Agreement Addenda.

B. The Americans with Disabilities Act of 1990 (ADA) makes it unlawful to discriminate in employment against a qualified individual with a disability and outlaws discrimination against individuals with disabilities in State and local government services and public accommodations. LHD certifies that it and its principals and subcontractors will comply with regulations in ADA Title I (Employment), Title II

[14] https://policies.ncdhhs.gov/wp-content/uploads/nc-dhhs-privacypolicymanual.pdf
[15] https://policies.ncdhhs.gov/wp-content/uploads/DHHS-Security-Manual-v01_03-2023.pdf

(Public Services), and Title III (Public Accommodations) in fulfilling the obligations under this Consolidated Agreement and Agreement Addenda.

C. As required by Title VI of the Civil Rights Act of 1964, LHD, because it receives federal funds, must provide interpreter services at no charge to Limited English Proficiency clients in all programs and services offered by LHD.

VIII. DISBURSEMENT OF FUNDS

A. DCFW and/or DPH, as applicable, shall disburse funds to LHD on a monthly basis; monthly disbursements for each program Activity will be based on monthly expenditures reported.

B. Total payment by program Activity is limited to the total amount listed on the Funding Authorization document and any Funding Authorization revision documents received after the initial notification.

C. Final payments for the State Fiscal Year will be made based on the final monthly expenditure reporting, which is due as delineated per the NCDHHS Controller's Office's Aid-to-Counties Payment Schedule.

IX. AMENDMENT OF AGREEMENT

Amendments, modifications, or waivers of this Consolidated Agreement may be made at any time by mutual written consent of all parties, signed by appropriate representatives of the parties. This Consolidated Agreement may not be amended orally or by performance.

X. PROVISION OF TERMINATION

A. Any party may terminate this Consolidated Agreement or any Agreement Addendum for reasons other than non-compliance upon 60 days written notice from the terminating party to the other parties. If termination occurs, LHD shall receive payment only for allowable expenditures, up to and including the date of termination. Termination for reasons of non-compliance shall be handled in accordance with Section XI. Compliance.

B. In the event of termination of this Consolidated Agreement or any associated Agreement Addendum, DCFW and/or DPH may withhold payment to LHD until it can be determined whether LHD is entitled to further payment or whether DCFW and/or DPH is entitled to a refund.

XI. COMPLIANCE

A. DCFW and/or DPH shall respond to non-compliance with all terms of this Consolidated Agreement or any Agreement Addendum, unless otherwise stated in the respective Agreement Addendum or required by law, as follows:

1. Upon determination of non-compliance, DCFW and/or DPH shall give LHD 60 days prior written notice to come into compliance. If the deficiency is corrected, LHD shall submit a written report to DCFW and/or DPH that sets forth the corrective action taken.

2. If the stated deficiency is not corrected to the satisfaction of DCFW and/or DPH after the 60-day period, disbursement of funds may be temporarily suspended pending negotiation of a plan of corrective action.

3. If the deficiency is not corrected to the satisfaction of DCFW and/or DPH within 90 days of the written notice in Subparagraph 1. above, funds may be suspended unless LHD can provide evidence that the deficiency has been corrected within those 90 days.

4. In the event of LHD's non-compliance with clauses of this Consolidated Agreement or any Agreement Addenda, NCDHHS may cancel, terminate, or suspend this Consolidated Agreement and any Agreement Addenda in whole or in part, and LHD may be declared ineligible for further DCFW and/or DPH contracts or agreements. Such terminations for non-compliance shall not occur until the provisions of Subparagraphs 1., 2., and 3. above have been followed and documented and have failed to correct the deficiency.

B. **Monitoring** – "Uniform Guidance" or "Omni-Circular" 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F Audit Requirements requires that pass-through entities monitor the activities of its subcontractors as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provision of contracts or grant agreements and that performance goals are achieved.

North Carolina establishes related monitoring requirements for State funds received by Subrecipients of State Agencies in N.C.G.S. § 143C-6-23 State grant funds: administration; oversight and reporting requirements. Also, DCFW and DPH must perform monitoring as required in the current NCDHHS Policy and Procedure Manual and the current DPH Subrecipient Monitoring Plan.

Additionally, LHD is required under 2 C.F.R., Part 200 Subpart F, N.C.G.S. § 143C-6-23, and N.C.G.S. § 159-34 Annual independent audit; rules and regulations, to perform monitoring of its Subrecipients and to maintain records to support such monitoring activities and results. Accordingly, LHD shall participate fully in monitoring by DCFW and DPH and shall appropriately monitor its Subrecipients to the extent necessary based on the assessed level of risk.

In witness whereof, **LHD**, **DCFW**, and **DPH** have executed this Consolidated Agreement.

Lee County Health Department

____
Health or Human Services Director Date

____
Finance Officer Date

____
County Official Date
(when locally required)

North Carolina Department of Health and Human Services, Division of Public Health

____
Division Director Date

North Carolina Department of Health and Human Services, Division of Child and Family Well-Being

____
Division Director Date

ATTACHMENT A
LHD ASSURANCE OF COUNTY APPROPRIATIONS MAINTENANCE (NONSUPPLANTING)

The LHD assures compliance with the following North Carolina General Statutes:

§ 130A-4.1. State funds for maternal and child health care/nonsupplanting.

(a) NCDHHS shall ensure that local health departments do not reduce county appropriations for maternal and child health services provided by the local health departments because they have received State appropriations for this purpose.

(b) All income earned by local health departments for maternal and child health programs supported in whole or in part from State or federal funds, received from NCDHHS, shall be budgeted and expended by local health departments to further the objectives of the program that generated the income. (1991, c. 689, s. 170; 1997-443, s. 11A.57.)

§ 130A-4.2. State funds for health promotion/nonsupplanting.

NCDHHS shall ensure that local health departments do not reduce county appropriations for health promotion services provided by the local health departments because they have received State appropriations for this purpose. (1991, c. 689, s. 171; 1997-443, s. 11A.58.)

Acting officially in an authorized capacity on behalf of the LHD and with an understanding of the LHD's responsibilities under this Assurance, I assure the nonsupplantation of county appropriations as specified above.

All information provided with this Assurance is up-to-date and accurate. I am aware that false statements could be cause for invalidating this Assurance and may lead to other administrative or legal action.

Lee County Health Department

____

Health or Human Services Director Date

____

Finance Officer Date

____

County Official Date

(Attachment A to the Consolidated Agreement requires the County Official signature if it was included on the Consolidated Agreement.)

ATTACHMENT B
BUSINESS ASSOCIATE AGREEMENT ADDENDUM TO THE CONSOLIDATED AGREEMENT

This Business Associate Agreement (the "Agreement") is made effective June 1, 2025, by and between **Lee County Health Department** ("Covered Entity") and the **North Carolina Department of Health and Human Services, Division of Public Health and** the **North Carolina Department of Health and Human Services, Division of Child and Family Well-Being** (collectively, the "Business Associate"), (the Covered Entity and the Business Associate collectively, the "Parties").

1. BACKGROUND

a. Covered Entity and Business Associate are parties to the "FY 2026 Consolidated Agreement" (the "Consolidated Agreement"), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.

b. Covered Entity is an LHD in the State of North Carolina that has been designated in whole or in part by as a "covered entity" for purposes of the HIPAA Privacy Rule.

c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy Rule.

d. The Parties enter into this Business Associate Agreement Addendum to the Consolidated Agreement with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected health information to a business associate and may allow a business associate to create or receive protected heath information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

2. DEFINITIONS

Unless some other meaning is clearly indicated by the context, the following terms shall have the following meaning in this Agreement:

a. "Electronic Protected Health Information" shall have the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103.

b. "HIPAA" means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as modified and amended by the Health Information Technology for Economic and Clinical Health ("HITECH") Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009, Public Law 111-5.

c. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

d. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and applicable parts of Part 164.

e. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

f. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.

g. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or the person to whom the authority involved has been delegated.

h. Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the Privacy Rule.

3. OBLIGATIONS OF BUSINESS ASSOCIATE

a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law.

b. Business Associate agrees to use appropriate safeguards and comply, where applicable, with subpart C of 45 C.F.R. Part 164 with respect to electronic protected health information, to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
d. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured protected health information as required by 45 C.F.R. § 164.410.
e. Business Associate agrees, in accordance with 45 C.F.R. § 164.502(e)(1) and § 164.308(b)(2), to ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of Business Associate agree to the same restrictions and conditions that apply to Business Associate with respect to such information.
f. Business Associate agrees to make available protected health information as necessary to satisfy Covered Entity's obligations in accordance with 45 C.F.R. § 164.524.
g. Business Associate agrees to make available Protected Health Information for amendment and incorporate any amendment(s) to Protected Health Information in accordance with 45 C.F.R. § 164.526.
h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from or created or received by Business Associate on behalf of, Covered Entity available to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
i. Business Associate agrees to make available the information required to provide an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

4. PERMITTED USES AND DISCLOSURES

a. Except as otherwise limited in this Agreement or by other applicable law or agreement, if the Consolidated Agreement permits, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Consolidated Agreement, provided that such use or disclosure:
   1) would not violate the Privacy Rule if done by Covered Entity; or
   2) would not violate the minimum necessary policies and procedures of the Covered Entity.
b. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Consolidated Agreement permits, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided that:
   1) the disclosures are Required By Law; or
   2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
c. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Consolidated Agreement permits, Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
d. Notwithstanding the foregoing provisions, Business Associate may not use or disclose Protected Health Information if the use or disclosure would violate any term of the Consolidated Agreement or other applicable law or agreements.

5. TERM AND TERMINATION

a. **Term**. This Agreement shall be effective as of the effective date stated above and shall terminate when the Consolidated Agreement terminates.

b. **Termination for Cause**. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:

1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or
3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.

c. **Effect of Termination**.

1) Except as provided in paragraph (2) of this section or in the Consolidated Agreement or by other applicable law or agreements, upon termination of this Agreement and services provided by Business Associate, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
2) In the event that Business Associate determines that returning or destroying the Protected Health Information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

6. GENERAL TERMS AND CONDITIONS

a. This Agreement amends and is part of the Consolidated Agreement.

b. Except as provided in this Agreement, all terms and conditions of the Consolidated Agreement shall remain in force and shall apply to this Agreement as if set forth fully herein.

c. In the event of a conflict in terms between this Agreement and the Consolidated Agreement, the interpretation that is in accordance with the Privacy Rule shall prevail. In the event that a conflict then remains, the Consolidated Agreement terms shall prevail so long as they are in accordance with the Privacy Rule.

d. A breach of this Agreement by Business Associate shall be considered sufficient basis for Covered Entity to terminate the Consolidated Agreement for cause.

Lee County Health Department		North Carolina Department of Health and Human Services, Division of Public Health	
Health or Human Services Director	Date	Division Director	Date
		North Carolina Department of Health and Human Services, Division of Child and Family Well-Being	
		Division Director	Date

ATTACHMENT C
FEDERAL CERTIFICATIONS

The undersigned states that:

1. He or she is the duly authorized representative of the Subrecipient named below;
2. He or she is authorized to make, and does hereby make, the following certifications on behalf of the Subrecipient , 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 Subrecipient **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 Subrecipient **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 Subrecipient shall require its subcontractors/subrecipients, if any, to make the same certifications and disclosure.

Signature Title Date

Lee County Health Department

Subrecipient [Organization] Legal Name

[This Certification must be signed by a representative of the Subrecipient who is authorized to sign contracts.]

I. Certification Regarding Nondiscrimination

The Subrecipient 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 Subrecipient 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 Subrecipient'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:
      (1) The dangers of drug abuse in the workplace;
      (2) The Subrecipient's policy of maintaining a drug-free workplace;
      (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
      (4) 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:
      (1) Abide by the terms of the statement; and
      (2) 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)(2) 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)(2), with respect to any employee who is so convicted:
      (1) Taking appropriate personnel action against such an employee, up to and including termination; or
      (2) 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): ***See page 32 for additional site**

   Street Address No. 1: _**106 Hillcrest Drive**_______________________________

   City, State, Zip Code: _**Sanford, NC 27330**_______________________________

   Street Address No. 2: _**115 Chatham Street**_______________________________

   City State, Zip Code: _**Sanford, NC 27330**_______________________________
3. Subrecipient 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 Subrecipient certifies that it will comply with the requirements of the Act. The Subrecipient 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 Subrecipient.]

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.
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, 45 C.F.R. Part 76. You may contact the person to whom 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 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

a. **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.

b. 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 Subrecipient 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.

1. 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.
2. Identify the status of the covered Federal action.
3. 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.
4. 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

subaward 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.

5. 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.
6. 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.
7. 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.
8. 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."
9. 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.
10. (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).
11. 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.
12. 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.
13. Check the appropriate boxes. Check all boxes that apply. If other, specify nature.
14. 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.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. 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 (03480046), 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

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
☐ a. contract ☐ b. grant ☐ c. cooperative agreement ☐ d. loan ☐ e. loan guarantee ☐ f. loan insurance	☐ a. Bid/offer/application ☐ b. Initial Award ☐ c. Post-Award	☐ a. initial filing ☐ b. material change **For Material Change Only:** Year__________ Quarter__________ Date of Last Report:________________

4. Name and Address of Reporting Entity: ☐ Prime ☐ Subawardee Tier _________, (if known) Congressional District (if known) __________	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District (if known) __________
6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number (if applicable) ______________________
8. Federal Action Number (if known)	9. Award Amount (if known) : $
10. a. Name and Address of Lobbying Entity (*if individual, last name, first name, MI*): (*attach Continuation Sheet(s) SF-LLL-A, if necessary*)	b. Individuals Performing Services (*including address if different from No. 10a.*) (*last name, first name, MI*): (*attach Continuation Sheet(s) SF-LLL-A, if necessary*)
11. Amount of Payment (*check all that apply*): $ ______________________________ ☐ actual ☐ planned 12. Form of Payment (*check all that apply*): ☐ a. cash ☐ b. In-kind; specify: Nature ______________________ Value ______________________	13. Type of Payment (*check all that apply*): ☐ a. retainer ☐ b. one-time fee ☐ c. commission ☐ d. contingent fee ☐ e. deferred ☐ f. other; specify: _____________________________

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*):

15. Continuation Sheet(s) SF-LLL-A attached: ☐ Yes ☐ No

16. Information requested through this form is authorized by title 31 U. S. C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U. S. C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	Signature: ________________________________ Print Name: ______________________________ Title: ___________________________________ Telephone No: ________________ Date: __________
Federal Use Only	Authorized for Local Reproduction Standard Form - LLL

ATTACHMENT D
State Certifications
Subrecipient 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.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf
- G.S. 133-32: http://www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=133-32
- Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009): https://ethics.nc.gov/media/242/download?attachment
- G.S. 105-164.8(b): http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf
- G.S. 143-48.5: http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html
- G.S. 143-59.1: http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf
- G.S. 143-59.2: http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf
- G.S. 143-133.3: http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-133.3.html
- G.S. 143B-139.6C: http://www.ncga.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 Subrecipient 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 Subrecipient named below, and the Subrecipient'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 Subrecipient named below is not an "ineligible Subrecipient" as set forth in G.S. 143-59.1(a) because:

(a) Neither the Subrecipient 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 Subrecipient 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; **or**

☐ The Subrecipient or one 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 Subrecipient's officers, directors, or owners (if the Subrecipient 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 Subrecipient 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:

(c) He or she is a duly authorized representative of the Subrecipient named below;

(d) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Subrecipient; and

(e) 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.

Subrecipient's Name: **Lee County Health Department**

Subrecipient's Authorized Agent: Signature ____________________ Date ____________

Printed Name ____________________ Title ____________

Witness: Signature ____________________ Date ____________

Printed Name ____________________ Title ____________

The witness should be present when the Subrecipient's Authorized Agent signs this certification and should sign and date this document immediately thereafter.

Additional site from page 26

Additional Site/s

Street Address No.3: **1450 North Horner Blvd**

City, State, Zip Code: **Sanford, NC 27330**

Street Address No.4: ______________________

City, State, Zip Code: ______________________

ITEM #: II.G

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Purchasing Policy Update

DEPARTMENT: Finance

CONTACT PERSON: Angelina Noel, Assistant County Manager

TYPE: Action Item

REQUEST	Please review and approve the attached changes in purchasing policy.
BUDGET IMPACT	N/A
ATTACHMENTS	Lee_County_Purchasing_and_Contracting_Policy_September_2(Lee County Purchasing and Contract Policy (April 7 2025 revision)Full Version Highlighted.pdf
PRIOR BOARD ACTION	The original purchasing policy was adopted in August 2009 with updates in October 2009, August 2018, March 2020, January 2022, and September 2024. The County Manager's signing authority for change orders was updated from $30,000 to $50,000 with a resolution adopted at the August 19, 2024, Board meeting.
RECOMMENDATION	Please review and approve the attached changes in the purchasing policy.
SUMMARY	

The purpose of the purchasing policy update request is to clarify requirements related to purchases from $1,000.00- $4,999.99 and $5,000.00-$29,999.99. Updates are noted in the attached policy and are highlighted in yellow for review. A copy of the adopted policy from September 16, 2024 is also attached for the Board's review to understand the language prior to the recommended changes before you tonight. You will see changes on page 4 and 12 on the purchasing policy. Page 4 notes the addition of the $1, 000.00- $4,999.99 to require a purchase order and most reasonable price, and $5,000.00-$29,999.99 requires a purchase order, three quotes required or be on state contract, and to ensure quotes are kept confidential. Page 12 adds the section to state purchases less than $5,000.00 are not required to seek competitive bids but are directed to seek the most reasonable price. These changes are in line with the information that was presented at the September 16, 2024, Board meeting and clarify direction for staff when making purchases up to $4,999.99.

Lee County Purchasing and Contracting Policy

Adopted as Administrative Policy for all County Employees
Effective August 1, 2009
Amended October 19, 2009
Revised July 23, 2018
Effective August 1, 2018
Amended March 16, 2020
Amended January 24, 2022
Amended September 16, 2024

Lee County, North Carolina
Finance Department

Through vision and leadership, setting the standard for professional local government.

Lee County Purchasing and Contracting Policy
Table of Contents

Lee County Purchasing and Contracting Policy

Introduction

This purchasing policy and procedures manual is intended for use as a guide to Lee County's purchasing methods and practices. When used properly, the policies and procedures will enable the County to obtain needed materials, equipment, supplies, and services efficiently and economically.

The understanding and cooperation of all employees is essential if the County is to obtain the maximum value for each tax dollar spent. While this manual does not answer all questions related to purchasing, it does provide the foundation for a sound purchasing policy.

The basic goals of the County's purchasing program are:

1. To comply with the legal and ethical requirements of public purchasing and procurement.
2. To assure vendors that impartial and equal treatment is afforded to all who wish to do business with the County.
3. To receive maximum value for each dollar spent by awarding contracts and/or purchase orders to the lowest responsible, responsive bidder, taking into consideration quality, performance, technical support, delivery schedule, past performance and other relevant factors.
4. To provide County departments the required goods, equipment and services at the time and place needed and in the proper quantity and quality.
5. To promote good and effective vendor relations, cultivated by informed and fair buying practices and strict maintenance of ethical standards.

Purchasing Summary

Listed below is a summary of the County's procedures with more detail to follow:

Amount of Purchase	Appropriate Procedure
Less than $1,000	No purchase order required Most reasonable price Verify that there is an appropriation authorizing the purchase or obligation Ensure that sufficient funds will remain in the appropriation to pay the amounts that are expected to come due in the fiscal year
$1,000.00 - $29,999.99	Purchase order required 3 Quotes required or State Contract Quotes will remain confidential until awarded
$30,000.00 - $49,999.99 Purchases and Services	Purchase order required Contact the Purchasing Agent Informal sealed bids 3 Quotes or State Contract Quotes will remain confidential until awarded Award by County Manager or designee
$50,000.00 – $89,999.99 Purchases and Services	Purchase order required Contact the Purchasing Agent Informal sealed bids 3 Quotes or State Contract Quotes will remain confidential until awarded Award by Board of Commissioners General Statute 143-131
Equipment costing $90,000 and above (includes lease to purchase items)	Purchase order required Contact the Purchasing Agent Formal bid procedures Award by Board of Commissioners General Statute 143-129
Construction and/or renovation =>$30,000 and <$250,000 NC General Statue 143-131	Purchase order required Contact the Purchasing Agent Informal sealed bid procedures Informal Good Faith Efforts County Outreach Minority Business Reporting (HUBSCO) Dispute Resolution ($15,000 or more) Written Contract required Award by Board of Commissioners
Construction and/or renovation =>$250,000 NC General Statute 143-128	Purchase order required Contact the Purchasing Agent Formal bid procedures Formal Good Faith Efforts County Outreach Minority Business Reporting (HUBSCO) Dispute Resolution Written Contract required Award by Board of Commissioners

Departments receiving non-county funds must also follow the purchasing guidelines established by the funding agency if these requirements are different from the County's procedures.

General Guidelines for Purchasing

Determining Contract Value

A contract's value shall be determined cumulatively. The value of the original contract period, along with any renewal options, extensions, and amendments shall be included in determining the contract's value.

Local Buying

The County wants to ensure that local vendors who have goods or services available which are needed by the County are included in the competitive purchasing process. The County has a responsibility to its residents, however, to ensure that maximum value is obtained for each public dollar spent. **The County cannot and will not make purchasing decisions solely based on vendor residence.** Rather, the County will endeavor to encourage local vendors and suppliers to compete for all County business.

Planning

Planning for purchases should be done on a short-term and long-term basis, thereby minimizing small orders and last-minute purchases. Planning will also reduce the number of trips required to obtain materials and minimize clerical and supervisory time spent on documenting purchases.

Buying Proper Quality

Quality and service are as important as price, and it is the duty of the requesting department to secure the best, most economical, quality that will meet but not exceed the requirements for which the goods and/or services are intended. In some instances, the lowest price does not necessarily mean the lowest cost.

Conflicts of Interest

County employees and officers who are involved in making contracts on behalf of Lee County are governed by North Carolina General Statute (NCGS) 14-234 Conflict of Interest Law, which prohibits direct benefit from said contracting. Violation of the statute is a Class 1 misdemeanor. Violation of the General Statute can lead to disciplinary action under the County's Personnel Policy.

Gifts and Favors

In addition to the prohibition against accepting gifts and favors from vendors and contractors under NCGS 133-32, officers, employees, and agents of Lee County are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts. Items of nominal value valued at less than $25 which fall into one of the following categories may be accepted:

1. Promotional items
2. Honorariums for participation in meetings; or
3. Meals furnished at banquets.

E-Verify

Pursuant to North Carolina General Statute 143-133.3, the County will not enter a contract unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

Iran Divestment Act

Pursuant to North Carolina General Statute 147-86.60, the County will not enter a contract with a contractor identified on a list created by the State Treasurer pursuant to North Carolina General Statute 147-86.58.

Israel Boycott

Pursuant to North Carolina General Statute 147-86.82, the County will not enter a contract with a contractor identified on a list created by the State Treasurer pursuant to North Carolina General Statute 147-86.81.

Uniform Guidance

Contracts funded with federal grant or loan funds must be procured in a manner that conforms with all applicable Federal laws policies, and standards, including those under the Uniform Guidance (2 C.F.R. Part 200). (Exhibit A – Uniform Guidance Procurement Policy and Exhibit B – Uniform Guidance Conflict of Interest Policy)

Debarred Vendors

The County will not enter a contract with a contractor or subcontractor that is debarred or suspended from doing business in North Carolina.

Civil Rights Policy

The County is required by Federal law to adhere to nondiscrimination and nondiscriminatory use of Federal funds. The County will ensure entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

In order to carry out its enforcement responsibilities under Title VI of the Civil Rights Act, the County's Finance Department will review all procurement bidding processes and contracts. Additionally, the County will assert any subrecipient or subaward adhere to the same processes and expect review from the county at any point in time.

Appropriations and Encumbrances

Under the Local Government Budget and Fiscal Control Act, all expenditures must be supported by an appropriation. In NCGS 159-28 (b), bills, invoices, or other claims against a local government or public authority may be approved if 1) the amount is determined to be payable and 2) the budget or project ordinance includes an appropriation authorizing the expenditure and either (i) an encumbrance has been previously created for the transaction or (ii) an unencumbered balance remains in the appropriation sufficient to pay the amount to be disbursed. Contracts, including purchase orders, must include a pre-audit certificate signed by the Finance Officer.

Encumbrances include all outstanding purchase orders, unpaid invoices and agreements or contracts that have not been completed for which the County has an obligation to expend funds. Encumbrances against an appropriation are an obvious reduction in the amount available for future expenditures, and only when the encumbrances are recorded is a true report of the financial condition of a department or County evident.

Lee County Outreach Plan for Minority Business Participation

In accordance with NCGS 143-128.2, the County has established goals for minority participation in single-prime bidding, separate-prime bidding, construction manager at risk, and alternative contracting methods, on Lee County's building construction or repair projects in the amount of $250,000 or more. The outreach plan shall also be applicable to the selection process of architectural, engineering, surveying, construction manager-at-risk services, design-build services and public-private partnership construction services. The formal range requires the contractors to complete the Good Faith Outreach for minority business solicitation. In addition to the formal bid range (over $250,000) requirement, projects in the informal rage of $30,000 to $250,000 require the County to solicit minority participation in contracts for the erection, construction, alteration or repair of any building awarded pursuant to this section. The County shall maintain a record of contractors solicited and shall document efforts to recruit minority business participation in those contracts pursuant to NCGS 143-131 (b). The informal range of $30,000 to $250,000 requires the County to perform the Good Faith Outreach.

Lee County has a current verifiable goal of 10 percent for minority participation for building construction or repair projects.

At the completion of a construction, renovation and/or repair project that has minority participation requirements, the department must submit minority participation reporting information to the Development Services Director who will report MWBE information for each project to the North Carolina Office of Historically Underutilized Business (NCGS 143-128.3).

The complete policy, Lee County's Minority Business/Historically Underutilized Business Participation Outreach Plan and Guidelines can be found in Exhibit D of this policy.

Definition Of Responsibilities

The Purchasing Agent's responsibilities:

- To facilitate the involvement of local vendors in the County's purchasing policy.
- To ensure impartial judgments in the selection of vendors which are based on product quality, price, warranty, and performance and vendor delivery, service, and performance.
- To comply with all County purchasing procedures and North Carolina General Statutes covering procurement and disposal.
- To assist with formal bid packets and quotation requests.
- To manage the formal bid process, including advertising for bids, notifying vendors, accepting bid proposals, opening bids, tabulating bids, and serving as the primary resource for questions from vendors.
- To review purchase requisitions.
- To maintain adequate purchasing records, including a database of vendors established in an accessible vendor file.
- Upon request, to assist departments in locating the best source for supplies, materials, and equipment.
- To assist departments in conducting negotiations with vendors concerning prices, bids, terms, deliveries, and adjustments.
- To maintain a central file of contracts.
- To assist departments with the informal bid process.

The Finance Officer responsibilities:

Under the Local Government Budget and Fiscal Control Act, all contractual obligations must be supported by an appropriation that authorizes the expenditure. As required by NCGS 159-28(a), the Finance Officer will pre-audit all obligations of funds and execute the pre-audit certification.

Department and employee responsibilities:

- It is the responsibility of each department to requisition goods and services in such a way as to allow time for competitive bidding, ordering, and delivery of materials. Exceptions shall be made only on rare occasions, when a true emergency exists.
- The department must obtain a completed W-9 (Request for Taxpayer Identification and Certification) from the vendor before an invoice or purchase order can be processed.
- It is the responsibility of the department head or his designee, in consultation with the Purchasing Agent, to obtain these goods based upon competitive bids and to give consideration to product price, value, quality, performance, and delivery.
- While the department head may delegate minor purchases to employees, he/she is still responsible for ensuring such purchases are made according to the provisions of this policy.
- No department head or employee is authorized to make any commitment to any salesperson or firm that will bind the County in any way. During meetings with salespersons, no employee shall make any indication that he/she will recommend a particular product for purchase.
- It is the responsibility of all Lee County employees to comply with all rules and regulations set forth herein. As directed by the County Manager, any employee deliberately violating the policy regarding unauthorized purchases shall be held personally accountable for the purchases. Violation of the purchasing policy may result in disciplinary action, up to and including dismissal.

The Purchasing Agent's responsibilities to salespersons and vendors are to:

- Encourage good County/vendor relations.
- Encourage businesses located within the County to participate in the County's purchasing policy, by notifying all known in-County vendors of opportunities to bid.
- Conduct business with vendors in a professional manner that promotes honesty and fairness.
- Accept, and in some cases require samples from vendors to be used for testing. A fair trial shall be given to all samples and the outcome of the test shall be presented to the vendor, in general terms.
- Make every effort to be available for appointments during normal business hours.
- Arrange interviews between salespersons and department heads when requested.
- Write all correspondence to salespersons and vendors, except when technical details can be better written by the department.
- Keep on file vendor information, catalogs, samples, price quotes, etc. to be used by all departments.

The salesperson's responsibilities to Lee County are to:

- Understand the needs of Lee County and try to find the right product at the right price, quality, and quantity that benefits the County as a whole.
- Conduct themselves in a professional manner: being honest about the supplies and products they represent.
- Honor purchase orders generated as a result of providing price quotes on specified items and quantities.

Purchasing Methods

Lee County practices decentralized purchasing for purchases of goods in departments. All purchases of $1,000 and greater require a purchase order. The County policy requires departments to seek quotes and competition for purchases $5,000 and over. Purchases of goods and/or services may not be split to avoid the policy. Dividing contracts or purchases in order to evade procedures is prohibited under NCGS 143-133. All purchase order requisitions are required to be approved by the assigned authority within the department, and therefore, it is his/her responsibility to make sure policy is followed.

Following the departmental requisitions approvals, purchase requisitions are thoroughly reviewed by the Purchasing Agent. Only requisitions meeting the requirements or having been significantly justified are processed for the pre-audit statement and approval. Once the purchase order is generated, then the user department is authorized to order the goods or services.

Purchases and/or Services that do not require a purchase order

The following purchases do not require a purchase order due to the nature of the transaction; however, they do require that the departments (1) ensure that there is an appropriation authorizing the obligation and (2) ensure that an unencumbered balance remains in the appropriation sufficient to pay the sums obligated by the transaction.

Annual dues
Board appropriations paid monthly and quarterly
Claim payments
Courier service
Insurance premiums
Medical examiner fees
Land Purchases
Petty cash – replenishment of funds
Postage permits and expenses
Refunds
Rental of buildings
Social Services Allocated Programs
Subscriptions
Travel expenses
Tuition fees for educational purposes
Utilities

Petty Cash

Purpose: To reimburse an employee for small incidental purchases.
Appropriate use of Petty Cash: Petty cash funds may be used for small incidental nonrecurring cash purchases that do not exceed $50. Cash purchases should be avoided, but in the event that it is not feasible to be billed for very small purchases, the employee may, with department head approval, buy the item and be reimbursed out of petty cash. The employee must submit an invoice or receipt for reimbursement. If petty cash is not available in the department, an invoice or receipt must be submitted to Finance with an explanation or purpose for the expenditure for reimbursement.

Request for Payment

Purpose: To request a check for payment when an invoice is not issued.
Appropriate use of Request for Payment: Occasionally, a check is needed when there is no invoice. These incidents include, but are not limited to:

1. An employee's request for reimbursement for out-of-pocket expenses.
2. Vendors requiring payment in advance.
3. Mail in catalog orders requiring pre-payment.

When the Request for Payment form is used, a detailed receipt, a written quote, or a copy of the catalog order must be submitted as support documentation.

Procurement Card

The procurement card program is available to all departments. This method of purchase is for obtaining low-cost supply and service items. The department head must request and authorize an employee's participation. All procurement cards are issued in the participating employee's name. Procurement cards are only for official County business. Employees are responsible for the reconciliation of the monthly statement and submittal of detailed receipts. Please refer to the Lee County Procurement Card Policy for the full details of the program.

Purchase Orders

Purpose: To provide a legal document that places an obligation on both the County and the vendor. When properly endorsed by the Finance Officer, the purchase order obligates the County to purchase the items listed at the prices stated. The vendor is obligated according to the terms and prices stated on the purchase order to deliver the goods or services. The purchase order provides specifications for goods and services ordered, shipping and billing information.

Appropriate Use of the Purchase Order: A purchase order must be used for purchasing any item or service in excess of $1,000.

Open Purchase Orders

Open purchase orders will be used for repetitive purchases from certain vendors. Rather than issuing a purchase order for each purchase, one purchase order with a dollar limit is issued for a period of time. Departments should follow standard purchase order procedures.

It is highly recommended that departments issue open purchase orders to vendors that they routinely make purchases from that fall below the purchase order threshold. This will help the department to ensure that there is an appropriation authorizing the obligation and to ensure that sufficient funds will remain in the appropriation to pay the amounts that are expected to come due in the fiscal year in which the obligation is incurred.

Competitive Bids

Standard of Award:

Lee County follows statutory requirements for awarding contracts, as stated in NCGS 143-129 and identified as the "lowest responsive, responsible bidder; taking into consideration quality, performance and the time specified in the proposals for the performance of the contract."

A purchase order must be generated with all approvals prior to ordering or purchasing goods and services or binding the County in anyway.

When grant funds, by either the State or Federal Government, are used for any project or purchase, the strictest requirement will be met when compared to the County requirement.

Purchases of Supplies, Materials and Equipment (Up to $29,999.99):

Competitive bids are not required for purchases less than $29,999.99; however, departments are directed to get three quotes or use State Contract. All quotes will remain confidential until awarded.

Purchases of Supplies, Materials and Equipment – Informal Bids ($30,000 – 49,999.99):

Competitive bids are required. The requesting department in conjunction with the purchasing agent must complete a standardized request for bid form (see Specifications) and include the bid cutoff date. The request for bid must be posted on the Lee County website. Informal requests for bids must be posted for a minimum of five (5) business days. All bids must be sealed and submitted to the Purchasing Agent who will open the bids in conjunction with the requesting department at the date and time so specified. Every effort to obtain three bids should be exercised. If at least three (3) bids are not received after the first posting, the bid must be reposted for at least five (5) business days. The County Manager may waive the repost requirement. If all the bids exceed the funds available, negotiations are allowed with the lowest responsible, responsive bidder, and reasonable changes can be made in the plans and specifications to bring the contract price within the funds available. Once the bid deemed in the best interest of the County is determined, the requesting department shall enter the purchase requisition in the County's financial package.

Purchases of Supplies, Materials and Equipment – Informal Bids ($50,000.00 - $89,999.99):

Follow procedures for purchases of supplies, materials and equipment between $30,000 - $49,999.99 except that once the bid deemed in the best interest of the County is determined, the requesting department shall take the request to the Board of Commissioners for approval. Once the Board of Commissioners approves the purchase, the requesting department shall enter the purchase requisition in the County's financial package.

Purchases of Supplies, Materials and Equipment – Formal Bids ($90,000.00 and greater):

See Formal Bid Procedures.

After receipt of a bid, the Purchasing Agent, with the department head or his/her designee, shall review all bid responses to determine the bid deemed in the best interest of the County. A record of all bids submitted must be maintained. All bids are subject to public inspection once opened, unless a trade secret is involved. The requesting department head or his/her designee shall make a formal recommendation of award, with supporting documentation to the Board of Commissioners. Once the Board of Commissioners approves the bid award, the requesting department shall enter the purchase requisition in the County's financial package.

Construction and Repair Work (Below $30,000):

Follow procedures for purchases of supplies, materials and equipment below $30,000.

Construction and Repair Work – Informal bids ($30,000 - $249,999.99)

Follow procedures for purchase of supplies, materials and equipment $30,000 – $89,999.99. The County must also perform "good faith" efforts in reaching Historically Underutilized Businesses with bid opportunities. Refer to Exhibit D – Lee County's Minority Business/Historically Underutilized Business Participation Outreach Plan and Guidelines.

Construction and Repair Work – Formal Bids ($250,000 and greater):

See Formal Bid Procedures.

After the formal bidding process is completed, the department head or his/her designee shall recommend to the Board of County Commissioners the lowest responsible, responsive bidder deemed in the best interest of the County. Upon award by the Board of Commissioners and execution of the contract, the requesting department shall enter the purchase requisition in the County's financial package.

Formal Bid Procedures

In accordance with NCGS 133-1.1(a), the use of a registered architect or engineer is required for the following work:

- Nonstructural Work - $300,000 and above
- Structural repair or new construction - $135,000 and above
- Repair work affecting life safety systems - $100,000 and above

Process:

1. The requesting department shall contact the Purchasing Agent authorizing the purchase, construction or repair work.

2. The Purchasing Agent or a designated representative will review and modify (as needed) the specifications submitted by the requesting department to develop specifications.

3. Specifications for certain construction or repair projects shall be prepared by a licensed architect/engineer firm as defined in NCGS 133-1.1. If requested, the Purchasing Agent or a designated representative will assist with or provide the front-end documentation to the architect/engineer firm engaged to prepare such specifications.

4. The Purchasing Agent or a designated representative will review the specification documents prepared by the licensed architect/engineer firm to ensure all state and local requirements have been met.

5. The Purchasing Agent or a designated representative shall solicit bids utilizing one of the authorized competitive sealed bid methods which best fits the County's needs. The Purchasing Agent or a

designated representative shall ensure that all state and local requirements are met, including advertising, bonding requirements, pre-bid conference, sealed bids, minimum number of bids (construction and repair), maintaining records, and public opening of bids.

6. For bids in the formal range, consideration will be given to conduct a pre-bid conference for potential bidders/vendors, to answer questions and to fulfill County Outreach efforts.

7. For construction projects estimated to cost $300,000 or more the County may, but is not required, to pre-qualify its contractors. This is normally performed with the design architect or engineer for the project.

8. The bid shall be advertised in a newspaper of general circulation in Lee County at least seven (7) full days elapsing between the day the ad appears and the bid opening date. All County sealed bids are also posted to the Lee County website. In addition, the County may use the State's Interactive Purchasing System and the Dodge Room and other media outlets for contractors and minority vendors.

9. Sealed bids are received and opened in public at the time, place and date specified in the advertisement. Bids received after the advertised time and date shall not be considered.
   a. Three bids are required for construction or repair contracts in the formal range. For construction or repair contracts, if three bids are not received, a second advertisement shall be made, after which a contract may be awarded even if fewer than three bids are received.
   b. For purchase contracts in the formal range, Lee County seeks three bids. When three are not received, the sealed bid process may be repeated as a re-bid, or County officials may waive the County requirement.

10. The Purchasing Agent or a designated representative and the requesting department shall review all bids to ensure that the specifications have been met.

11. The Purchasing Agent or a designated representative shall recommend award of contracts to the lowest responsible, responsive bidder or bidders, taking into consideration quality, performance and the time specified in the proposal for the performance of the contract.

12. If all bids exceed the funds available, negotiations are allowed with the lowest responsible, responsive bidder, and reasonable changes can be made in the plans and specification to bring the contract price within the funds available.

13. The Purchasing Agent or a designated representative may make recommendation to the County to reject bids and re-advertise to receive bids.

14. Use of contracts is required for all projects. Contracts are prepared for review by all concerned (Department Head, County Attorney, and the Finance Director). Standard Form Contracts by an architect or engineer are not recommended but may be utilized only after review and approval by the County Attorney.

15. An agenda action form is prepared by the requesting department and submitted for the Board of Commissioners' consideration for all contracts greater than $50,000. The Board of Commissioners shall approve or disapprove contracts as appropriate.

16. The County Manager is authorized through the budget ordinance to execute contracts up to $50,000.

Bid Deposits

For formal construction, renovation and repair contacts, the bid must contain a bid deposit equal to not less than five (5) percent of the bid amount. The deposit may be in the form of cash, cashier's check, certified check or bid bond executed by a surety licensed in North Carolina. No other forms are acceptable. Bid deposits may not be waived.

Withdrawal of Bid

A bidder may request permission to withdraw their bid after the bids are opened, without forfeiting their bid deposit, if he/she can produce credible evidence that the bid was based on a mistake containing a substantial, unintentional arithmetic error or unintentional omission of work. Withdrawal is not allowed due to errors in judgement. The request to withdraw must be made not later than 72 hours after the bid opening. A bidder that requests that their bid be withdrawn cannot participate in the contract, even if the project is re-bid.

Performance and Payment Bonds

For a construction or repair project where the total amount of all the contracts exceeds $300,000, each contractor must provide performance and payment bonds of the full amount of each contract that exceeds $50,000 (NCGS 143-129(c)). The contractor may provide cash, certified checks or government securities instead of bonds.

Rejection of Bids

In requesting bids/proposals, any and all offers received may be rejected in whole or in part. Basis for rejection shall include, but not be limited to:

1. The bid/proposal being deemed unsatisfactory as to quantity, quality, delivery, price or service offered.
2. The bid/proposal did not comply with conditions of the invitation or with the intent of the proposed contract.
3. Lack of competitiveness by reason of collusion or otherwise, or knowledge that reasonably available competition was not received.
4. Errors in specifications or indication that revisions would be to the County's advantage.
5. Cancellation of or changes in the intended project or determination that the proposed requirement is no longer needed.
6. Limitation or lack of available funds.
7. Circumstances which prevent determination of the lowest responsible, responsive.
8. A determination that rejection would be in the best interest of the County.

Dispute Resolution

Pursuant to NCGS 143-128(f1), all disputes involving contractors on a building construction or repair project with Lee County shall be resolved pursuant to County of Lee Rules for Implementing Mediated Settlement Conferences in the Building Projects (Exhibit E).

Contractor Licensure

Prior to contract execution for any project owned by Lee County, a bidding contractor must furnish Lee County with appropriate documentation that indicates that the contractor is currently duly licensed to participate in construction of a project of the same value.

Request for Proposal (RFP)

The County uses RFPs as a competitive process or as an alternative to the standard bidding process. Typically, RFPs are used in situations where (1) detailed specifications cannot be or are difficult to develop; (2) when obtaining a goal or providing a solution to a problem/issue is the main objective; (3) when obtaining professional or other services except for all professions that fall under the Mini Brooks requirement to announce and (4) purchase of information technology goods and services.

1. Notice of the request for proposal shall be given in accordance with NCGS 143-129(a).

2. The County shall advertise the RFP opportunity in a newspaper of general circulation in Lee County, with at least seven (7) full days elapsing between the day the ad appears and the proposal due date. All County bids and opportunities are also posted to the Lee County website. In addition, the County may use the State's Interactive Purchasing System and other media outlets.

3. The proposals are received and recorded; however, there is no public bid opening. Proposals submitted under this section shall not be subject to public inspection until the contract is awarded pursuant to NCGS 143-129.8.

4. Contracts shall be awarded to the person who or entity that submits the best overall proposal as determined by the awarding authority. Factors to be considered in awarding contacts shall be identified in the request for proposals. The "best value" process as stipulated in NCGS 143-135.9 may be used to award the contract. The term "best value procurement" means the selection of the contractor based on a determination of which proposal offers the best trade-off between price and performance where quality is considered an integral performance factor.

5. County staff may negotiate with any proposer in order to obtain a final contract that best meets the needs of the County. Negotiations allowed under this section shall not alter the contract beyond the scope of the original request for proposals in a manner that:
   a) Deprives the proposer or potential proposers of a fair opportunity to compete for the contract; and
   b) Would have resulted in the award of the contract to a different person or entity if the alterations had been included in the request for proposals.

Proposals submitted under this section shall not be subject to public inspection until the contract is awarded pursuant to NCGS 143-129.8.

RFP Evaluation

1. *Selection committee*. The County Manager or a designated representative will work with the department head that has primary responsibility for the items/services being procured and will determine the selection committee chairperson and members. The size of the selection committee is dependent on the nature and scope of the project.

2. *Evaluation criteria*. Evaluation criteria are the factors used to determine which proposal best meets the requirements identified in the RFP. In establishing effective evaluation criteria, a department

must clearly identify the factors relevant to its selection of a vendor for the specific service or need sought. Evaluation criteria should reflect the department's minimum needs and should not be so restrictive as to limit competition. Evaluation criteria often encompass such factors as price or cost, technical excellence, management capability, personnel qualifications, experience and past performance. While price or cost must be included and will be a factor, price or cost need not be the deciding factor in all acquisitions.

3. *Evaluation of responses.* Responses should be evaluated based on predefined criteria. In most cases, the evaluation criteria are to be published in the RFP document with response information to include enough details to evaluate the criteria.

4. *Evaluation document.* The evaluation tool is an unbiased evaluation of all responses weighted against the criteria identified.
   a. The review committee considers all the criteria sought, determines an importance to the project, and assigns the ranking points.

   b. Each individual RFP is then graded against the stated criteria with a value of 1 through 3;
      i. Does not meet criteria point = 1point
      ii. Meets criteria point = 2 points
      iii. Exceeds criteria point = 3 points
   c. Scoring is calculated by multiplying the criteria point value with individual criteria grade, then totaling each RFP score. If a tie occurs, the County will offer interviews with the firms scoring the highest.
   d. Oral presentations or demonstrations may be needed in certain cases for clarifications or if additional information is needed. This session will be conducted using the following guidelines:
      i. All members of the evaluation committee should be present during oral presentations and interview. Time limits for oral presentations will be equal in length.
      ii. Interviews are to be conducted and controlled by the County Manager or a designated representative.

Request for Qualifications – RFQ or QBS

NCGS 143-64.31 requires local governments to announce all requirements for architectural, engineering surveying, construction management at risk services, design build, public-private partnerships and other alternative construction delivery methods.

The County must select firms qualified to provide such services on the basis of demonstrated competence and qualification for the type of professional services required without regard to fee other than unit price information at this stage, and thereafter to negotiate a contract for those services at a fair and reasonable fee with the best qualified firm. The method is known as Qualified Base Selection (QBS) and usually announced through Request for Qualifications.

For all announced QBS projects, the County must perform good faith efforts of outreach to encourage minority participation. The guidelines for "good faith" in the County Outreach plan may be used. (Exhibit D).

Pursuant to NCGS 143-64.32, the County may in writing exempt particular projects from NCGS 143-64.31. The proposed projects where an estimated professional fee is in an amount less than fifty thousand dollars ($50,000) may be considered for this exemption.

The Lee County Board of Commissioners exempted by a Resolution on March 16, 2020, all projects involving architectural, engineering, surveying and construction manager-at-risk services, design-build services and public-private partnership construction services where the estimated professional fee is less than $50,000. All exceptions must be approved by the County Manager or designee. (Exhibit F).

Exceptions to the Formal Bidding Process

If deemed to be in the public interest, competitive bidding may be waived as provided by North Carolina General Statutes. Certain exceptions allow for waiver of the bidding requirements. Some apply only to purchase contracts and others apply to both purchase contracts and construction or repair contracts. Circumstances permitting waiver and direct negotiations include, but are not limited to:

Exceptions that apply to purchase contracts only:
1. Purchases from other governmental agencies (NCGS 143-129(e)(1)).
2. Competitive group purchasing (NCGS 143-129(e)(3)).
3. Gasoline, diesel fuel, alcohol fuel, motor oil, fuel oil or natural gas (NCGS 143-129(e)(5)). [Informal quotes are required.]
4. Sole sources (NCGS 143-129(e)(6)). Requires governing board approval and specific criteria must be met. (Exhibit G).
5. Information technology goods and services purchased through the State Office of Information Technology (NCGS 143-129(e)(7)) or using request for proposal. (Procedures authorized by NCGS 143-129.8).
6. Purchase from state contracts (NCGS 143-129(e)(9)).
7. Used apparatus, supplies, materials or equipment (NCGS 143-129(e)(10)). Does not apply to remanufactured, prefabricated, or demo items.
8. Piggy backing previously bid contracts. Requires governing board approval and prior 10-day notice (NCGS 143-129(g)).
9. Purchases from nonprofit work center for the blind and severely disabled (NCGS 143-129.5).

Exceptions that apply to construction or repair contracts only:
1. Change order work. (NCGS 143-129(e)(4)).
2. Construction management at risk projects (NCGS 1473-129(e)(11)). Requirements of NCGS 143-128.1 apply to these projects.
3. Force account work. (NCGS 143-135). Work must be performed by labor on the permanent payroll and does not exceed $500,000 for the total project cost including all direct and indirect costs of labor, materials, supplies, equipment, or the labor on the project does not exceed $200,000.
4. Projects using unemployment-relief labor paid for in whole or part with state or federal funds. (NCGS 143-129(d)).
5. Contracts with NC Department of Transportation for street construction and repair. (NCGS 136-41.3).

Exceptions that apply to both purchase and construction contracts:
1. Special emergency involving the health and safety of the people or their property. (NCGS 143-129(e)(2))
2. Guaranteed energy savings contracts. (NCGS 143-129(e)(8)) Requirements of NCGS 143-64.17B apply to these contracts.
3. Solid waste management facilities (NCGS 143-129.2).

Specifications

When goods and/or services are procured under the informal or formal bidding process, specifications must be prepared. All specifications should do at least four things:

1. Identify minimum requirements
2. Encourage competitive bids
3. Be capable of objective review
4. Provide for an equitable award at the lowest possible cost

Specifications shall be as simple as possible while maintaining the degree of exactness required to prevent bidders from avoiding supplying the goods and/or services required or otherwise taking advantage of their competitors.

All specifications utilizing a name brand must include the term "or approved equal" to avoid being restrictive and eliminating fair competition from the bidding process.

Different methods of structuring specifications include:

1. Qualified products on acceptable vendor list
2. Specification by blueprint or dimension sheet
3. Specification by chemical analysis or physical properties
4. Specification by performance, purpose or use
5. Specification by identification with industry standards
6. Specification by samples

Special Procurement

Electronic Equipment

The IT (Information Technology) Department will purchase or authorize the purchase of all computers, peripherals, printers, and all other electronics governed by the technology policy. The IT Department will then be responsible for entering the Purchase Requisition or instructing the department to enter the information. The IT Department will setup and install equipment in the appropriate departments.

Information technology is defined in NCGS 147-33.81(2) as follows: "Electronic data processing goods and services, telecommunications goods and services, security goods and services, microprocessors, software, information processing, office systems, any service related to the foregoing, and consulting or other services for design or redesign of information technology supporting business processes."

NCGS 143-129.8 offers flexibility in purchasing information technology due to "the complex and innovative nature of information technology goods and services, and the desirability of a single point of responsibility for contracts that include combinations of purchase of goods, design, installation, training, operation, maintenance, and related services…"

The County may contract for information technology using the procedure set forth in NCGS 143-129.8 as an alternative to NCGS 143-129 (formal bidding) or NCGS 143-131 (informal bidding), but only when a mixture of services and purchases are involved. However, the following requirements must be satisfied:

1. Notice of the request for proposal (RFP) shall be given in accordance with NCGS 143-129 – the formal bidding statute.
2. Contracts are awarded to the best overall proposal considering factors identified in the RFP.

The County is not obligated to use either the competitive bidding or the request for proposal procedures for a contract that consist **only** for **services**. Proposals submitted are not subject to public inspection until a contract is awarded. However, every effort to obtain three (3) bids or proposals should be made. Negotiating is allowed.

Formal or informal bidding statutes apply when the contract consists of purchases involving hardware and/or software. Negotiations are not allowed unless all bids come in over budget. If this is the case, negotiations are allowed with lowest responsible, responsive bidder.

Emergency Purchases

Occasionally purchases need to be made on an emergency basis. An emergency is defined as a situation that occurs and if not immediately corrected would jeopardize the health, safety, and/or property of citizens, the health and safety of County employees, and/or the property of the County. If emergency purchases are needed during business hours, begin Purchase Order procedures immediately and contact the County Manager or his designee for PO approval then notify the purchasing agent. When emergency purchases occur during non-business hours, contact the County Manager or his designee then notify the Purchasing Agent immediately the next business day.

Emergency purchases, although sometimes necessary, are costly in both time and money. The use of emergency procedures should be limited and will be monitored for abuse.

Sole Source of Supply

NCGS 143-129(e)(6) and the County require governing board approval for all sole source contracts, regardless of cost. See Exhibit G - Sole Source Justification Form.

Professional Services

Normal competitive procedures cannot be utilized in securing professional services such as attorneys, planners, financial consultants/brokers, auditing, banking, consulting firms, insurance firms and other professionals who, in keeping with the standards of their discipline, will not enter into a competitive bidding process. Where appropriate, the County staff will use a request for qualifications (RFQ) process, a qualifications-based selection process that assesses companies' abilities to perform services being sought. The County will award these contracts to the most qualified bidder taking into consideration experience and knowledge of the project. Where all criteria are equal, the County will review fees in the evaluation process. When an agreement between a professional service company and the County is established, a contract with a not-to-exceed amount may be issued to satisfy accounting and statutory requirements. As with all contracts, they must be reviewed and approved by the County Attorney, the County Manager and the Finance Director. Once a contract is signed, a purchase requisition should be entered for the not to exceed amount.

Vehicles

Vehicles purchases through state contract for less than $50,000 can be approved by the County Manger through a purchase requisition being entered in the County's financial package. Vehicle purchases through state contract that are $50,000 or more must be approved by the Board of Commissioners. Once the Board of Commissioners approves the purchase a purchase requisition may be entered into the County's financial package.

All vehicles purchased through competitive bidding must go to the Board of Commissioners for approval. Once approved by the Board of Commissioners, a purchase requisition may be entered in the County's financial package.

Maintenance and Repairs

Buildings/Equipment Repair

If repair is needed due to an accident, the department is responsible for following the County's Accident and Reporting procedures. All County and statutory requirements must be followed when repairs are needed.

Buildings

The General Services division should be contacted for building repairs. General Services will access the need or problem and recommend the best course of action to correct the problem(s).

Repair services for County buildings or equipment that are not covered by maintenance agreements shall be obtained by the following procedures:

1. An estimate of the repair work shall be necessary before proceeding with the repairs.
2. If emergency repairs are needed, Emergency Purchases procedures should be followed.

Maintenance Agreements

Departments should follow these guidelines for all maintenance agreements:

1. The legal department must review all maintenance agreements.
2. All maintenance agreements must include the pre-audit statement signed by the Finance Officer.
3. Maintenance agreements shall be considered for any equipment that requires frequent adjustment or repairs.
4. Maintenance agreements are a form of contract. Department Heads, with the exception of the Health Director and the Director of Social Services, are not authorized to sign.
5. Copies of all maintenance agreements will be filed with the Purchasing Agent.
6. Purchase order procedures should be followed.
7. The IT department will evaluate all maintenance agreements for technology equipment.

Electronic Equipment

When a leased copier or printer requires maintenance, the department should use the contact information located on the copier.

When maintenance or repair is needed for all other electronic equipment, including but not limited to computers, printers, and telephones, the IT department should be contacted. The IT department will either repair, service or arrange for outsourcing the repair.

Written Contracts

Contracts range from written contracts described in this section to purchase orders incorporating specifications, which are also contracts. The following purchases will require contracts:

1. Supplies, equipment, apparatus, and material requiring an expenditure of $90,000 and more. Supplies, equipment, apparatus, materials, maintenance, and services requiring an expenditure of less than $90,000 do not require a written contract. However, a written contract may be used whenever it is deemed necessary and advisable.

2. All maintenance agreements.

3. All leases.

4. Construction and repair (including demolition and renovation) projects.

5. If the entire cost of the project will exceed $500,000, separate written contracts are required for any of the following four items that are included:
   a. Heating, ventilating, air conditioning, and accessories and/or refrigeration for cold storage (when the cooling load is 15 tons or more of refrigeration);
   b. Plumbing and gas fittings and accessories;
   c. Electrical wiring and installations; and
   d. General work not included in the above.

6. Change Orders: Contracts for construction or repair projects can have change orders during the project prior to completion, without going through a new bid process, providing the bidding laws are not evaded. Cumulative change orders up to $50,000 per contract can be approved by the County Manager. Change orders of $50,000 or more require approval by the Board of Commissioners.

While NC law and County policy mandate when written contracts are required, this does not preclude the use of written contracts at any time. It should also be remembered that the need for a contract might vary according to circumstances.

Contracts must be executed by a person who has legal authority to bind the County. The following people in the County have authority to execute contracts:

1. Chairperson – No monetary limit, but requires Board approval
2. County Manager/designee(s) – up to $50,000
3. Health Director – as delegated by the County Manager

All written contracts must be reviewed by the County's legal department.

DOLLAR THRESHOLDS IN NORTH CAROLINA and LEE COUNTY Public Contracting Statutes Dollar Limits and statutory current as of July 1, 2017			
Requirement	**Statue Threshold**	**County Threshold**	**Statute**
Formal bids			
Construction or repair contracts	$500,000 and above (estimated cost of contract)	$250,000 and above (estimated cost of contract)	NCGS 143-129
Purchase of apparatus, supplies, materials, and equipment	$90,000 and above (estimated cost of contract)	Same as State	NCGS 143-129
Informal bids			
Construction or repair contracts	$30,000 to formal limit	Same as State PO required at $1,000	NCGS 143-131
Purchase of apparatus, supplies, materials, and equipment	$30,000 to formal limit	Same as State PO required at $1,000	NCGS 143-131
Construction Methods Authorized for Building Projects			
Separate Prime Single Prime Dual Bidding Construction Management at Risk	Over $300,000 (estimated cost of contract)	$300,000 and above	NCGS 143-128(a1)
Design Build (specific procedures)			NCGS 143-128.1A
Design Build Bridging (specific procedures)			NCGS 143-128.1B
Public Private Partnership (specific procedures)			NCGS 143-128.1C
Minority-business enterprise requirements			
Building Projects Projects with State funding	$100,000 and more	Same as State	NCGS 143-128.2(a)
Locally funded projects	Over $300,000	Over $250,000	NCGS 143-128.2(a)
Projects in the informal range (County outreach)	$30,000 to $300,000	$30,000 to $300,000	NCGS 143-131 (b)
Outreach, Good Faith, Participation Goals	$300,000 and over	$250,000 and over Same as State	NCGS 143-128.2(a)
Limit on use of own forces	Not to exceed		
Construction or repair contracts	$500,000 (total project cost) or $200,000 (labor only cost)	Same as State	NCGS 143-135
Bid bond or deposit			
Building construction and repair $500,000 >	Formal bids (see above) 5% of bid due with sealed bid	$250,000 and above	NCGS 143-129(b)
Purchase contracts	Not required	County option	
Performance/payment bonds			
Construction or repair contracts	Project over $300,000 Each contract >$50,000	Same as State	NCGS 143-129(c); NCGS 44A-26
Purchase contracts	Not required	County option	
General contractor's license	$30,000 and above	Same as State	NCGS 87-1
Use of registered architect, engineer required			
Nonstructural work	$300,000 and above	All same as State	NCGS 133-1.1(a)
Structural repair on new construction	$135,000 and above		
Affecting Life and Safety Systems	$100,000 or more		
Selection of architect engineer, or surveyor			
"Best qualified" selection procedure	All contracts unless exempted		NCGS 143-64.31
Exemption authorized	Only projects where estimated fee is less than $50,000		NCGS 143-64.32

I. Purpose

The purpose of this section is to establish guidelines that meet or exceed the procurement requirements for purchases of goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects when federal funds are being used in whole or in part to pay for the cost of the contract. To the extent that other sections of procurement policies and procedures adopted by the Lee County are more restrictive than those contained in this policy, local policies and procedures should be followed.

II. Policy

A. Application of Policy. This policy applies to contracts for purchases, services, and construction or repair work funded with federal financial assistance (direct or reimbursed). The requirements of this Policy also apply to any sub recipient of funds.

All federally funded projects, loans, grants, and sub-grants, whether funded in part or wholly, are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards (Uniform Guidance) codified at 2 C.F.R. Part 200 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds.

B. Compliance with Federal Law. All procurement activities involving the expenditure of federal funds must be conducted in compliance with the Procurement Standards codified in 2 C.F.R. § 200.317 through § 200-326 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds. Lee County will follow all applicable local, state, and federal procurement requirements when expending federal funds. Should Lee County have more stringent requirements, the most restrictive requirement shall apply so long as it is consistent with state and federal law.

C. Contract Award. All contracts shall be awarded only to the lowest responsive responsible bidder possessing the ability to perform successfully under the terms and conditions of the contract.

D. No Evasion. No contract may be divided to bring the cost under bid thresholds or to evade any requirements under this Policy or state and federal law.

E. Contract Requirements. All contracts paid for in whole or in part with federal funds shall be in writing. The written contract must include or incorporate by reference the provisions required under 2 C.F.R. § 200.326 and as provided for under 2 C.F.R. Part 200, Appendix II.

F. Contractors' Conflict of Interest. Designers, suppliers, and contractors that assist in the development or drafting of specifications, requirements, statements of work, invitation for bids or requests for proposals shall be excluded from competing for such requirements.

G. Approval and Modification. The administrative procedures contained in this Policy are administrative and may be changed as necessary at the staff level to comply with state and federal law.

III. General Procurement Standards and Procedures:

Either the Purchasing Department or the Requesting Department shall procure all contracts in accordance with the requirements of this section of the Policy.

A. Necessity. Purchases must be necessary to perform the scope of work and must avoid acquisition of unnecessary or duplicative items. The Purchasing Agent and/or the Requesting Department should check with the federal surplus property agency prior to buying new items when feasible and less expensive. Strategic sourcing should be considered with other departments and/or agencies who have similar needs to consolidate procurements and services to obtain better pricing.

B. Clear Specifications. All solicitations must incorporate a clear and accurate description of the technical requirements for the materials, products, or services to be procured, and shall include all other requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals. Technical requirements must not contain features that restrict competition.

C. Notice of Federal Funding. All bid solicitations must acknowledge the use of federal funding for the contract. In addition, all prospective bidders or offerors must acknowledge that funding is contingent upon compliance with all terms and conditions of the funding award.

D. Compliance by Contractors. All solicitations shall inform prospective contractors that they must comply with all applicable federal laws, regulations, executive orders, and terms and conditions of the funding award.

E. Fixed Price. Solicitations must state that bidders shall submit bids on a fixed price basis and that the contract shall be awarded on this basis unless otherwise provided for in this Policy. Cost plus percentage of cost contracts are prohibited. Time and materials contracts are prohibited in most circumstances. Time and materials contracts will not be used unless no other form of contract is suitable and the contract includes a "Not to Exceed" amount. A time and materials contract shall not be awarded without express written permission of the federal agency or state pass-through agency that awarded the funds.

F. Use of Brand Names. When possible, performance or functional specifications are preferred to allow for more competition leaving the determination of how to reach the required result to the contractor. Brand names may be used only when it is impractical or uneconomical to write a clear and accurate description of the requirement(s). When a brand name is listed, it is used as reference only and "or equal" must be included in the description.

G. Lease versus Purchase. Under certain circumstances, it may be necessary to perform an analysis of lease versus purchase alternatives to determine the most economical approach.

H. Dividing Contract for M/WBE Participation. If economically feasible, procurements may be divided into smaller components to allow maximum participation of small and minority businesses and women business enterprises. The procurement cannot be divided to bring the cost under bid thresholds or to evade any requirements under this Policy.

I. Documentation. Documentation must be maintained by the Purchasing Department and/or the Requesting Department detailing the history of all procurements. The documentation should include the procurement method used, contract type, basis for contractor selection, price, sources solicited, public notices, cost analysis, bid documents, addenda, amendments, contractor's responsiveness, notice of award, copies of notices to unsuccessful bidders or offerors, record of protests or disputes, bond documents, notice to proceed, purchase order, and contract. All documentation relating to the award of any contract must be made available to the granting agency upon request.

J. Cost Estimate. For all procurements costing $150,000 or more, the Purchasing Agent and/or Requesting Department shall develop an estimate of the cost of the procurement prior to soliciting bids. Cost estimates may be developed by reviewing prior contract costs, online review of similar products or services, or other means by which a good faith cost estimate may be obtained. Cost estimates for construction and repair contracts may be developed by the project designer.

K. Contract Requirements. The Requesting Department must provide proposed contracts or request for a written contract to the County Attorney advising the County Attorney that federal funds are implicated so that the provisions referenced in Section II.C of this Policy can be incorporated.

L. Debarment. No contract shall be awarded to a contractor included on the federally debarred bidder's list.

M. Contractor Oversight. The Requesting Department receiving the federal funding must maintain oversight of the contract to ensure that contractor is performing in accordance with the contract terms, conditions, and specifications.

N. Open Competition. Solicitations shall be prepared in a way to be fair and provide open competition. The procurement process shall not restrict competition by imposing unreasonable requirements on bidders, including but not limited to unnecessary supplier experience, excessive or unnecessary bonding, specifying a brand name without allowing for "or equal" products, or other unnecessary requirements that have the effect of restricting competition.

O. Geographic Preference. No contract shall be awarded on the basis of a geographic preference.

IV. Specific Procurement Procedures

Either the Purchasing Agent or the Requesting Department shall solicit bids in accordance with the requirements under this Section of the Policy based on the type and cost of the contract.

A. Service Contracts (except for A/E professional services) and **Purchase Contracts <u>costing less than $10,000</u>** shall be procured using the Uniform Guidance "micro-purchase" procedure (2 C.F.R. § 200.320(a)) as follows:

1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is considered to be fair and reasonable.
2. To the extent practicable, purchases must be distributed among qualified suppliers.

B. **Service Contracts** (except for A/E professional services) and **Purchase Contracts <u>costing $10,000 up to $90,000</u>** shall be procured using the Uniform Guidance "small purchase" procedure (2 C.F.R. § 200.320(b)) as follows:

1. Obtain price or rate quotes from an "adequate number" of qualified sources (a federal grantor agency might issue guidance interpreting "adequate number," so the Requesting Department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued).
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
3. Cost or price analysis is not required prior to soliciting bids.
4. Award the contract on a fixed-price basis (a not-to-exceed basis is permissible for service contracts where obtaining a fixed price is not feasible).
5. Award the contract to the lowest responsive, responsible bidder.

C. **Service Contracts** (except for A/E professional services) and **Purchase Contracts <u>costing $90,000 and above</u>** shall be procured using a combination of the most restrictive requirements of the Uniform Guidance "sealed bid" procedure (2 C.F.R. § 200.320(c)) and state formal bidding procedures (G.S. 143-129) as follows:

1. Cost or price analysis is required prior to soliciting bids.
2. Complete specifications or purchase description must be made available to all bidders.
3. The bid must be formally advertised in a newspaper of general circulation for at least seven (7) full days between the date of the advertisement and the date of the public bid opening. Electronic-only advertising must be authorized by the governing board. The advertisement must state the date, time, and location of the public bid opening, indicate where specifications may be obtained, and reserve to the governing board the right to reject any or all bids only for "sound documented reasons."
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
5. Open bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received in order to open all bids.
6. Award the contract to the lowest responsive, responsible bidder on a fixed-price basis. Governing board approval is required for purchase contracts unless the governing board has delegated award authority to an individual official or employee. Any and all bids may be rejected only for "sound documented reasons."
7. Contract must be in writing and include Uniform Guidance provisions. Contract must be approved by County Attorney prior to execution by County.

D. **Service Contracts** (except for A/E professional services) **<u>costing $250,000 and above</u>** may be procured using the Uniform Guidance "competitive proposal" procedure (2 C.F.R. § 200.320(d)) **use only when the "sealed bid" procedure is not appropriate** for the particular type of service being sought. The procedures are as follows:

1. A Request for Proposals (RFP) must be publicly advertised. Formal advertisement in a newspaper is not required so long as the method of advertisement will solicit proposals from an "adequate number" of qualified firms.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.

3. Identify evaluation criteria and relative importance of each criteria (criteria weight) in the RFP.
4. Consider all responses to the publicized RFP to the maximum extent practical.
5. Must have a written method for conducting technical evaluations of proposals and selecting the winning firm.
6. Award the contract to the responsible firm with most advantageous proposal taking into account price and other factors identified in the RFP.
7. Award the contract on a fixed-price or cost-reimbursement basis.
8. Contract must be in writing and include Uniform Guidance provisions. Contract must be approved by County Attorney prior to execution by County.

E. **Construction and repair contracts <u>costing less than $10,000</u>** shall be procured using the Uniform Guidance "micro-purchase" procedure (2 C.F.R. § 200.320(a)) as follows:
1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is considered to be fair and reasonable.
2. To the extent practicable, contracts must be distributed among qualified suppliers.

F. **Construction and repair contracts <u>costing $10,000 up to $250,000</u>** shall be procured using the Uniform Guidance "small purchase" procedure (2 C.F.R. § 200.320(b)) as follows:
1. Obtain price or rate quotes from an "adequate number" of qualified sources (a federal grantor agency might issue guidance interpreting "adequate number," so the requesting department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued).
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
3. Cost or price analysis is not required prior to soliciting bids, although price estimates may be provided by the project designer.
4. Award the contract on a fixed-price or not-to-exceed basis.
5. Award the contract to the lowest responsive, responsible bidder. Governing board approval is not required.
6. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.

G. **Construction and repair contracts <u>costing $250,000 up to $500,000</u>** shall be procured using the Uniform Guidance "sealed bid" procedure (2 C.F.R. § 200.320(c)) as follows:
1. Cost or price analysis is required prior to soliciting bids (this cost estimate may be provided by the project designer).
2. Complete specifications must be made available to all bidders.
3. Publically advertise the bid solicitation for a period of time sufficient to give bidders notice of opportunity to submit bids (formal advertisement in a newspaper is not required so long as other means of advertising will provide sufficient notice of the opportunity to bid). The advertisement must state the date, time, and location of the public bid opening, and indicate where specifications may be obtained.
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
5. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received in order to open all bids.
6. A 5% bid bond is required of all bidders. Performance and payment bonds of 100% of the contract price is required of the winning bidder.

7. Award the contract on a firm fixed-price basis.
8. Award the contract to the lowest responsive, responsible bidder. Any and all bids may be rejected only for "sound documented reasons."
9. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
10. Document procurement procedures.

H. Construction and repair contracts <u>costing $500,000 and above</u> shall be procured using a combination of the most restrictive requirements of the Uniform Guidance "sealed bid" procedure (2 C.F.R. § 200.320(c)) and state formal bidding procedures (G.S. 143-129) as follows:

1. Cost or price analysis is required prior to soliciting bids (this cost estimate should be provided by the project designer).
2. Complete specifications must be made available to all bidders.
3. Formally advertise the bid in a newspaper of general circulation for at least seven full days between the date of the advertisement and the date of the public bid opening. Electronic-only advertising must be authorized by the governing board. The advertisement must state the date, time, and location of the public bid opening, indicate where specifications may be obtained, and reserve to the governing board the right to reject any or all bids only for "sound documented reasons."
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
5. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed and in paper form. A minimum of 3 bids must be received in order to open all bids.
6. A 5% bid bond is required of all bidders (a bid that does not include a bid bond cannot be counted toward the 3-bid minimum requirement). Performance and payment bonds of 100% of the contract price is required of the winning bidder.
7. Award the contract on a firm fixed-price basis.
8. Award the contract to the lowest responsive, responsible bidder. Governing board approval is required and cannot be delegated. The governing board may reject and all bids only for "sound documented reasons."
9. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
10. Document procurement procedures.

I. Construction or repair contracts involving a building <u>costing $300,000 and above</u> must comply with the following additional requirements under state law:

1. Formal HUB (historically underutilized business) participation required under G.S. 143-128.2, including local government outreach efforts and bidder good faith efforts, shall apply.
2. Separate specifications shall be drawn for the HVAC, electrical, plumbing, and general construction work as required under G.S. 143-128(a).
3. The project shall be bid using a statutorily authorized bidding method (separate-prime, single-prime, or dual bidding) as required under G.S. 143-129(a1).
4. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.

5. Document procurement procedures.

J. Contracts for Architectural and Engineering Services costing <u>under $250,000</u> shall be procured using the state "Mini-Brooks Act" requirements (G.S. 143-64.31) as follows:

1. Issue a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price (other than unit cost) shall not be solicited in the RFQ.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided for under 2 C.F.R. § 200.321.
3. Evaluate the qualifications of respondents based on the evaluation criteria developed by the Deputy Purchasing Agent and/or Requesting Department.
4. Rank respondents based on qualifications and select the best qualified firm. Price cannot be a factor in the evaluation. Preference may be given to in-state (but not local) firms.
5. Negotiate fair and reasonable compensation with the best qualified firm. If negotiations are not successful, repeat negotiations with the second-best qualified firm.
6. Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated.
7. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
8. NOTE: The authority to exempt contracts costing less than $50,000 under N.C. Gen. Stat. §143-64.32 is not allowed under the Uniform Guidance.

K. Contracts for Architectural and Engineering Services costing <u>$250,000 or more</u> shall be procured using the Uniform Guidance "competitive proposal" procedure (2 C.F.R. § 200.320(d)(5)) as follows:

1. Publically advertise a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price (other than unit cost) shall not be solicited in the RFQ.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
3. Identify the evaluation criteria and relative importance of each criteria (the criteria weight) in the RFQ.
4. Proposals must be solicited from an "adequate number of qualified sources" (an individual federal grantor agency may issue guidance interpreting "adequate number").
5. Must have a written method for conducting technical evaluations of proposals and selecting the best qualified firm.
6. Consider all responses to the publicized RFQ to the maximum extent practical.
7. Evaluate qualifications of respondents to rank respondents and select the most qualified firm. Preference may be given to in-state (but not local) firms provided that granting the preference leaves an appropriate number of qualified firms to compete for the contract given the nature and size of the project.
8. Price cannot be a factor in the initial selection of the most qualified firm.
9. Once the most qualified firm is selected, negotiate fair and reasonable compensation. If negotiations are not successful, repeat negotiations with the second-best qualified firm.
10. Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated.

11. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
12. State licensure requirements apply.

V. Exceptions

Non-competitive contracts are allowed ***only*** under the following conditions and with the written approval of the federal agency or state pass-through agency that awarded the federal funds:

A. Sole Source. A contract may be awarded without competitive bidding when the item is available from only one source. The Deputy Purchasing Agent and/or Requesting Department shall document the justification for and lack of available competition for the item. A sole source contract must be approved by the governing board.

B. Public Exigency. A contract may be awarded without competitive bidding when there is a public exigency. A public exigency exists when there is an imminent or actual threat to public health, safety, and welfare, and the need for the item will not permit the delay resulting from a competitive bidding.

C. Inadequate Competition. A contract may be awarded without competitive bidding when competition is determined to be inadequate after attempts to solicit bids from a number of sources as required under this Policy does not result in a qualified winning bidder.

D. Federal Contract. A contract may be awarded without competitive bidding when the purchase is made from a federal contract available on the U.S. General Services Administration schedules of contracts.

E. Awarding Agency Approval. A contract may be awarded without competitive bidding with the express written authorization of the federal agency or state pass-through agency that awarded the federal funds so long as awarding the contract without competition is consistent with state law.

I. Purpose

The purpose of this policy is to establish conflicts of interest guidelines that meet or exceed the requirements under state law and local policy when procuring goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects paid for in part or whole by federal funds and required under 2 C.F.R. § 200.318(c)(1).

II. Policy

This policy applies when procuring goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects funded in part or whole with federal financial assistance (direct or reimbursed). This policy also applies to any sub-recipient of the funds.

The employee responsible for managing the federal financial assistance award shall review the notice of award to identify any additional conflicts of interest prohibitions or requirements associated with the award, and shall notify all employees, officers, and agents, including sub-recipients, of the requirements of this policy and any additional prohibitions or requirements.

A. Conflicts of Interest. In addition to the prohibition against self-benefiting from a public contract under G. S. 14-234, no officer, employee, or agent of the County may participate directly or indirectly in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. A real or apparent conflict exists when any of the following parties has a financial or other interest in or receives a tangible personal benefit from a firm considered for award of a contract:

1. the employee, officer, or agent involved in the selection, award, or administration of a contract;
2. any member of his or her immediate family;
3. his or her partner; or
4. an organization which employs or is about to employ any of these parties.

Any officer, employee, or agent with an actual, apparent, or potential conflict of interest as defined in this policy shall report the conflict to his or her immediate supervisor. Any such conflict shall be disclosed in writing to the federal award agency or pass-through entity in accordance with applicable Federal awarding agency policy.

B. Gifts. In addition to the prohibition against accepting gifts and favors from vendors and contractors under N.C. Gen. Stat.§133-32, officers, employees, and agents of the County are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts. Items of nominal value valued at less than $25 which fall into one of the following categories may be accepted:

1. promotional items;
2. honorariums for participation in meetings; or
3. meals furnished at banquets

Any officer, employee or agent who knowingly accepts an item of nominal value allowed under this policy shall report the item to his or her immediate supervisor.

III. Violation

Employees violating this policy will be subject to discipline up to and including termination. Contractors violating this policy will result in termination of the contract and may not be eligible for future contract awards.

Policy Outlining Procedures for Pre-Auditing Obligations That Will Be Incurred by Electronic Payments and for Disbursing Funds by Electronic Transaction

The Board of Commissioners has authorized Lee County to engage in electronic payments as defined by G.S. 159-28 by adoption of a Resolution. As required by NC Administrative Code 20 NCAC 03 .0409 and .0410, this policy outlines procedures for pre-auditing obligations that will be incurred by electronic payments and procedures for disbursing public funds by electronic transaction.

Procedures for Pre-Auditing Obligations That Will Be incurred by Electronic Payments

1. Procurement Cards (PCard)
    a. Department Heads specify the desired levels of single transaction, daily, and monthly spending limits to be placed on an individual cardholder. Requested card limits are based on normal operational spending needs. These controls on spending limits are recorded in the PCard system, which will prevent transactions that exceed these limits.
    b. Departments need to request a purchase order monthly for charges to PCards that fall below the $1,000 purchase order threshold using the department's most commonly used expenditure account(s).
    c. When actual PCard transactions are entered into the County's financial system, equivalent amounts are liquidated from that month's Pcard encumbrances. After all actual PCard transactions for the month have been entered into the County's financial system; any remaining PCard encumbrances for the month are liquidated.
    d. When a cardholder needs to make a purchase in excess of the $1,000 purchase order threshold, the department submits a purchase requisition to the County's PCard vendor in the County's financial system.

2. Fuel Cards

    The County uses the Lee County General Services Fuel System as the primary location for fueling vehicles. The system supports both gasoline and diesel fuel. The administrative staff of General Services issues keys for the County vehicles.

    The County also maintains gas cards through ComData Network, Inc. for an alternate method of purchasing fuel for County vehicles. The cards do not allow non-fuel purchases and personal purchases should never be made.

    a. The Purchasing Agent records a quarterly encumbrance through a purchase order in the County's financial system. These encumbrances are charged to the budgets for the departments' fuel accounts and are based on estimated fuel card expenditures for the quarter. Employees authorized to purchase fuel for their departments essentially have blanket discretionary authority to spend up to the quarterly encumbered amount and the process of encumbering these funds pre-audits those transactions by checking for budgetary authority to spend up to that quarterly encumbrance.
    b. When actual fuel card transactions are recorded in the County's financial system, equivalent amounts are liquidated from the fuel card encumbrance. The encumbrance will be audited quarterly; any remaining fuel card encumbrance for the quarter will be liquidated.

3. Electronic Funds Transfers

   The County does not generally engage in purchasing or incurring obligations by electronic funds transfers, whether these are in the form of debit cards, e-checks, ACH payments or wire payments. However, the County does make ACH payments or wire transfers to pay certain vendors, payment to its PCard vendor, sales tax remittances, and debt service payments for debt that was not subject to approval by the Local Government Commission. These transactions must be pre-audited and the pre-audit language required in G.S. 159-28(a1) affixed to the documentation.

Procedures for Disbursing Public Funds by Electronic Payments

The County does currently pay some invoices that are processed through its accounts payable system by creating an ACH file for transmittal. These payments will have already been pre-audited with the pre-audit language required by G.S. 159-28(d1) affixed to the documentation.

LEE COUNTY'S MINORITY BUSINESS/HISTORICALLY UNDERUTILIZED BUSINESS PARTICIPATION OUTREACH PLAN AND GUIDELINES

OUTREACH PLAN AND GUIDELINES FOR RECRUITMENT AND SELECTION OF MINORITY BUSINESSES FOR PARTICIPATION IN LEE COUNTY BUILDING CONSTRUCTION OR REPAIR CONTRACTS

N.C.G.S. 143-128.2 requires that a local government unit or other public or private entity that receives State appropriations for a building project or other State grant funds for a building project, including a building project done by a private entity on a facility to be leased or purchased by the local government unit, where the project cost is one hundred thousand dollars ($100,000) or more, shall have a verifiable ten percent (10%) goal for participation by minority businesses in the total value of the work. A verifiable goal is also required for building projects costing three hundred thousand dollars ($300,000) or more when no state funds are involved. The outreach plan shall also be applicable to the selection process of architectural, engineering, and Construction Manager-at-Risk services, unless otherwise exempted.

Lee County has a current verifiable goal of 10% percent for minority participation for building construction or repair projects. The goal will be reviewed annually or as soon as relevant data is available.

SECTION A: INTENT

It is the intent of these guidelines that Lee County, as awarding authority for building construction or repair projects, and the contractors and subcontractors performing the construction contracts awarded shall cooperate and in good faith do all things legal, proper, and reasonable to achieve the goal of 10% percent for participation by minority businesses in each building construction or repair project as required by GS 143-128.2. Nothing in these guidelines shall be construed to require contractors or awarding authorities to award contracts or subcontracts to or to make purchases of materials or equipment from minority-business contractors or minority-business subcontractors who do not submit the lowest responsible, responsive bid or bids. Lee County wants to provide historically underutilized businesses opportunities to participate in bidding opportunities.

SECTION B: DEFINITIONS

1. <u>Minority</u> - a person who is a citizen or lawful permanent resident of the United States and who is:
    a. Black, that is, a person having origins in any of the black racial groups in Africa;
    b. Hispanic, that is, a person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race;
    c. Asian American, that is, a person having origins in any of the original peoples of the Far East, Southeast Asia and Asia, the Indian subcontinent, the Pacific Islands;
    d. American Indian, that is, a person having origins in any of the original peoples of North America; or
    e. Female
    f. Disabled, that is, a person with a disability as defined in N.C.G.S. 168-1 or N.C.G.S. 168A-3
    g. Disadvantaged, that is, a person who is socially and economically disadvantaged as defined in 15 U.S.C. Section 637

2. <u>Minority Business (MBE)</u> – According to N.C.G.S. 143-128.4, minority business or historically underutilized business is a business that meets the following conditions:
    a. In which at least fifty-one percent (51%) is owned by one or more persons who are members of at least one of the groups set above, or in the case of a corporation, in which at least fifty-one percent (51%) of the stock is owned by one or more minority persons or socially and economically disadvantaged individuals; and

b. Of which the management and daily business operations are controlled by one or more of the minority persons or socially and economically disadvantaged individuals who own it.

3. Socially and economically disadvantaged individual - means the same as defined in 15 U.S.C. 637: Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

4. Economically disadvantaged individuals -those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

5. Disability- according to N.C.G.S. 168A-3 is a person who has a physical or mental impairment which substantially limits one or more major life activities, has a record of such an impairment or is regarded as having such an impairment. As used, the term:

a. Physical or mental impairment means (i) any physiological disorder or abnormal condition, cosmetic disfigurement, or anatomical loss, caused by bodily injury, birth defect or illness, affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic; and lymphatic; skin; and endocrine; or (ii) any mental disorder, such as mental retardation, organic brain syndrome, mental illness, specific learning disabilities, and other developmental disabilities, but (iii) excludes (A) sexual preferences; (B) active alcoholism or drug addiction or abuse; and (C) any disorder, condition or disfigurement which is temporary in nature leaving no residual impairment.
b. Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working
c. Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits major life activities
d. Is regarded as having an impairment means (i) has a physical or mental impairment that does not substantially limit major life activities but that is treated as constituting such a limitation, (ii) has a physical or mental impairment that substantially limits major life activities because of the attitudes of others, or (iii) has none of the impairments defined above, but is treated as having an impairment.

6. Owner – Lee County.

7. Designer – Any person, firm, partnership, or corporation which has contracted with Lee County to perform architectural or engineering work.

8. Bidder - Any person, firm, partnership, corporation, association, or joint venture seeking to be awarded a public contract or subcontract.

9. Contract - A mutually binding legal relationship or any modification thereof obligating the seller to furnish equipment, materials, or services, including construction, and obligating the buyer to pay for them.

10. Contractor - Any person, firm, partnership, corporation, association, or joint venture which has contracted with Lee County to perform building construction or repair work.

11. Subcontractor - A firm under contract with the prime contractor or construction manager at risk for supplying materials or labor and materials and/or installation. The subcontractor may or may not provide materials in his subcontract.

SECTION C: MINORITY OUTREACH PLAN AND GUIDELINES

Owner

Lee County will employ the following strategies to encourage participation from MBEs.

1. Place emphasis on the importance of soliciting certified MBE firms for subcontracting opportunities at pre-bid conferences and in the bid documents. Examine specifications to identify special subcontracting opportunities and strongly encourage prime contractors to solicit bids for subcontracts from MBE firms.
2. Provide detailed information to majority contractors concerning the bidding and good faith efforts requirements by holding meetings with the contractors.
3. Assess the effectiveness of the MBE program, and identify opportunities to enhance it by evaluating MBE participation and compliance and reviewing the good faith efforts provided in bid packages.
4. Build new and strengthen existing business relationships through networking. Continue communicating with other North Carolina public agencies to find out how their MBE outreach programs are working and to share "best practices" and ideas to improve programs.
5. Participate in educational opportunities throughout the community as they become available and offer training sessions to share Lee County's outreach plan with interested businesses and organizations
6. Enhance Lee County's web page by including the outreach plan and guidelines, listing good faith efforts, creating links to MBE resources, and creating awareness of specific subcontracting opportunities.
7. Maintain or continue to maintain a database specifically for MBE firms and majority contractors to ensure those firms wishing to do business with Lee County have access to up-to-date information.
8. Advertise upcoming bid opportunities on the State HUB website.
9. Work with architects and engineers to make subcontracting opportunities more noticeable and more easily understood by potential contractors and subcontractors.

Designer

Under the single-prime bidding, separate prime bidding, construction manager at risk, or alternative contracting method, the designer will:

1. Attend the scheduled pre-bid conference to explain minority business requirements to the prospective bidders.
2. Assist the owner to identify and notify prospective minority business prime and subcontractors of potential contracting opportunities.
3. Maintain documentation of any contacts, correspondence, or conversation with minority business firms made in an attempt to meet the goals.
4. Review jointly with the owner, all requirements of G.S. 143-128.2(c) and G.S.143-128.2(f) – (i.e. bidders' proposals for identification of the minority businesses that will be utilized with corresponding total dollar value of the bid and affidavit listing good faith efforts, or affidavit of self-performance of work, if the contractor will perform work under contract by its own workforce) - prior to recommendation of award.

5. During construction phase of the project, review documentation for contract payment to MBEs (e.g. state form "Appendix E: MBE Documentation for Contract Payment") for compliance with minority business utilization commitments. Submit this form with monthly pay applications to the Owner.

Prime Contractor(s), CM at Risk, and Its First-Tier Subcontractors

Under the single-prime bidding, the separate-prime biding, construction manager at risk, and alternative contracting methods, contractor(s) will:

1. Attend the scheduled pre-bid conference.
2. Identify or determine those work areas of a subcontract where minority businesses may have an interest in performing subcontract work.
3. During the bidding process, comply with the owner's requirements listed in the proposal for minority participation.
4. Identify on the bid the minority businesses that will be utilized on the project with corresponding total dollar value of the bid and affidavit listing good faith efforts as required by G.S. 143-128.2(c) and G.S. 143-128.2(f).
5. Make documentation showing evidence of implementation of Prime Contractor, CM-at-Risk and First-Tier Subcontractor responsibilities available for review by Lee County, upon request.
6. Upon being named the apparent low bidder, the bidder shall provide one of the following: (1) an affidavit that includes a description of the portion of work to be executed by minority businesses, expressed as a percentage of the total contract price, which is equal to or more than the applicable goal; or (2) if the percentage is not equal to the applicable goal, then documentation of all good faith efforts taken to meet the goal. The documentation must include evidence of all good faith efforts that were implemented including any advertisements, solicitations, and evidence of other specific actions demonstrating recruitment and selection of minority businesses for participation in the contract. Failure to comply with these requirements is grounds for rejection of the bid and award to the next lowest responsible and responsive bidder.
7. The contractor(s) shall identify the name(s) of minority business subcontractor(s) and corresponding dollar amount of work on the schedule of values.
8. The contractor(s) shall submit with each monthly pay request(s) and final payment(s) documentation for contract payment to MBEs (e.g. state form "Appendix E: MBE Documentation for Contract Payment" for designer's review.
9. During the construction of a project, at any time, if it becomes necessary to replace a minority business subcontractor, immediately advise the owner in writing, of the circumstances involved. The prime contractor shall make a good faith effort to replace a minority business subcontractor with another minority business subcontractor.
10. If during the construction of a project additional subcontracting opportunities become available, the contractor shall make a good faith effort to solicit sub-bids from minority businesses.

Minority Business Responsibilities

<u>Certification</u>
Lee County does not certify minority businesses. Lee County requires certification for minority, disadvantaged or women-owned businesses. Any business that desires to participate as an MBE will be required to complete and submit for certification, documents required by any of the agencies listed below. Only those firms holding current certification through at least one of the following agencies will be considered eligible for inclusion in meeting the MBE participation percentage goals:

North Carolina Department of Administration Historically Underutilized Business (HUB) certification
North Carolina Department of Transportation Disadvantaged Business Enterprise (DBE)
North Carolina Department of Transportation Minority Business Enterprise (MBE)
North Carolina Department of Transportation Women Business Enterprise (WBE) Business Certification
Small Business Administration 8(a) certification
Other governmental agencies on a case-by-case basis

Other Responsibilities
Minority businesses that are contacted by owners or bidders must respond promptly whether or not they wish to submit a bid.

SECTION D: MINIMUM COMPLIANCE REQUIREMENTS

All written statements or affidavits made by the bidder shall become a part of the agreement between the Contractor and Lee County for performance of the contract. Failure to comply with any of these statements, affidavits, or with the minority business guidelines shall constitute a breach of the contract. A finding by Lee County that any information submitted either prior to award of the contract or during the performance of the contract is inaccurate, false, or incomplete shall also constitute a breach of the contract. Any such breach may result in termination of the contract in accordance with the termination provisions contained in the contract. It shall be solely at the option of Lee County whether to terminate the contract for breach.

In determining whether a contractor has made good faith efforts, Lee County will evaluate all efforts made by the Contractor and will determine compliance in regard to quantity, diligence, and results of these efforts. Contractors are required to earn at least 50 points for good faith efforts. Failure to file a required affidavit or documentation demonstrating that the contractor made the required good faith effort, is grounds for rejection of the bid. Good faith efforts include:

1. Contacting minority businesses that reasonably could have been expected to submit a quote and that were known to the contractor or available on State or local government maintained lists at least 10 days before the bid or proposal date and notifying them of the nature and scope of the work to be performed. (10 points)

2. Making the construction plans, specifications, and requirements available for review by prospective minority businesses, or providing these documents to them at least 10 days before the bid or proposals are due. (10 points)

3. Breaking down or combining elements of work into economically feasible units to facilitate minority participation. (15 points)

4. Working with minority trade, community, or contractor organizations identified by the Office for Historically Underutilized Businesses and included in the bid documents that provide assistance in recruitment of minority businesses. (10 points)

5. Attending any pre-bid meetings scheduled by the public owner. (10 points)

6. Providing assistance in getting required bonding or insurance or providing alternatives to bonding or insurance for subcontractors. (20 points)

7. Negotiating in good faith with interested minority businesses and not rejecting them as unqualified without sound reasons based on their capabilities. Reasons for rejection of a minority business based on lack of qualification should be documented in writing. (15 points)

8. Providing assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisting minority businesses in obtaining the same unit pricing with the bidder's suppliers in order to help minority businesses in establishing credit. (25 points)

9. Negotiating joint venture and partnership arrangements with minority businesses in order to increase opportunities for minority business participation on a public construction or repair project when possible. (20 points)

10. Providing quick pay agreements and policies to enable minority contractors and suppliers to meet cash flow demands. (20 points)

SECTION E: DISPUTE RESOLUTION PROCEDURES

Pursuant to G.S. 143-128 (f1), all disputes involving contractors on a building construction or repair project with Lee County shall be resolved pursuant to Lee County's Dispute Resolution Policy (Exhibit E).

SECTION F: In addition to these guidelines, there will be issued with each construction bid package provisions for providing minority business participation in the Lee County projects.

SECTION G: INFORMAL BIDDING STATUTE

All public entities shall solicit minority participation in contracts for the erection, construction, alteration or repair of any building awarded pursuant to this section. The public entity shall maintain a record of contractors solicited and shall document efforts to recruit minority business participation in these contracts. Nothing in this section shall be construed to require formal advertisement of bids. All data, including the type of project, total dollar value of the project, dollar value of minority business participation on each project, and documentation of efforts to recruit minority participation shall be reported to the Department of Administration, Office of Historically Underutilized Business, upon the completion of the project. Department Heads must work with the Development Services Director who will report the MWBE information to the Office of Historically Underutilized Business.

SECTION H

Identification of HUB Certified/ Minority Business Participation

I,____,
(Name of Bidder)
do hereby certify that on this project, we will use the following HUB Certified/ minority business as construction subcontractors, vendors, suppliers or providers of professional services.

Firm Name, Address and Phone #	Work Type	*Minority Category	**HUB Certified (Y/N)

*Minority categories: Black, African American (**B**), Hispanic (**H**), Asian American (**A**) American Indian (**I**), Female (**F**) Socially and Economically Disadvantaged (**D**)

**** HUB Certification with the state HUB Office required to be counted toward state participation goals.**

The total value of minority business contracting will be ($)_______________.

County of Lee - AFFIDAVIT A - Listing of Good Faith Efforts

Affidavit of____

(Name of Bidder)

I have made a good faith effort to comply under the following areas checked:

Bidders must earn at least 50 points from the good faith efforts listed for their bid to be considered responsive. (1 NC Administrative Code 30 I.0101)

- ☐ **1 – (10 pts)** Contacted minority businesses that reasonably could have been expected to submit a quote and that were known to the contractor, or available on State or local government maintained lists, at least 10 days before the bid date and notified them of the nature and scope of the work to be performed.
- ☐ **2 - (10 pts)** Made the construction plans, specifications and requirements available for review by prospective minority businesses, or providing these documents to them at least 10 days before the bids are due.
- ☐ **3** – **(15 pts)** Broken down or combined elements of work into economically feasible units to facilitate minority participation.
- ☐ **4 – (10 pts)** Worked with minority trade, community, or contractor organizations identified by the Office of Historically Underutilized Businesses and included in the bid documents that provide assistance in recruitment of minority businesses.
- ☐ **5** – **(10 pts)** Attended prebid meetings scheduled by the public owner.
- ☐ **6** – **(20 pts)** Provided assistance in getting required bonding or insurance or provided alternatives to bonding or insurance for subcontractors.
- ☐ **7 – (15 pts)** Negotiated in good faith with interested minority businesses and did not reject them as unqualified without sound reasons based on their capabilities. Any rejection of a minority business based on lack of qualification should have the reasons documented in writing.
- ☐ **8** – **(25 pts)** Provided assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisted minority businesses in obtaining the same unit pricing with the bidder's suppliers in order to help minority businesses in establishing credit.
- ☐ **9** – **(20 pts)** Negotiated joint venture and partnership arrangements with minority businesses in order to increase opportunities for minority business participation on a public construction or repair project when possible.
- ☐ **10** - **(20 pts)** Provided quick pay agreements and policies to enable minority contractors and suppliers to meet cash-flow demands.

The undersigned, if apparent low bidder, will enter into a formal agreement with the firms listed in the Identification of Minority Business Participation schedule conditional upon scope of contract to be executed with the Owner. Substitution of contractors must be in accordance with GS143-128.2(d) Failure to abide by this statutory provision will constitute a breach of the contract.

The undersigned hereby certifies that he or she has read the terms of the minority business commitment and is authorized to bind the bidder to the commitment herein set forth.

Date:________________ Name of Authorized Officer:____

Signature:____

Title:____

SEAL

State of__________, County of______________________________

Subscribed and sworn to before me this _day of ____________20____

Notary Public ____________________________

My commission expires ____________________________

County of Lee -AFFIDAVIT B- Intent to Perform Contract With Own Workforce.

Affidavit of____
(Name of Bidder)

I hereby certify that it is our intent to perform 100% of the work required for the ________________________

____contract.
(Name of Project)

In making this certification, the Bidder states that the Bidder does not customarily subcontract elements of this type project, and normally performs and has the capability to perform and will perform <u>all elements of the work</u> on this project with his/her own current work forces; and

The Bidder agrees to provide any additional information or documentation requested by the owner in support of the above statement. The Bidder agrees to make a Good Faith Effort to utilize minority suppliers where possible.

The undersigned hereby certifies that he or she has read this certification and is authorized to bind the Bidder to the commitments herein contained.

Date:_____________Name of Authorized Officer:____

Signature:____

Title:____

SEAL

State of __________________________, County of______________________________

Subscribed and sworn to before me this __________________day of _____________20___

Notary Public ____________________________

My commission expires____________________________

County of Lee - AFFIDAVIT C - Portion of the Work to be Performed by HUB Certified/Minority Businesses

(Note this form is to be submitted only by the apparent lowest responsible, responsive bidder.)

If the portion of the work to be executed by HUB certified/minority businesses as defined in GS143-128.2(g) and 128.4(a),(b),(e) is equal to or greater than 10% of the bidders total contract price, then the bidder must complete this affidavit.
This affidavit shall be provided by the apparent lowest responsible, responsive bidder within **72 hours** after notification of being low bidder.

Affidavit of ____I do hereby certify that on the
(Name of Bidder)

____
(Project Name)

Project ID#__________________________________Amount of Bid $________________________

I will expend a minimum of __________% of the total dollar amount of the contract with minority business enterprises. Minority businesses will be employed as construction subcontractors, vendors, suppliers or providers of professional services. Such work will be subcontracted to the following firms listed below.
Attach additional sheets if required

Name and Phone Number	*Minority Category	**HUB Certified Y/N	Work Description	Dollar Value

*Minority categories: Black, African American (**B**), Hispanic (**H**), Asian American (**A**) American Indian (**I**), Female (**F**) Socially and Economically Disadvantaged (**D**)

**** HUB Certification with the state HUB Office required to be counted toward state participation goals.**

Pursuant to GS143-128.2(d), the undersigned will enter into a formal agreement with Minority Firms for work listed in this schedule conditional upon execution of a contract with the Owner. Failure to fulfill this commitment may constitute a breach of the contract.

The undersigned hereby certifies that he or she has read the terms of this commitment and is authorized to bind the bidder to the commitment herein set forth.

Date:__________Name of Authorized Officer:______________________________________

Signature:______________________________________

Title:______________________________________

SEAL

State of __________________, County of ____________________

Subscribed and sworn to before me this _______day of _______20_____

Notary Public____________________________

My commission expires______________

County of Lee - AFFIDAVIT D – Good Faith Efforts

(Note this form is to be submitted only by the apparent lowest responsible, responsive bidder.)

If the goal of 10% participation by HUB Certified/ minority business **is not** achieved, the Bidder shall provide the following documentation to the Owner of his good faith efforts:

Affidavit of ____I do hereby certify that on the
(Name of Bidder)

____
(Project Name)

Project ID#_______________________________________Amount of Bid $___________________________

I will expend a minimum of _________% of the total dollar amount of the contract with HUB certified/minority business enterprises. Minority businesses will be employed as construction subcontractors, vendors, suppliers or providers of professional services. Such work will be subcontracted to the following firms listed below. (Attach additional sheets if required)

Name and Phone Number	*Minority Category	**HUB Certified Y/N	Work Description	Dollar Value

***Minority categories:** Black, African American (**B**), Hispanic (**H**), Asian American (**A**) American Indian (**I**), Female (**F**) Socially and Economically Disadvantaged (**D**)

**** HUB Certification with the state HUB Office required to be counted toward state participation goals.**

Examples of documentation that may be required to demonstrate the Bidder's good faith efforts to meet the goals set forth in these provisions include, but are not necessarily limited to, the following:

A. Copies of solicitations for quotes to at least three (3) minority business firms from the source list provided by the State for each subcontract to be let under this contract (if 3 or more firms are shown on the source list). Each solicitation shall contain a specific description of the work to be subcontracted, location where bid documents can be reviewed, representative of the Prime Bidder to contact, and location, date and time when quotes must be received.

B. Copies of quotes or responses received from each firm responding to the solicitation.

C. A telephone log of follow-up calls to each firm sent a solicitation.

D. For subcontracts where a minority business firm is not considered the lowest responsible sub-bidder, copies of quotes received from all firms submitting quotes for that particular subcontract.

E. Documentation of any contacts or correspondence to minority business, community, or contractor organizations in an attempt to meet the goal.

F. Copy of pre-bid roster

G. Letter documenting efforts to provide assistance in obtaining required bonding or insurance for minority business.

H. Letter detailing reasons for rejection of minority business due to lack of qualification.

I. Letter documenting proposed assistance offered to minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letter of credit, including waiving credit that is ordinarily required.

Failure to provide the documentation as listed in these provisions may result in rejection of the bid and award to the next lowest responsible and responsive bidder.

Pursuant to GS143-128.2(d), the undersigned will enter into a formal agreement with Minority Firms for work listed in this schedule conditional upon execution of a contract with the Owner. Failure to fulfill this commitment may constitute a breach of the contract.

The undersigned hereby certifies that he or she has read the terms of this commitment and is authorized to bind the bidder to the commitment herein set forth.

Date:________________ Name of Authorized Officer:______________________________________

Signature:______________________________________

Title:______________________________________

SEAL

State of____________________, County of ______________________________

Subscribed and sworn to before me this ____day of ______________20____

Notary Public ___________________________

My commission expires ______________

SECTION I

MINORITY BUSINESS CONSTRUCTION CONTRACT PROVISIONS INSTRUCTIONS FOR BIDDING PACKETS

APPLICATION:

The Outreach Plan and Guidelines for Recruitment and Selection of Minority Owned Businesses for Participation in Lee County contracts are hereby made a part of these contract documents.

MINORITY BUSINESS SUBCONTRACT GOALS:
The goal for participation by minority firms as subcontractors on this project has been set at 10%.

The bidder must identify on its bid the minority businesses that will be utilized on the project with corresponding total dollar value of the bid and affidavit (Affidavit A) listing good faith efforts or affidavit (Affidavit B) of self-performance of work, if the bidder will perform work under contract by its own workforce, as required by N.C.G.S. 143-128.2(c) and 143-128.2(f).

In addition, the lowest responsible, responsive bidder must do one of the following:

1) Provide Affidavit C that includes a description of the portion of work to be executed by minority businesses, expressed as a percentage of the total contract price, which is equal to or more than the applicable goal.

OR

2) If the portion of work to be executed by minority businesses, expressed as a percentage of the total contract price, is less than the applicable goal, provide Affidavit D as well as documentation of good faith efforts.

OR

3) Provide Affidavit B, which includes sufficient information for the Owner to determine that the bidder does not customarily subcontract work on this project.

The above information must be provided as required. Failure to submit these documents is grounds for rejection of the bid.

COUNTY OF LEE
RULES FOR IMPLEMENTING MEDIATED SETTLEMENT CONFERENCES
IN NORTH CAROLINA PUBLIC BUILDING CONTRACTS

Table of Rules

RULE 1. INITIATING MEDIATED SETTLEMENT CONFERENCES

A. Purpose of Mandatory Settlement Conferences. Pursuant to N.C.G.S. 143-128(f1)and (g), these Rules are promulgated to implement a system of settlement events, which are designated to focus the parties' attention on settlement rather than on claim preparation and to provide a structured opportunity for settlement negotiations to take place. Nothing herein is intended to limit or prevent the parties from engaging in settlement procedures voluntarily at any time to or during commencement of the dispute resolution process.

B. Initiating the Dispute Resolution Process

1. The County reserves the right to require mediation as a precondition to litigation. The County also encourages all disputes to be resolved through good faith efforts of discussion by submitting a dispute to the Project Designer or Prime Contractor and working with the County before a party requests mediation.

2. Any party to a public building contract governed by Article 8, Chapter 143 of the NC General Statutes and identified in N.C.G.S. 143-128(f1) and (g) and who is a party to a dispute arising out of the building process in which the amount in controversy is at least $15,000 may submit a written request to the County of Lee owner, notice to the Lee County Manager, for mediation of the dispute.

3. Prior to submission of a written request for mediation to the County of Lee owner, the parties requesting mediation:
    a. If a prime contractor, must have first submitted its claim to the Project Designer for review. If the dispute is not resolved through the Project Designer's instructions, then the dispute is eligible for mediation in the Formal Dispute Resolution Process and the party may submit their written request for mediation to Lee County.
    b. If the party requesting mediation is a subcontractor, it must first have submitted its claim for mediation to the prime contractor with whom it has a contract. If the dispute is not resolved through the Prime Contractor's involvement, then the dispute is eligible for mediation in the Formal Dispute Resolution Process, and the party may submit its written request for mediation to the County of Lee.
    c. If the party requesting mediation is the Project Designer, then it must first submit its claim to the County of Lee to resolve. If the dispute is not resolved with the County of Lee's involvement, then the Project Designers' dispute is eligible for mediation in the Formal Dispute Resolution Process, and the Project Designer may submit its written request to the County of Lee for mediation.

RULE 2. SELECTION OF MEDIATOR

A. Selection of Certified Mediator by Agreement of the Parties. The parties may select a certified mediator pursuant to the Rules by agreement within 21 days of requesting mediation. The requesting party shall file with the County of Lee a Notice of Selection of Mediator by Agreement within 10 days of the request; however, any party may file the notice. Such notice shall state the name, address, and telephone number of the selected mediator, state the rate of compensation of the mediator, state that the mediator and opposing counsel have agreed upon the selection and rate of compensation, and state that the mediator is certified pursuant to these Rules.

B. Nomination and the County of Lee Approval of a Non-Certified Mediator. The parties may select a mediator who does not meet the certification requirements of these Rules, but who, in the opinion of the parties and the County of Lee, is otherwise qualified by training or experience to mediate the action.

If the parties select a non-certified mediator, the requesting party shall file with Lee County a Nomination of Non-Certified Mediator within 10 days of the request. Such nomination shall state the name, address and telephone number of the mediator, state the training, experience or other qualifications of the mediator, state the rate of compensation of the mediator, and state that the mediator and opposing counsel have agreed upon the selection and rate of compensation.

Lee County shall rule on said nomination, shall approve or disapprove of the parties' nomination and shall notify the parties of its decision.

C. Appointment of Mediator by Lee County. If the parties cannot agree upon the selection of a mediator, the party or party's attorney shall notify Lee County and request, on behalf of the parties, that Lee County appoint a mediator. The request for appointment must be filed within 10 days after request to mediate and shall state that the parties have had a full and frank discussion concerning the selection of a mediator and have been unable to agree. The request shall state whether any party prefers a certified attorney mediator, and if so, Lee County shall appoint a certified attorney mediator. If no preference is expressed, Lee County may appoint a certified attorney or a certified non-attorney mediator.

D. Mediator Information Directory. To assist the parties in the selection of a mediator by agreement, the parties are free to utilize the list of certified mediators maintained in any county participating in the Superior Court Mediation Settlement Conference Program.

E. Disqualification of Mediator. Any party may request replacement of the mediator by Lee County for good cause. Nothing in this provision shall preclude mediators from disqualifying themselves.

RULE 3. THE MEDIATED SETTLEMENT CONFERENCE

A. Where Conference is to be Held. Unless all parties and the mediator otherwise agree, the mediated settlement conference shall be held in Lee County. The mediator shall be responsible for reserving a place and making arrangements for the conference and for giving timely notice of the time and location of the conference to all attorneys, unrepresented parties and other persons or entities required to attend.

B. When Conference is to be Held. The deadline for completion of the mediation shall be not less than 30 days nor more than 60 days after naming the mediator.

C. Request to Extend Deadline for Completion. A party, or the mediator, may request Lee County to extend the deadline for completion of the conference. Such request shall state the reasons the extension is sought and shall be served by the moving party upon the other parties and the mediator. If any party does not consent to the request, said party shall promptly communication its objection to Lee County.

Lee County may grant the request by setting a new deadline for completion of the conference.

D. Recesses. The mediator may recess the conference at any time and may set times for reconvening. If the time for reconvening is set before the conference is recessed, no further notification is required for persons present at the conference.

E. The mediated settlement conference shall not be cause for the delay of the building project which is the focus of the dispute.

RULE 4. DUTIES OF PARTIES AND OTHER PARTICIPANTS IN FORMAL DISPUTE RESOLUTION PROCESS

A. Attendance.

1. All parties to the dispute originally presented to the Designer or Prime Contractor for initial resolution must attend the mediation. Failure of a party to a construction contract to attend the mediation may result in Lee County's withholding of monthly payment to that party until such party attends the mediation.
2. Attendance shall constitute physical attendance, not by telephone or other electronic means. Any attendee on behalf of a party must have authority from that party to bind it to any agreement reached as a result of the mediation.
3. Attorneys on behalf of parties may attend the mediation but are not required to do so.
4. Sureties or insurance company representatives are not required to attend the mediation unless any monies paid or to be paid as a result of mediation require their presence or acquiescence. If such agreement or presence is required, then authorized representatives of the surety or insurance company must attend the mediation.

B. Finalizing Agreement. If an agreement is reached in the conference, parties to the agreement shall reduce the terms to writing and sign it along with their counsel.

C. Mediation Fee. The mediation fee shall be decided amongst the parties at the time mediation is requested.

D. Failure to Compensate Mediator. Any party's failure to compensate the mediators in accordance with N.C.G.S. 143-128(f1) and (g) may subject that party to a withholding of said amount of money from the party's monthly payment by Lee County.

RULE 5. AUTHORITY AND DUTIES OF MEDIATORS

A. Authority of Mediator.

1. Control of Conference. The mediator shall at all times be in control of the conference and the procedures to be followed.
2. Private Consultation. The mediator may communicate privately with any participant or counsel prior to and during the conference. The fact that private communications have occurred with a participant shall be disclosed to all other participants at the beginning of the conference.

3. Scheduling the Conference. The mediator shall make a good faith effort to schedule the conference at a time that is convenient with the participants, attorneys and mediator. In the absence of agreement, the mediator shall select the date for the conference.

B. Duties of Mediator.

1. The mediator shall define and describe the following at the beginning of the conference:
    a. The process of mediation;
    b. The difference between mediation and other forms of conflict resolution;
    c. The costs of the mediated settlement conference;
    d. That the mediated settlement conference is not a trial, the mediator is not a judge, and the parties retain their legal rights if they do not reach settlement;
    e. The circumstances under which the mediator may meet and communicate privately with any of the parties or with any other person;
    f. Whether and under what circumstances communications with the mediator will be held in confidence during the conference;
    g. The inadmissibility of conduct and statements as provided by N.C.G.S. 7A-38.1;
    h. The duties and responsibilities of the mediator and the participants; and
    i. That any agreement reached will be reached by mutual consent.
2. Disclosure. The mediator has a duty to be impartial and to advise all participants of any circumstance bearing on possible bias, prejudice or partiality.
3. Declaring Impasse. It is the duty of the mediator to timely determine that an impasse exists and that the conference should end.
4. Reporting Results of Conference. The mediator shall report to Lee County within 10 days of the conference whether or not an agreement was reached by the parties. If an agreement was reached, the report shall state the nature of the agreement. The mediator's report shall inform Lee Count of the absence of any party known to the mediator to have been absent from the mediated settlement conference without permission. Lee County may require the mediator to provide statistical data for evaluation of the mediated settlement conference program.
5. Scheduling and Holding the Conference. It is the duty of the mediator to schedule the conference and conduct it prior to the deadline of completion set by the Rules. Deadlines for completion of the conference shall be strictly observed by the mediator unless said time limit is changed by a written order from Lee County.

RULE 6. COMPENSATION OF THE MEDIATOR

A. By Agreement. When the mediator is stipulated by the parties, compensation shall be as agreed upon by the parties and the mediator provided that the provisions of N.C.G.S. 7A-38.1(k) are observed.

B. By Appointment. When the mediator is appointed by Lee County, the parties shall compensate the mediator for mediation services at the rate in accordance with the rate charged for Superior Court mediation. The parties shall also pay to the mediator a one-time per case administrative rate in accordance with the rate charged for Superior Court mediation, which is due upon appointment.

RULE 7. MEDIATOR CERTIFICATION

All mediators certified in the Formal Dispute Resolution Program shall be properly certified in accordance with the rules certifying mediators in Superior Court in North Carolina, except when otherwise allowed by Lee County upon the request of the parties to the mediation. When selecting mediators, the parties may designate a preference for mediators with a background in construction law or public construction contracting. Such requirements, while preferred, are not mandatory under these Rules.

All mediators chosen must either demonstrate they are certified in accordance with the Rules Implementing Scheduled Mediated Settlement Conference in Superior Court or must gain the consent of Lee County to mediate any dispute in accordance with these Rules.

RULE 8. RULE MAKING

These Rules are subject to amendment by Lee County at any time the County deems it appropriate.

RULE 9. TIME LIMITS

Any time limit provided for by these Rules may be waived or extended by the mediator it appoints for good cause shown. If the mediator has not yet been appointed, the Designer of Record shall decide all waivers or extensions of time for good cause shown.

Exemption from Architectural, Engineering and Surveying Qualifications-Based Selection Process for Fees Less than $50,000

Name of Project: ____

Responsible Department: _____________________________________

Vendor: ______________________________ ____________________

Amount: ____

N.C.G.S. 143-64.31 requires the initial selection and evaluation of firms to perform architectural, engineering, surveying, construction management-at-risk services and design-build services (collectively "design services") to be based on qualifications and without regard to fee, the qualification selection process must be announced and good faith efforts must be made to notify minority firms.

AND

N.C.G.S. 143-64.32 authorizes units of local government to exempt contracts for services from the qualifications based selection ("QBS") requirements of G.S. 143-64.31 if the estimated fee is less than $50,000 and the estimated professional fee for services for the above-described project is less than $50,000.

Lee County proposes to enter into a contract for services for work on the above described project.

The above described project is hereby made exempt from the provisions of N.C.G.S. 143-64.31.

On March 16, 2020, the Lee County Board of Commissioners adopted a resolution exempting the government from requiring QBS procedures for eligible projects under G.S. 143-64.31 and authorized the County Manager to approve each project on a case-by-case basis and by signing below, has approved such exemption.

________________________	____________
County Manager	Date

SOLE SOURCE JUSTIFICATION FORM
(for all items)

Vendor: ____

Item: ____

Estimated expenditure for the above item: $________________

INITIAL ALL ENTRIES BELOW THAT APPLY TO THE PROPOSED PURCHASE ATTACH A MEMO CONTAINING JUSTIFICATION AND SUPPORT DOCUMENTATION.

1. ______ Sole source is for the original manufacturer or provider. There are no area distributors.

2. ______ The parts/equipment are not interchangeable with similar parts of another manufacturer.

3. ______ This is the only known item or service that will meet the specialized needs of this department or perform the intended function.

4. ______ The parts/equipment are required from this source to permit standardization.

5. ______ None of the above apply. A detailed explanation and justification for this sole source in contained in the attached memo.

The undersigned requests that competitive procurement be waived and that the vendor identified as the supplier of the material or service described in this sole source justification be authorized as a sole source for the material or service.

______________________________ ______________________________
Chairman, Board of Commissioners Department

____
Date

Lee County Purchasing and Contracting Policy

Adopted as Administrative Policy for all County Employees
Effective August 1, 2009
Amended October 19, 2009
Revised July 23, 2018
Effective August 1, 2018
Amended March 16, 2020
Amended January 24, 2022
Amended September 16, 2024
Amended April 07, 2025

Lee County, North Carolina
Finance Department

Through vision and leadership, setting the standard for professional local government.

Lee County Purchasing and Contracting Policy
Table of Contents

Lee County Purchasing and Contracting Policy

Introduction

This purchasing policy and procedures manual is intended for use as a guide to Lee County's purchasing methods and practices. When used properly, the policies and procedures will enable the County to obtain needed materials, equipment, supplies, and services efficiently and economically.

The understanding and cooperation of all employees is essential if the County is to obtain the maximum value for each tax dollar spent. While this manual does not answer all questions related to purchasing, it does provide the foundation for a sound purchasing policy.

The basic goals of the County's purchasing program are:

1. To comply with the legal and ethical requirements of public purchasing and procurement.
2. To assure vendors that impartial and equal treatment is afforded to all who wish to do business with the County.
3. To receive maximum value for each dollar spent by awarding contracts and/or purchase orders to the lowest responsible, responsive bidder, taking into consideration quality, performance, technical support, delivery schedule, past performance and other relevant factors.
4. To provide County departments the required goods, equipment and services at the time and place needed and in the proper quantity and quality.
5. To promote good and effective vendor relations, cultivated by informed and fair buying practices and strict maintenance of ethical standards.

Purchasing Summary

Listed below is a summary of the County's procedures with more detail to follow:

Amount of Purchase	Appropriate Procedure
Less than $1,000	No purchase order required Most reasonable price Verify that there is an appropriation authorizing the purchase or obligation Ensure that sufficient funds will remain in the appropriation to pay the amounts that are expected to come due in the fiscal year
$1,000.00 - $4,999.99	Purchase order required Most reasonable price
$5,000.00 - $29,999.99	Purchase order required 3 Quotes required or State Contract Quotes will remain confidential until awarded
$30,000.00 - $49,999.99 Purchases and Services	Purchase order required Contact the Purchasing Agent Informal sealed bids 3 Quotes or State Contract Quotes will remain confidential until awarded Award by County Manager
$50,000.00 – $89,999.99 Purchases and Services	Purchase order required Contact the Purchasing Agent Informal sealed bids 3 Quotes or State Contract Quotes will remain confidential until awarded Award by Board of Commissioners General Statute 143-131
Equipment costing $90,000 and above (includes lease to purchase items)	Purchase order required Contact the Purchasing Agent Formal bid procedures Award by Board of Commissioners General Statute 143-129
Construction and/or renovation =>$30,000 and <$250,000 NC General Statue 143-131	Purchase order required Contact the Purchasing Agent Informal sealed bid procedures Informal Good Faith Efforts County Outreach Minority Business Reporting (HUBSCO) Dispute Resolution ($15,000 or more) Written Contract required Award by Board of Commissioners
Construction and/or renovation =>$250,000 NC General Statute 143-128	Purchase order required Contact the Purchasing Agent Formal bid procedures Formal Good Faith Efforts County Outreach Minority Business Reporting (HUBSCO) Dispute Resolution Written Contract required Award by Board of Commissioners

Departments receiving non-county funds must also follow the purchasing guidelines established by the funding agency if these requirements are different from the County's procedures.

General Guidelines for Purchasing

Determining Contract Value

A contract's value shall be determined cumulatively. The value of the original contract period, along with any renewal options, extensions, and amendments shall be included in determining the contract's value.

Local Buying

The County wants to ensure that local vendors who have goods or services available which are needed by the County are included in the competitive purchasing process. The County has a responsibility to its residents, however, to ensure that maximum value is obtained for each public dollar spent. **The County cannot and will not make purchasing decisions solely based on vendor residence.** Rather, the County will endeavor to encourage local vendors and suppliers to compete for all County business.

Planning

Planning for purchases should be done on a short-term and long-term basis, thereby minimizing small orders and last-minute purchases. Planning will also reduce the number of trips required to obtain materials and minimize clerical and supervisory time spent on documenting purchases.

Buying Proper Quality

Quality and service are as important as price, and it is the duty of the requesting department to secure the best, most economical, quality that will meet but not exceed the requirements for which the goods and/or services are intended. In some instances, the lowest price does not necessarily mean the lowest cost.

Conflicts of Interest

County employees and officers who are involved in making contracts on behalf of Lee County are governed by North Carolina General Statute (NCGS) 14-234 Conflict of Interest Law, which prohibits direct benefit from said contracting. Violation of the statute is a Class 1 misdemeanor. Violation of the General Statute can lead to disciplinary action under the County's Personnel Policy.

Gifts and Favors

In addition to the prohibition against accepting gifts and favors from vendors and contractors under NCGS 133-32, officers, employees, and agents of Lee County are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts. Items of nominal value valued at less than $25 which fall into one of the following categories may be accepted:

1. Promotional items
2. Honorariums for participation in meetings; or
3. Meals furnished at banquets.

E-Verify

Pursuant to North Carolina General Statute 143-133.3, the County will not enter a contract unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

Iran Divestment Act

Pursuant to North Carolina General Statute 147-86.60, the County will not enter a contract with a contractor identified on a list created by the State Treasurer pursuant to North Carolina General Statute 147-86.58.

Israel Boycott

Pursuant to North Carolina General Statute 147-86.82, the County will not enter a contract with a contractor identified on a list created by the State Treasurer pursuant to North Carolina General Statute 147-86.81.

Uniform Guidance

Contracts funded with federal grant or loan funds must be procured in a manner that conforms with all applicable Federal laws policies, and standards, including those under the Uniform Guidance (2 C.F.R. Part 200). (Exhibit A – Uniform Guidance Procurement Policy and Exhibit B – Uniform Guidance Conflict of Interest Policy)

Debarred Vendors

The County will not enter a contract with a contractor or subcontractor that is debarred or suspended from doing business in North Carolina.

Civil Rights Policy

The County is required by Federal law to adhere to nondiscrimination and nondiscriminatory use of Federal funds. The County will ensure entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

In order to carry out its enforcement responsibilities under Title VI of the Civil Rights Act, the County's Finance Department will review all procurement bidding processes and contracts. Additionally, the County will assert any subrecipient or subaward adhere to the same processes and expect review from the county at any point in time.

Appropriations and Encumbrances

Under the Local Government Budget and Fiscal Control Act, all expenditures must be supported by an appropriation. In NCGS 159-28 (b), bills, invoices, or other claims against a local government or public authority may be approved if 1) the amount is determined to be payable and 2) the budget or project ordinance includes an appropriation authorizing the expenditure and either (i) an encumbrance has been previously created for the transaction or (ii) an unencumbered balance remains in the appropriation sufficient to pay the amount to be disbursed. Contracts, including purchase orders, must include a pre-audit certificate signed by the Finance Officer.

Encumbrances include all outstanding purchase orders, unpaid invoices and agreements or contracts that have not been completed for which the County has an obligation to expend funds. Encumbrances against an appropriation are an obvious reduction in the amount available for future expenditures, and only when the encumbrances are recorded is a true report of the financial condition of a department or County evident.

Lee County Outreach Plan for Minority Business Participation

In accordance with NCGS 143-128.2, the County has established goals for minority participation in single-prime bidding, separate-prime bidding, construction manager at risk, and alternative contracting methods, on Lee County's building construction or repair projects in the amount of $250,000 or more. The outreach plan shall also be applicable to the selection process of architectural, engineering, surveying, construction manager-at-risk services, design-build services and public-private partnership construction services. The formal range requires the contractors to complete the Good Faith Outreach for minority business solicitation. In addition to the formal bid range (over $250,000) requirement, projects in the informal rage of $30,000 to $250,000 require the County to solicit minority participation in contracts for the erection, construction, alteration or repair of any building awarded pursuant to this section. The County shall maintain a record of contractors solicited and shall document efforts to recruit minority business participation in those contracts pursuant to NCGS 143-131 (b). The informal range of $30,000 to $250,000 requires the County to perform the Good Faith Outreach.

Lee County has a current verifiable goal of 10 percent for minority participation for building construction or repair projects.

At the completion of a construction, renovation and/or repair project that has minority participation requirements, the department must submit minority participation reporting information to the Development Services Director who will report MWBE information for each project to the North Carolina Office of Historically Underutilized Business (NCGS 143-128.3).

The complete policy, Lee County's Minority Business/Historically Underutilized Business Participation Outreach Plan and Guidelines can be found in Exhibit D of this policy.

Definition Of Responsibilities

The Purchasing Agent's responsibilities:

- To facilitate the involvement of local vendors in the County's purchasing policy.
- To ensure impartial judgments in the selection of vendors which are based on product quality, price, warranty, and performance and vendor delivery, service, and performance.
- To comply with all County purchasing procedures and North Carolina General Statutes covering procurement and disposal.
- To assist with formal bid packets and quotation requests.
- To manage the formal bid process, including advertising for bids, notifying vendors, accepting bid proposals, opening bids, tabulating bids, and serving as the primary resource for questions from vendors.
- To review purchase requisitions.
- To maintain adequate purchasing records, including a database of vendors established in an accessible vendor file.
- Upon request, to assist departments in locating the best source for supplies, materials, and equipment.
- To assist departments in conducting negotiations with vendors concerning prices, bids, terms, deliveries, and adjustments.
- To maintain a central file of contracts.
- To assist departments with the informal bid process.

The Finance Officer responsibilities:

Under the Local Government Budget and Fiscal Control Act, all contractual obligations must be supported by an appropriation that authorizes the expenditure. As required by NCGS 159-28(a), the Finance Officer will pre-audit all obligations of funds and execute the pre-audit certification.

Department and employee responsibilities:

- It is the responsibility of each department to requisition goods and services in such a way as to allow time for competitive bidding, ordering, and delivery of materials. Exceptions shall be made only on rare occasions, when a true emergency exists.
- The department must obtain a completed W-9 (Request for Taxpayer Identification and Certification) from the vendor before an invoice or purchase order can be processed.
- It is the responsibility of the department head or his/her designee, in consultation with the Purchasing Agent, to obtain these goods based upon competitive bids and to give consideration to product price, value, quality, performance, and delivery.
- While the department head may delegate minor purchases to employees, he/she is still responsible for ensuring such purchases are made according to the provisions of this policy.
- No department head or employee is authorized to make any commitment to any salesperson or firm that will bind the County in any way. During meetings with salespersons, no employee shall make any indication that he/she will recommend a particular product for purchase.
- It is the responsibility of all Lee County employees to comply with all rules and regulations set forth herein. As directed by the County Manager, any employee deliberately violating the policy regarding unauthorized purchases shall be held personally accountable for the purchases. Violation of the purchasing policy may result in disciplinary action, up to and including dismissal.

The Purchasing Agent's responsibilities to salespersons and vendors are to:

- Encourage good County/vendor relations.
- Encourage businesses located within the County to participate in the County's purchasing policy, by notifying all known in-County vendors of opportunities to bid.
- Conduct business with vendors in a professional manner that promotes honesty and fairness.
- Accept, and in some cases require samples from vendors to be used for testing. A fair trial shall be given to all samples and the outcome of the test shall be presented to the vendor, in general terms.
- Make every effort to be available for appointments during normal business hours.
- Arrange interviews between salespersons and department heads when requested.
- Write all correspondence to salespersons and vendors, except when technical details can be better written by the department.
- Keep on file vendor information, catalogs, samples, price quotes, etc. to be used by all departments.

The salesperson's responsibilities to Lee County are to:

- Understand the needs of Lee County and try to find the right product at the right price, quality, and quantity that benefits the County as a whole.
- Conduct themselves in a professional manner: being honest about the supplies and products they represent.
- Honor purchase orders generated as a result of providing price quotes on specified items and quantities.

Purchasing Methods

Lee County practices decentralized purchasing for purchases of goods in departments. All purchases of $1,000 and greater require a purchase order. The County policy requires departments to seek quotes and competition for purchases $30,000 and over. Purchases of goods and/or services may not be split to avoid the policy. Dividing contracts or purchases in order to evade procedures is prohibited under NCGS 143-133. All purchase order requisitions are required to be approved by the assigned authority within the department, and therefore, it is his/her responsibility to make sure policy is followed.

Following the departmental requisitions approvals, purchase requisitions are thoroughly reviewed by the Purchasing Agent. Only requisitions meeting the requirements or having been significantly justified are processed for the pre-audit statement and approval. Once the purchase order is generated, then the user department is authorized to order the goods or services.

Purchases and/or Services that do not require a purchase order

The following purchases do not require a purchase order due to the nature of the transaction; however, they do require that the departments (1) ensure that there is an appropriation authorizing the obligation and (2) ensure that an unencumbered balance remains in the appropriation sufficient to pay the sums obligated by the transaction.

Annual dues	Postage permits and expenses
Board appropriations paid monthly and quarterly	Refunds
Claim payments	Rental of buildings
Courier service	Social Services Allocated Programs
Insurance premiums	Subscriptions
Medical examiner fees	Travel expenses
Land Purchases	Tuition fees for educational purposes
Petty cash – replenishment of funds	Utilities

Petty Cash

Purpose: To reimburse an employee for small incidental purchases.
Appropriate use of Petty Cash: Petty cash funds may be used for small incidental nonrecurring cash purchases that do not exceed $50. Cash purchases should be avoided, but in the event that it is not feasible to be billed for very small purchases, the employee may, with department head approval, buy the item and be reimbursed out of petty cash. The employee must submit an invoice or receipt for reimbursement. If petty cash is not available in the department, an invoice or receipt must be submitted to Finance with an explanation or purpose for the expenditure for reimbursement.

Request for Payment

Purpose: To request a check for payment when an invoice is not issued.
Appropriate use of Request for Payment: Occasionally, a check is needed when there is no invoice. These incidents include, but are not limited to:

1. An employee's request for reimbursement for out-of-pocket expenses.
2. Vendors requiring payment in advance.
3. Mail in catalog orders requiring pre-payment.

When the Request for Payment form is used, a detailed receipt, a written quote, or a copy of the catalog order must be submitted as support documentation.

Procurement Card

The procurement card program is available to all departments. This method of purchase is for obtaining low-cost supply and service items. The department head must request and authorize an employee's participation. All procurement cards are issued in the participating employee's name. Procurement cards are only for official County business. Employees are responsible for the reconciliation of the monthly statement and submittal of detailed receipts. Please refer to the Lee County Procurement Card Policy for the full details of the program.

Purchase Orders

Purpose: To provide a legal document that places an obligation on both the County and the vendor. When properly endorsed by the Finance Officer, the purchase order obligates the County to purchase the items listed at the prices stated. The vendor is obligated according to the terms and prices stated on the purchase order to deliver the goods or services. The purchase order provides specifications for goods and services ordered, shipping and billing information.

Appropriate Use of the Purchase Order: A purchase order must be used for purchasing any item or service in excess of $1,000.

Open Purchase Orders

Open purchase orders will be used for repetitive purchases from certain vendors. Rather than issuing a purchase order for each purchase, one purchase order with a dollar limit is issued for a period of time. Departments should follow standard purchase order procedures.

It is highly recommended that departments issue open purchase orders to vendors that they routinely make purchases from that fall below the purchase order threshold. This will help the department to ensure that there is an appropriation authorizing the obligation and to ensure that sufficient funds will remain in the appropriation to pay the amounts that are expected to come due in the fiscal year in which the obligation is incurred.

Competitive Bids

Standard of Award:

Lee County follows statutory requirements for awarding contracts, as stated in NCGS 143-129 and identified as the "lowest responsive, responsible bidder; taking into consideration quality, performance and the time specified in the proposals for the performance of the contract."

A purchase order must be generated with all approvals prior to ordering or purchasing goods and services or binding the County in anyway.

When grant funds, by either the State or Federal Government, are used for any project or purchase, the strictest requirement will be met when compared to the County requirement.

Purchases of Supplies, Materials and Equipment (Up to $4,999.99):

Competitive bids are not required for purchases less than $4,999.99; however, departments are directed to seek the most reasonable price.

Purchases of Supplies, Materials and Equipment ($5,000.00 to $29,999.99):

Competitive bids are not required for purchases less than $29,999.99; however, departments are directed to get three quotes or use State Contract. All quotes will remain confidential until awarded.

Purchases of Supplies, Materials and Equipment – Informal Bids ($30,000 – 49,999.99):

Competitive bids are required. The requesting department in conjunction with the purchasing agent must complete a standardized request for bid form (see Specifications) and include the bid cutoff date. The request for bid must be posted on the Lee County website. Informal requests for bids must be posted for a minimum of five (5) business days. All bids must be sealed and submitted to the Purchasing Agent who will open the bids in conjunction with the requesting department at the date and time so specified. Every effort to obtain three bids should be exercised. If at least three (3) bids are not received after the first posting, the bid must be reposted for at least five (5) business days. The County Manager may waive the repost requirement. If all the bids exceed the funds available, negotiations are allowed with the lowest responsible, responsive bidder, and reasonable changes can be made in the plans and specifications to bring the contract price within the funds available. Once the bid deemed in the best interest of the County is determined, the requesting department shall enter the purchase requisition in the County's financial package.

Purchases of Supplies, Materials and Equipment – Informal Bids ($50,000.00 - $89,999.99):

Follow procedures for purchases of supplies, materials and equipment between $30,000 - $49,999.99 except that once the bid deemed in the best interest of the County is determined, the requesting department shall take the request to the Board of Commissioners for approval. Once the Board of Commissioners approves the purchase, the requesting department shall enter the purchase requisition in the County's financial package.

Purchases of Supplies, Materials and Equipment – Formal Bids ($90,000.00 and greater):

See Formal Bid Procedures.

After receipt of a bid, the Purchasing Agent, with the department head or his/her designee, shall review all bid responses to determine the bid deemed in the best interest of the County. A record of all bids submitted must be maintained. All bids are subject to public inspection once opened, unless a trade secret is involved. The requesting department head or his/her designee shall make a formal recommendation of award, with supporting documentation to the Board of Commissioners. Once the Board of Commissioners approves the bid award, the requesting department shall enter the purchase requisition in the County's financial package.

Construction and Repair Work (Below $30,000):

Follow procedures for purchases of supplies, materials and equipment below $30,000.

Construction and Repair Work – Informal bids ($30,000 - $249,999.99)

Follow procedures for purchase of supplies, materials and equipment $30,000 – $89,999.99. The County must also perform "good faith" efforts in reaching Historically Underutilized Businesses with bid opportunities. Refer to Exhibit D – Lee County's Minority Business/Historically Underutilized Business Participation Outreach Plan and Guidelines.

Construction and Repair Work – Formal Bids ($250,000 and greater):

See Formal Bid Procedures.

After the formal bidding process is completed, the department head or his/her designee shall recommend to the Board of County Commissioners the lowest responsible, responsive bidder deemed in the best interest of the County. Upon award by the Board of Commissioners and execution of the contract, the requesting department shall enter the purchase requisition in the County's financial package.

Formal Bid Procedures

In accordance with NCGS 133-1.1(a), the use of a registered architect or engineer is required for the following work:

- Nonstructural Work - $300,000 and above
- Structural repair or new construction - $135,000 and above
- Repair work affecting life safety systems - $100,000 and above

Process:

1. The requesting department shall contact the Purchasing Agent authorizing the purchase, construction or repair work.

2. The Purchasing Agent or a designated representative will review and modify (as needed) the specifications submitted by the requesting department to develop specifications.

3. Specifications for certain construction or repair projects shall be prepared by a licensed architect/engineer firm as defined in NCGS 133-1.1. If requested, the Purchasing Agent or a designated representative will assist with or provide the front-end documentation to the architect/engineer firm engaged to prepare such specifications.

4. The Purchasing Agent or a designated representative will review the specification documents prepared by the licensed architect/engineer firm to ensure all state and local requirements have been met.

5. The Purchasing Agent or a designated representative shall solicit bids utilizing one of the authorized competitive sealed bid methods which best fits the County's needs. The Purchasing Agent or a designated representative shall ensure that all state and local requirements are met, including advertising, bonding requirements, pre-bid conference, sealed bids, minimum number of bids (construction and repair), maintaining records, and public opening of bids.

6. For bids in the formal range, consideration will be given to conduct a pre-bid conference for potential bidders/vendors, to answer questions and to fulfill County Outreach efforts.

7. For construction projects estimated to cost $300,000 or more the County may, but is not required, to pre-qualify its contractors. This is normally performed with the design architect or engineer for the project.

8. The bid shall be advertised in a newspaper of general circulation in Lee County at least seven (7) full days elapsing between the day the ad appears and the bid opening date. All County sealed bids are also posted to the Lee County website. In addition, the County may use the State's Interactive Purchasing System and the Dodge Room and other media outlets for contractors and minority vendors.

9. Sealed bids are received and opened in public at the time, place and date specified in the advertisement. Bids received after the advertised time and date shall not be considered.
   a. Three bids are required for construction or repair contracts in the formal range. For construction or repair contracts, if three bids are not received, a second advertisement shall be made, after which a contract may be awarded even if fewer than three bids are received.
   b. For purchase contracts in the formal range, Lee County seeks three bids. When three are not received, the sealed bid process may be repeated as a re-bid, or County officials may waive the County requirement.

10. The Purchasing Agent or a designated representative and the requesting department shall review all bids to ensure that the specifications have been met.

11. The Purchasing Agent or a designated representative shall recommend award of contracts to the lowest responsible, responsive bidder or bidders, taking into consideration quality, performance and the time specified in the proposal for the performance of the contract.

12. If all bids exceed the funds available, negotiations are allowed with the lowest responsible, responsive bidder, and reasonable changes can be made in the plans and specification to bring the contract price within the funds available.

13. The Purchasing Agent or a designated representative may make recommendation to the County to reject bids and re-advertise to receive bids.

14. Use of contracts is required for all projects. Contracts are prepared for review by all concerned (Department Head, County Attorney, and the Finance Director). Standard Form Contracts by an architect or engineer are not recommended but may be utilized only after review and approval by the County Attorney.

15. An agenda action form is prepared by the requesting department and submitted for the Board of Commissioners' consideration for all contracts greater than $50,000. The Board of Commissioners shall approve or disapprove contracts as appropriate.

16. The County Manager is authorized through the budget ordinance to execute contracts up to $50,000.

Bid Deposits

For formal construction, renovation and repair contacts, the bid must contain a bid deposit equal to not less than five (5) percent of the bid amount. The deposit may be in the form of cash, cashier's check, certified check or bid bond executed by a surety licensed in North Carolina. No other forms are acceptable. Bid deposits may not be waived.

Withdrawal of Bid

A bidder may request permission to withdraw their bid after the bids are opened, without forfeiting their bid deposit, if he/she can produce credible evidence that the bid was based on a mistake containing a substantial, unintentional arithmetic error or unintentional omission of work. Withdrawal is not allowed due to errors in judgement. The request to withdraw must be made not later than 72 hours after the bid opening. A bidder that requests that their bid be withdrawn cannot participate in the contract, even if the project is re-bid.

Performance and Payment Bonds

For a construction or repair project where the total amount of all the contracts exceeds $300,000, each contractor must provide performance and payment bonds of the full amount of each contract that exceeds $50,000 (NCGS 143-129(c)). The contractor may provide cash, certified checks or government securities instead of bonds.

Rejection of Bids

In requesting bids/proposals, any and all offers received may be rejected in whole or in part. Basis for rejection shall include, but not be limited to:

1. The bid/proposal being deemed unsatisfactory as to quantity, quality, delivery, price or service offered.
2. The bid/proposal did not comply with conditions of the invitation or with the intent of the proposed contract.
3. Lack of competitiveness by reason of collusion or otherwise, or knowledge that reasonably available competition was not received.
4. Errors in specifications or indication that revisions would be to the County's advantage.
5. Cancellation of or changes in the intended project or determination that the proposed requirement is no longer needed.
6. Limitation or lack of available funds.
7. Circumstances which prevent determination of the lowest responsible, responsive.
8. A determination that rejection would be in the best interest of the County.

Dispute Resolution

Pursuant to NCGS 143-128(f1), all disputes involving contractors on a building construction or repair project with Lee County shall be resolved pursuant to County of Lee Rules for Implementing Mediated Settlement Conferences in the Building Projects (Exhibit E).

Contractor Licensure

Prior to contract execution for any project owned by Lee County, a bidding contractor must furnish Lee County with appropriate documentation that indicates that the contractor is currently duly licensed to participate in construction of a project of the same value.

Request for Proposal (RFP)

The County uses RFPs as a competitive process or as an alternative to the standard bidding process. Typically, RFPs are used in situations where (1) detailed specifications cannot be or are difficult to develop; (2) when obtaining a goal or providing a solution to a problem/issue is the main objective; (3) when obtaining professional or other services except for all professions that fall under the Mini Brooks requirement to announce and (4) purchase of information technology goods and services.

1. Notice of the request for proposal shall be given in accordance with NCGS 143-129(a).

2. The County shall advertise the RFP opportunity in a newspaper of general circulation in Lee County, with at least seven (7) full days elapsing between the day the ad appears and the proposal due date. All County bids and opportunities are also posted to the Lee County website. In addition, the County may use the State's Interactive Purchasing System and other media outlets.

3. The proposals are received and recorded; however, there is no public bid opening. Proposals submitted under this section shall not be subject to public inspection until the contract is awarded pursuant to NCGS 143-129.8.

4. Contracts shall be awarded to the person who or entity that submits the best overall proposal as determined by the awarding authority. Factors to be considered in awarding contacts shall be identified in the request for proposals. The "best value" process as stipulated in NCGS 143-135.9 may be used to award the contract. The term "best value procurement" means the selection of the contractor based on a determination of which proposal offers the best trade-off between price and performance where quality is considered an integral performance factor.

5. County staff may negotiate with any proposer in order to obtain a final contract that best meets the needs of the County. Negotiations allowed under this section shall not alter the contract beyond the scope of the original request for proposals in a manner that:
   a) Deprives the proposer or potential proposers of a fair opportunity to compete for the contract; and
   b) Would have resulted in the award of the contract to a different person or entity if the alterations had been included in the request for proposals.

Proposals submitted under this section shall not be subject to public inspection until the contract is awarded pursuant to NCGS 143-129.8.

RFP Evaluation

1. *Selection committee*. The County Manager will work with the department head that has primary responsibility for the items/services being procured and will determine the selection committee chairperson and members. The size of the selection committee is dependent on the nature and scope of the project.

2. *Evaluation criteria*. Evaluation criteria are the factors used to determine which proposal best meets the requirements identified in the RFP. In establishing effective evaluation criteria, a department must clearly identify the factors relevant to its selection of a vendor for the specific service or need sought. Evaluation criteria should reflect the department's minimum needs and should not be so restrictive as to limit competition. Evaluation criteria often encompass such factors as price or cost, technical excellence, management capability, personnel qualifications, experience and past performance. While price or cost must be included and will be a factor, price or cost need not be the deciding factor in all acquisitions.

3. *Evaluation of responses.* Responses should be evaluated based on predefined criteria. In most cases, the evaluation criteria are to be published in the RFP document with response information to include enough details to evaluate the criteria.

4. *Evaluation document.* The evaluation tool is an unbiased evaluation of all responses weighted against the criteria identified.
   a. The review committee considers all the criteria sought, determines an importance to the project, and assigns the ranking points.

   b. Each individual RFP is then graded against the stated criteria with a value of 1 through 3;
      i. Does not meet criteria point = 1point
      ii. Meets criteria point = 2 points
      iii. Exceeds criteria point = 3 points
   c. Scoring is calculated by multiplying the criteria point value with individual criteria grade, then totaling each RFP score. If a tie occurs, the County will offer interviews with the firms scoring the highest.
   d. Oral presentations or demonstrations may be needed in certain cases for clarifications or if additional information is needed. This session will be conducted using the following guidelines:
      i. All members of the evaluation committee should be present during oral presentations and interview. Time limits for oral presentations will be equal in length.
      ii. Interviews are to be conducted and controlled by the County Manager.

Request for Qualifications – RFQ or QBS

NCGS 143-64.31 requires local governments to announce all requirements for architectural, engineering surveying, construction management at risk services, design build, public-private partnerships and other alternative construction delivery methods.

The County must select firms qualified to provide such services on the basis of demonstrated competence and qualification for the type of professional services required without regard to fee other than unit price information at this stage, and thereafter to negotiate a contract for those services at a fair and reasonable fee with the best qualified firm. The method is known as Qualified Base Selection (QBS) and usually announced through Request for Qualifications.

For all announced QBS projects, the County must perform good faith efforts of outreach to encourage minority participation. The guidelines for "good faith" in the County Outreach plan may be used. (Exhibit D).

Pursuant to NCGS 143-64.32, the County may in writing exempt particular projects from NCGS 143-64.31. The proposed projects where an estimated professional fee is in an amount less than fifty thousand dollars ($50,000) may be considered for this exemption.

The Lee County Board of Commissioners exempted by a Resolution on March 16, 2020, all projects involving architectural, engineering, surveying and construction manager-at-risk services, design-build services and public-private partnership construction services where the estimated professional fee is less than $50,000. All exceptions must be approved by the County Manager. (Exhibit F).

Exceptions to the Formal Bidding Process

If deemed to be in the public interest, competitive bidding may be waived as provided by North Carolina General Statutes. Certain exceptions allow for waiver of the bidding requirements. Some apply only to purchase contracts and others apply to both purchase contracts and construction or repair contracts. Circumstances permitting waiver and direct negotiations include, but are not limited to:

Exceptions that apply to purchase contracts only:
1. Purchases from other governmental agencies (NCGS 143-129(e)(1)).
2. Competitive group purchasing (NCGS 143-129(e)(3)).
3. Gasoline, diesel fuel, alcohol fuel, motor oil, fuel oil or natural gas (NCGS 143-129(e)(5)). [Informal quotes are required.]
4. Sole sources (NCGS 143-129(e)(6)). Requires governing board approval and specific criteria must be met. (Exhibit G).
5. Information technology goods and services purchased through the State Office of Information Technology (NCGS 143-129(e)(7)) or using request for proposal. (Procedures authorized by NCGS 143-129.8).
6. Purchase from state contracts (NCGS 143-129(e)(9)).
7. Used apparatus, supplies, materials or equipment (NCGS 143-129(e)(10)). Does not apply to remanufactured, prefabricated, or demo items.
8. Piggy backing previously bid contracts. Requires governing board approval and prior 10-day notice (NCGS 143-129(g)).
9. Purchases from nonprofit work center for the blind and severely disabled (NCGS 143-129.5).

Exceptions that apply to construction or repair contracts only:
1. Change order work. (NCGS 143-129(e)(4)).
2. Construction management at risk projects (NCGS 1473-129(e)(11)). Requirements of NCGS 143-128.1 apply to these projects.
3. Force account work. (NCGS 143-135). Work must be performed by labor on the permanent payroll and does not exceed $500,000 for the total project cost including all direct and indirect costs of labor, materials, supplies, equipment, or the labor on the project does not exceed $200,000.
4. Projects using unemployment-relief labor paid for in whole or part with state or federal funds. (NCGS 143-129(d)).
5. Contracts with NC Department of Transportation for street construction and repair. (NCGS 136-41.3).

Exceptions that apply to both purchase and construction contracts:
1. Special emergency involving the health and safety of the people or their property. (NCGS 143-129(e)(2))

2. Guaranteed energy savings contracts. (NCGS 143-129(e)(8)) Requirements of NCGS 143-64.17B apply to these contracts.
3. Solid waste management facilities (NCGS 143-129.2).

Specifications

When goods and/or services are procured under the informal or formal bidding process, specifications must be prepared. All specifications should do at least four things:

1. Identify minimum requirements
2. Encourage competitive bids
3. Be capable of objective review
4. Provide for an equitable award at the lowest possible cost

Specifications shall be as simple as possible while maintaining the degree of exactness required to prevent bidders from avoiding supplying the goods and/or services required or otherwise taking advantage of their competitors.

All specifications utilizing a name brand must include the term “or approved equal” to avoid being restrictive and eliminating fair competition from the bidding process.

Different methods of structuring specifications include:

1. Qualified products on acceptable vendor list
2. Specification by blueprint or dimension sheet
3. Specification by chemical analysis or physical properties
4. Specification by performance, purpose or use
5. Specification by identification with industry standards
6. Specification by samples

Special Procurement

Electronic Equipment

The IT (Information Technology) Department will purchase or authorize the purchase of all computers, peripherals, printers, and all other electronics governed by the technology policy. The IT Department will then be responsible for entering the Purchase Requisition or instructing the department to enter the information. The IT Department will setup and install equipment in the appropriate departments.

Information technology is defined in NCGS 147-33.81(2) as follows: "Electronic data processing goods and services, telecommunications goods and services, security goods and services, microprocessors, software, information processing, office systems, any service related to the foregoing, and consulting or other services for design or redesign of information technology supporting business processes."

NCGS 143-129.8 offers flexibility in purchasing information technology due to "the complex and innovative nature of information technology goods and services, and the desirability of a single point of responsibility for contracts that include combinations of purchase of goods, design, installation, training, operation, maintenance, and related services…"

The County may contract for information technology using the procedure set forth in NCGS 143-129.8 as an alternative to NCGS 143-129 (formal bidding) or NCGS 143-131 (informal bidding), but only when a mixture of services and purchases are involved. However, the following requirements must be satisfied:

1. Notice of the request for proposal (RFP) shall be given in accordance with NCGS 143-129 – the formal bidding statute.
2. Contracts are awarded to the best overall proposal considering factors identified in the RFP.

The County is not obligated to use either the competitive bidding or the request for proposal procedures for a contract that consist **only** for **services**. Proposals submitted are not subject to public inspection until a contract is awarded. However, every effort to obtain three (3) bids or proposals should be made. Negotiating is allowed.

Formal or informal bidding statutes apply when the contract consists of purchases involving hardware and/or software. Negotiations are not allowed unless all bids come in over budget. If this is the case, negotiations are allowed with lowest responsible, responsive bidder.

Emergency Purchases

Occasionally purchases need to be made on an emergency basis. An emergency is defined as a situation that occurs and if not immediately corrected would jeopardize the health, safety, and/or property of citizens, the health and safety of County employees, and/or the property of the County. If emergency purchases are needed during business hours, begin Purchase Order procedures immediately and contact the County Manager for PO approval then notify the purchasing agent. When emergency purchases occur during non-business hours, contact the County Manager then notify the Purchasing Agent immediately the next business day.

Emergency purchases, although sometimes necessary, are costly in both time and money. The use of emergency procedures should be limited and will be monitored for abuse.

Sole Source of Supply

NCGS 143-129(e)(6) and the County require governing board approval for all sole source contracts, regardless of cost. See Exhibit G - Sole Source Justification Form.

Professional Services

Normal competitive procedures cannot be utilized in securing professional services such as attorneys, planners, financial consultants/brokers, auditing, banking, consulting firms, insurance firms and other professionals who, in keeping with the standards of their discipline, will not enter into a competitive bidding process. Where appropriate, the County staff will use a request for qualifications (RFQ) process, a qualifications-based selection process that assesses companies' abilities to perform services being sought. The County will award these contracts to the most qualified bidder taking into consideration experience and knowledge of the project. Where all criteria are equal, the County will review fees in the evaluation process. When an agreement between a professional service company and the County is established, a contract with a not-to-exceed amount may be issued to satisfy accounting and statutory requirements. As with all contracts, they must be reviewed and approved by the County Attorney, the County Manager and the Finance Director. Once a contract is signed, a purchase requisition should be entered for the not to exceed amount.

Vehicles

Vehicles purchases through state contract for less than $50,000 can be approved by the County Manger through a purchase requisition being entered in the County's financial package. Vehicle purchases through state contract that are $50,000 or more must be approved by the Board of Commissioners. Once the Board of Commissioners approves the purchase a purchase requisition may be entered into the County's financial package.

All vehicles purchased through competitive bidding must go to the Board of Commissioners for approval. Once approved by the Board of Commissioners, a purchase requisition may be entered in the County's financial package.

Maintenance and Repairs

Buildings/Equipment Repair

If repair is needed due to an accident, the department is responsible for following the County's Accident and Reporting procedures. All County and statutory requirements must be followed when repairs are needed.

Buildings

The General Services division should be contacted for building repairs. General Services will access the need or problem and recommend the best course of action to correct the problem(s).

Repair services for County buildings or equipment that are not covered by maintenance agreements shall be obtained by the following procedures:

1. An estimate of the repair work shall be necessary before proceeding with the repairs.
2. If emergency repairs are needed, Emergency Purchases procedures should be followed.

Maintenance Agreements

Departments should follow these guidelines for all maintenance agreements:

1. The legal department must review all maintenance agreements.
2. All maintenance agreements must include the pre-audit statement signed by the Finance Officer.
3. Maintenance agreements shall be considered for any equipment that requires frequent adjustment or repairs.
4. Maintenance agreements are a form of contract. Department Heads, with the exception of the Health Director and the Director of Social Services, are not authorized to sign.
5. Copies of all maintenance agreements will be filed with the Purchasing Agent.
6. Purchase order procedures should be followed.
7. The IT department will evaluate all maintenance agreements for technology equipment.

Electronic Equipment

When a leased copier or printer requires maintenance, the department should use the contact information located on the copier.

When maintenance or repair is needed for all other electronic equipment, including but not limited to computers, printers, and telephones, the IT department should be contacted. The IT department will either repair, service or arrange for outsourcing the repair.

Written Contracts

Contracts range from written contracts described in this section to purchase orders incorporating specifications, which are also contracts. The following purchases will require contracts:

1. Supplies, equipment, apparatus, and material requiring an expenditure of $90,000 and more. Supplies, equipment, apparatus, materials, maintenance, and services requiring an expenditure of less than $90,000 do not require a written contract. However, a written contract may be used whenever it is deemed necessary and advisable.

2. All maintenance agreements.

3. All leases.

4. Construction and repair (including demolition and renovation) projects.

5. If the entire cost of the project will exceed $500,000, separate written contracts are required for any of the following four items that are included:
   a. Heating, ventilating, air conditioning, and accessories and/or refrigeration for cold storage (when the cooling load is 15 tons or more of refrigeration);
   b. Plumbing and gas fittings and accessories;
   c. Electrical wiring and installations; and
   d. General work not included in the above.

6. Change Orders: Contracts for construction or repair projects can have change orders during the project prior to completion, without going through a new bid process, providing the bidding laws are not evaded. Cumulative change orders up to $50,000 per contract can be approved by the County Manager. Change orders of $50,000 or more require approval by the Board of Commissioners.

While NC law and County policy mandate when written contracts are required, this does not preclude the use of written contracts at any time. It should also be remembered that the need for a contract might vary according to circumstances.

Contracts must be executed by a person who has legal authority to bind the County. The following people in the County have authority to execute contracts:

1. Chairperson – No monetary limit, but requires Board approval
2. County Manager – up to $50,000
3. Health Director – as delegated by the County Manager

All written contracts must be reviewed by the County's legal department.

DOLLAR THRESHOLDS IN NORTH CAROLINA and LEE COUNTY Public Contracting Statutes Dollar Limits and statutory current as of July 1, 2017			
Requirement	**Statue Threshold**	**County Threshold**	**Statute**
Formal bids			
Construction or repair contracts	$500,000 and above (estimated cost of contract)	$250,000 and above (estimated cost of contract)	NCGS 143-129
Purchase of apparatus, supplies, materials, and equipment	$90,000 and above (estimated cost of contract)	Same as State	NCGS 143-129
Informal bids			
Construction or repair contracts	$30,000 to formal limit	Same as State PO required at $1,000	NCGS 143-131
Purchase of apparatus, supplies, materials, and equipment	$30,000 to formal limit	Same as State PO required at $1,000	NCGS 143-131
Construction Methods Authorized for Building Projects			
Separate Prime Single Prime Dual Bidding Construction Management at Risk	Over $300,000 (estimated cost of contract)	$300,000 and above	NCGS 143-128(a1)
Design Build (specific procedures)			NCGS 143-128.1A
Design Build Bridging (specific procedures)			NCGS 143-128.1B
Public Private Partnership (specific procedures)			NCGS 143-128.1C
Minority-business enterprise requirements			
<u>Building Projects</u> Projects with State funding	$100,000 and more	Same as State	NCGS 143-128.2(a)
Locally funded projects	Over $300,000	Over $250,000	NCGS 143-128.2(a)
Projects in the informal range (County outreach)	$30,000 to $300,000	$30,0000 to $300,000	NCGS 143-131 (b)
Outreach, Good Faith, Participation Goals	$300,000 and over	$250,000 and over Same as State	NCGS 143-128.2(a)
Limit on use of own forces	Not to exceed		
Construction or repair contracts	$500,000 (total project cost) or $200,000 (labor only cost)	Same as State	NCGS 143-135
Bid bond or deposit			
Building construction and repair $500,000 >	Formal bids (see above) 5% of bid due with sealed bid	$250,000 and above	NCGS 143-129(b)
Purchase contracts	Not required	County option	
Performance/payment bonds			
Construction or repair contracts	Project over $300,000 Each contract >$50,000	Same as State	NCGS 143-129(c); NCGS 44A-26
Purchase contracts	Not required	County option	
General contractor's license	$30,000 and above	Same as State	NCGS 87-1
Use of registered architect, engineer required			
Nonstructural work	$300,000 and above	All same as State	NCGS 133-1.1(a)
Structural repair on new construction	$135,000 and above		
Affecting Life and Safety Systems	$100,000 or more		
Selection of architect engineer, or surveyor			
"Best qualified" selection procedure	All contracts unless exempted		NCGS 143-64.31
Exemption authorized	Only projects where estimated fee is less than $50,000		NCGS 143-64.32

I. Purpose

The purpose of this section is to establish guidelines that meet or exceed the procurement requirements for purchases of goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects when federal funds are being used in whole or in part to pay for the cost of the contract. To the extent that other sections of procurement policies and procedures adopted by the Lee County are more restrictive than those contained in this policy, local policies and procedures should be followed.

II. Policy

A. Application of Policy. This policy applies to contracts for purchases, services, and construction or repair work funded with federal financial assistance (direct or reimbursed). The requirements of this Policy also apply to any sub recipient of funds.

All federally funded projects, loans, grants, and sub-grants, whether funded in part or wholly, are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards (Uniform Guidance) codified at 2 C.F.R. Part 200 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds.

B. Compliance with Federal Law. All procurement activities involving the expenditure of federal funds must be conducted in compliance with the Procurement Standards codified in 2 C.F.R. § 200.317 through § 200-326 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds. Lee County will follow all applicable local, state, and federal procurement requirements when expending federal funds. Should Lee County have more stringent requirements, the most restrictive requirement shall apply so long as it is consistent with state and federal law.

C. Contract Award. All contracts shall be awarded only to the lowest responsive responsible bidder possessing the ability to perform successfully under the terms and conditions of the contract.

D. No Evasion. No contract may be divided to bring the cost under bid thresholds or to evade any requirements under this Policy or state and federal law.

E. Contract Requirements. All contracts paid for in whole or in part with federal funds shall be in writing. The written contract must include or incorporate by reference the provisions required under 2 C.F.R. § 200.326 and as provided for under 2 C.F.R. Part 200, Appendix II.

F. Contractors' Conflict of Interest. Designers, suppliers, and contractors that assist in the development or drafting of specifications, requirements, statements of work, invitation for bids or requests for proposals shall be excluded from competing for such requirements.

G. Approval and Modification. The administrative procedures contained in this Policy are administrative and may be changed as necessary at the staff level to comply with state and federal law.

III. General Procurement Standards and Procedures:

Either the Purchasing Department or the Requesting Department shall procure all contracts in accordance with the requirements of this section of the Policy.

A. Necessity. Purchases must be necessary to perform the scope of work and must avoid acquisition of unnecessary or duplicative items. The Purchasing Agent and/or the Requesting Department should check with the federal surplus property agency prior to buying new items when feasible and less expensive. Strategic sourcing should be considered with other departments and/or agencies who have similar needs to consolidate procurements and services to obtain better pricing.

B. Clear Specifications. All solicitations must incorporate a clear and accurate description of the technical requirements for the materials, products, or services to be procured, and shall include all other requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals. Technical requirements must not contain features that restrict competition.

C. Notice of Federal Funding. All bid solicitations must acknowledge the use of federal funding for the contract. In addition, all prospective bidders or offerors must acknowledge that funding is contingent upon compliance with all terms and conditions of the funding award.

D. Compliance by Contractors. All solicitations shall inform prospective contractors that they must comply with all applicable federal laws, regulations, executive orders, and terms and conditions of the funding award.

E. Fixed Price. Solicitations must state that bidders shall submit bids on a fixed price basis and that the contract shall be awarded on this basis unless otherwise provided for in this Policy. Cost plus percentage of cost contracts are prohibited. Time and materials contracts are prohibited in most circumstances. Time and materials contracts will not be used unless no other form of contract is suitable and the contract includes a "Not to Exceed" amount. A time and materials contract shall not be awarded without express written permission of the federal agency or state pass-through agency that awarded the funds.

F. Use of Brand Names. When possible, performance or functional specifications are preferred to allow for more competition leaving the determination of how to reach the required result to the contractor. Brand names may be used only when it is impractical or uneconomical to write a clear and accurate description of the requirement(s). When a brand name is listed, it is used as reference only and "or equal" must be included in the description.

G. Lease versus Purchase. Under certain circumstances, it may be necessary to perform an analysis of lease versus purchase alternatives to determine the most economical approach.

H. Dividing Contract for M/WBE Participation. If economically feasible, procurements may be divided into smaller components to allow maximum participation of small and minority businesses and women business enterprises. The procurement cannot be divided to bring the cost under bid thresholds or to evade any requirements under this Policy.

I. Documentation. Documentation must be maintained by the Purchasing Department and/or the Requesting Department detailing the history of all procurements. The documentation should include the procurement method used, contract type, basis for contractor selection, price, sources solicited, public notices, cost analysis, bid documents, addenda, amendments, contractor's responsiveness, notice of award, copies of notices to unsuccessful bidders or offerors, record of protests or disputes, bond documents, notice to proceed, purchase order, and contract. All documentation relating to the award of any contract must be made available to the granting agency upon request.

J. Cost Estimate. For all procurements costing $150,000 or more, the Purchasing Agent and/or Requesting Department shall develop an estimate of the cost of the procurement prior to soliciting bids. Cost estimates may be developed by reviewing prior contract costs, online review of similar products or services, or other means by which a good faith cost estimate may be obtained. Cost estimates for construction and repair contracts may be developed by the project designer.

K. Contract Requirements. The Requesting Department must provide proposed contracts or request for a written contract to the County Attorney advising the County Attorney that federal funds are implicated so that the provisions referenced in Section II.C of this Policy can be incorporated.

L. Debarment. No contract shall be awarded to a contractor included on the federally debarred bidder's list.

M. Contractor Oversight. The Requesting Department receiving the federal funding must maintain oversight of the contract to ensure that contractor is performing in accordance with the contract terms, conditions, and specifications.

N. Open Competition. Solicitations shall be prepared in a way to be fair and provide open competition. The procurement process shall not restrict competition by imposing unreasonable requirements on bidders, including but not limited to unnecessary supplier experience, excessive or unnecessary bonding, specifying a brand name without allowing for "or equal" products, or other unnecessary requirements that have the effect of restricting competition.

O. Geographic Preference. No contract shall be awarded on the basis of a geographic preference.

IV. Specific Procurement Procedures

Either the Purchasing Agent or the Requesting Department shall solicit bids in accordance with the requirements under this Section of the Policy based on the type and cost of the contract.

A. Service Contracts (except for A/E professional services) and **Purchase Contracts <u>costing less than $10,000</u>** shall be procured using the Uniform Guidance "micro-purchase" procedure (2 C.F.R. § 200.320(a)) as follows:

1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is considered to be fair and reasonable.
2. To the extent practicable, purchases must be distributed among qualified suppliers.

B. Service Contracts (except for A/E professional services) and **Purchase Contracts <u>costing $10,000 up to $90,000</u>** shall be procured using the Uniform Guidance "small purchase" procedure (2 C.F.R. § 200.320(b)) as follows:

1. Obtain price or rate quotes from an "adequate number" of qualified sources (a federal grantor agency might issue guidance interpreting "adequate number," so the Requesting Department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued).
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
3. Cost or price analysis is not required prior to soliciting bids.
4. Award the contract on a fixed-price basis (a not-to-exceed basis is permissible for service contracts where obtaining a fixed price is not feasible).
5. Award the contract to the lowest responsive, responsible bidder.

C. Service Contracts (except for A/E professional services) and **Purchase Contracts <u>costing $90,000 and above</u>** shall be procured using a combination of the most restrictive requirements of the Uniform Guidance "sealed bid" procedure (2 C.F.R. § 200.320(c)) and state formal bidding procedures (G.S. 143-129) as follows:

1. Cost or price analysis is required prior to soliciting bids.
2. Complete specifications or purchase description must be made available to all bidders.
3. The bid must be formally advertised in a newspaper of general circulation for at least seven (7) full days between the date of the advertisement and the date of the public bid opening. Electronic-only advertising must be authorized by the governing board. The advertisement must state the date, time, and location of the public bid opening, indicate where specifications may be obtained, and reserve to the governing board the right to reject any or all bids only for "sound documented reasons."
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
5. Open bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received in order to open all bids.
6. Award the contract to the lowest responsive, responsible bidder on a fixed-price basis. Governing board approval is required for purchase contracts unless the governing board has delegated award authority to an individual official or employee. Any and all bids may be rejected only for "sound documented reasons."
7. Contract must be in writing and include Uniform Guidance provisions. Contract must be approved by County Attorney prior to execution by County.

D. Service Contracts (except for A/E professional services) **<u>costing $250,000 and above</u>** may be procured using the Uniform Guidance "competitive proposal" procedure (2 C.F.R. § 200.320(d)) **use only when the "sealed bid" procedure is not appropriate** for the particular type of service being sought. The procedures are as follows:

1. A Request for Proposals (RFP) must be publicly advertised. Formal advertisement in a newspaper is not required so long as the method of advertisement will solicit proposals from an "adequate number" of qualified firms.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.

3. Identify evaluation criteria and relative importance of each criteria (criteria weight) in the RFP.
4. Consider all responses to the publicized RFP to the maximum extent practical.
5. Must have a written method for conducting technical evaluations of proposals and selecting the winning firm.
6. Award the contract to the responsible firm with most advantageous proposal taking into account price and other factors identified in the RFP.
7. Award the contract on a fixed-price or cost-reimbursement basis.
8. Contract must be in writing and include Uniform Guidance provisions. Contract must be approved by County Attorney prior to execution by County.

E. Construction and repair contracts <u>costing less than $10,000</u> shall be procured using the Uniform Guidance "micro-purchase" procedure (2 C.F.R. § 200.320(a)) as follows:

1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is considered to be fair and reasonable.
2. To the extent practicable, contracts must be distributed among qualified suppliers.

F. Construction and repair contracts <u>costing $10,000 up to $250,000</u> shall be procured using the Uniform Guidance "small purchase" procedure (2 C.F.R. § 200.320(b)) as follows:

1. Obtain price or rate quotes from an "adequate number" of qualified sources (a federal grantor agency might issue guidance interpreting "adequate number," so the requesting department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued).
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
3. Cost or price analysis is not required prior to soliciting bids, although price estimates may be provided by the project designer.
4. Award the contract on a fixed-price or not-to-exceed basis.
5. Award the contract to the lowest responsive, responsible bidder. Governing board approval is not required.
6. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.

G. Construction and repair contracts <u>costing $250,000 up to $500,000</u> shall be procured using the Uniform Guidance "sealed bid" procedure (2 C.F.R. § 200.320(c)) as follows:

1. Cost or price analysis is required prior to soliciting bids (this cost estimate may be provided by the project designer).
2. Complete specifications must be made available to all bidders.
3. Publically advertise the bid solicitation for a period of time sufficient to give bidders notice of opportunity to submit bids (formal advertisement in a newspaper is not required so long as other means of advertising will provide sufficient notice of the opportunity to bid). The advertisement must state the date, time, and location of the public bid opening, and indicate where specifications may be obtained.
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
5. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received in order to open all bids.
6. A 5% bid bond is required of all bidders. Performance and payment bonds of 100% of the contract price is required of the winning bidder.

7. Award the contract on a firm fixed-price basis.
8. Award the contract to the lowest responsive, responsible bidder. Any and all bids may be rejected only for "sound documented reasons."
9. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
10. Document procurement procedures.

H. Construction and repair contracts <u>costing $500,000 and above</u> shall be procured using a combination of the most restrictive requirements of the Uniform Guidance "sealed bid" procedure (2 C.F.R. § 200.320(c)) and state formal bidding procedures (G.S. 143-129) as follows:

1. Cost or price analysis is required prior to soliciting bids (this cost estimate should be provided by the project designer).
2. Complete specifications must be made available to all bidders.
3. Formally advertise the bid in a newspaper of general circulation for at least seven full days between the date of the advertisement and the date of the public bid opening. Electronic-only advertising must be authorized by the governing board. The advertisement must state the date, time, and location of the public bid opening, indicate where specifications may be obtained, and reserve to the governing board the right to reject any or all bids only for "sound documented reasons."
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
5. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed and in paper form. A minimum of 3 bids must be received in order to open all bids.
6. A 5% bid bond is required of all bidders (a bid that does not include a bid bond cannot be counted toward the 3-bid minimum requirement). Performance and payment bonds of 100% of the contract price is required of the winning bidder.
7. Award the contract on a firm fixed-price basis.
8. Award the contract to the lowest responsive, responsible bidder. Governing board approval is required and cannot be delegated. The governing board may reject and all bids only for "sound documented reasons."
9. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
10. Document procurement procedures.

I. Construction or repair contracts involving a building <u>costing $300,000 and above</u> must comply with the following additional requirements under state law:

1. Formal HUB (historically underutilized business) participation required under G.S. 143-128.2, including local government outreach efforts and bidder good faith efforts, shall apply.
2. Separate specifications shall be drawn for the HVAC, electrical, plumbing, and general construction work as required under G.S. 143-128(a).
3. The project shall be bid using a statutorily authorized bidding method (separate-prime, single-prime, or dual bidding) as required under G.S. 143-129(a1).
4. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.

5. Document procurement procedures.

J. Contracts for Architectural and Engineering Services costing <u>under $250,000</u> shall be procured using the state "Mini-Brooks Act" requirements (G.S. 143-64.31) as follows:

1. Issue a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price (other than unit cost) shall not be solicited in the RFQ.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided for under 2 C.F.R. § 200.321.
3. Evaluate the qualifications of respondents based on the evaluation criteria developed by the Deputy Purchasing Agent and/or Requesting Department.
4. Rank respondents based on qualifications and select the best qualified firm. Price cannot be a factor in the evaluation. Preference may be given to in-state (but not local) firms.
5. Negotiate fair and reasonable compensation with the best qualified firm. If negotiations are not successful, repeat negotiations with the second-best qualified firm.
6. Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated.
7. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
8. NOTE: The authority to exempt contracts costing less than $50,000 under N.C. Gen. Stat. §143-64.32 is not allowed under the Uniform Guidance.

K. Contracts for Architectural and Engineering Services costing <u>$250,000 or more</u> shall be procured using the Uniform Guidance "competitive proposal" procedure (2 C.F.R. § 200.320(d)(5)) as follows:

1. Publically advertise a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price (other than unit cost) shall not be solicited in the RFQ.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
3. Identify the evaluation criteria and relative importance of each criteria (the criteria weight) in the RFQ.
4. Proposals must be solicited from an "adequate number of qualified sources" (an individual federal grantor agency may issue guidance interpreting "adequate number").
5. Must have a written method for conducting technical evaluations of proposals and selecting the best qualified firm.
6. Consider all responses to the publicized RFQ to the maximum extent practical.
7. Evaluate qualifications of respondents to rank respondents and select the most qualified firm. Preference may be given to in-state (but not local) firms provided that granting the preference leaves an appropriate number of qualified firms to compete for the contract given the nature and size of the project.
8. Price cannot be a factor in the initial selection of the most qualified firm.
9. Once the most qualified firm is selected, negotiate fair and reasonable compensation. If negotiations are not successful, repeat negotiations with the second-best qualified firm.
10. Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated.

11. Contract must be in writing and include all applicable Uniform Guidance contract provisions. Contract must be approved by County Attorney prior to execution by County.
12. State licensure requirements apply.

V. Exceptions

Non-competitive contracts are allowed ***only*** under the following conditions and with the written approval of the federal agency or state pass-through agency that awarded the federal funds:

A. Sole Source. A contract may be awarded without competitive bidding when the item is available from only one source. The Deputy Purchasing Agent and/or Requesting Department shall document the justification for and lack of available competition for the item. A sole source contract must be approved by the governing board.

B. Public Exigency. A contract may be awarded without competitive bidding when there is a public exigency. A public exigency exists when there is an imminent or actual threat to public health, safety, and welfare, and the need for the item will not permit the delay resulting from a competitive bidding.

C. Inadequate Competition. A contract may be awarded without competitive bidding when competition is determined to be inadequate after attempts to solicit bids from a number of sources as required under this Policy does not result in a qualified winning bidder.

D. Federal Contract. A contract may be awarded without competitive bidding when the purchase is made from a federal contract available on the U.S. General Services Administration schedules of contracts.

E. Awarding Agency Approval. A contract may be awarded without competitive bidding with the express written authorization of the federal agency or state pass-through agency that awarded the federal funds so long as awarding the contract without competition is consistent with state law.

I. Purpose

The purpose of this policy is to establish conflicts of interest guidelines that meet or exceed the requirements under state law and local policy when procuring goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects paid for in part or whole by federal funds and required under 2 C.F.R. § 200.318(c)(1).

II. Policy

This policy applies when procuring goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects funded in part or whole with federal financial assistance (direct or reimbursed). This policy also applies to any sub-recipient of the funds.

The employee responsible for managing the federal financial assistance award shall review the notice of award to identify any additional conflicts of interest prohibitions or requirements associated with the award, and shall notify all employees, officers, and agents, including sub-recipients, of the requirements of this policy and any additional prohibitions or requirements.

A. Conflicts of Interest. In addition to the prohibition against self-benefiting from a public contract under G. S. 14-234, no officer, employee, or agent of the County may participate directly or indirectly in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. A real or apparent conflict exists when any of the following parties has a financial or other interest in or receives a tangible personal benefit from a firm considered for award of a contract:

1. the employee, officer, or agent involved in the selection, award, or administration of a contract;
2. any member of his or her immediate family;
3. his or her partner; or
4. an organization which employs or is about to employ any of these parties.

Any officer, employee, or agent with an actual, apparent, or potential conflict of interest as defined in this policy shall report the conflict to his or her immediate supervisor. Any such conflict shall be disclosed in writing to the federal award agency or pass-through entity in accordance with applicable Federal awarding agency policy.

B. Gifts. In addition to the prohibition against accepting gifts and favors from vendors and contractors under N.C. Gen. Stat.§133-32, officers, employees, and agents of the County are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts. Items of nominal value valued at less than $25 which fall into one of the following categories may be accepted:

1. promotional items;
2. honorariums for participation in meetings; or
3. meals furnished at banquets

Any officer, employee or agent who knowingly accepts an item of nominal value allowed under this policy shall report the item to his or her immediate supervisor.

III. Violation

Employees violating this policy will be subject to discipline up to and including termination. Contractors violating this policy will result in termination of the contract and may not be eligible for future contract awards.

Policy Outlining Procedures for Pre-Auditing Obligations That Will Be Incurred by Electronic Payments and for Disbursing Funds by Electronic Transaction

The Board of Commissioners has authorized Lee County to engage in electronic payments as defined by G.S. 159-28 by adoption of a Resolution. As required by NC Administrative Code 20 NCAC 03 .0409 and .0410, this policy outlines procedures for pre-auditing obligations that will be incurred by electronic payments and procedures for disbursing public funds by electronic transaction.

Procedures for Pre-Auditing Obligations That Will Be incurred by Electronic Payments

1. Procurement Cards (PCard)
    a. Department Heads specify the desired levels of single transaction, daily, and monthly spending limits to be placed on an individual cardholder. Requested card limits are based on normal operational spending needs. These controls on spending limits are recorded in the PCard system, which will prevent transactions that exceed these limits.
    b. Departments need to request a purchase order monthly for charges to PCards that fall below the $1,000 purchase order threshold using the department's most commonly used expenditure account(s).
    c. When actual PCard transactions are entered into the County's financial system, equivalent amounts are liquidated from that month's Pcard encumbrances. After all actual PCard transactions for the month have been entered into the County's financial system; any remaining PCard encumbrances for the month are liquidated.
    d. When a cardholder needs to make a purchase in excess of the $1,000 purchase order threshold, the department submits a purchase requisition to the County's PCard vendor in the County's financial system.

2. Fuel Cards

    The County uses the Lee County General Services Fuel System as the primary location for fueling vehicles. The system supports both gasoline and diesel fuel. The administrative staff of General Services issues keys for the County vehicles.

    The County also maintains gas cards through ComData Network, Inc. for an alternate method of purchasing fuel for County vehicles. The cards do not allow non-fuel purchases and personal purchases should never be made.

    a. The Purchasing Agent records a quarterly encumbrance through a purchase order in the County's financial system. These encumbrances are charged to the budgets for the departments' fuel accounts and are based on estimated fuel card expenditures for the quarter. Employees authorized to purchase fuel for their departments essentially have blanket discretionary authority to spend up to the quarterly encumbered amount and the process of encumbering these funds pre-audits those transactions by checking for budgetary authority to spend up to that quarterly encumbrance.
    b. When actual fuel card transactions are recorded in the County's financial system, equivalent amounts are liquidated from the fuel card encumbrance. The encumbrance will be audited quarterly; any remaining fuel card encumbrance for the quarter will be liquidated.

3. Electronic Funds Transfers

   The County does not generally engage in purchasing or incurring obligations by electronic funds transfers, whether these are in the form of debit cards, e-checks, ACH payments or wire payments. However, the County does make ACH payments or wire transfers to pay certain vendors, payment to its PCard vendor, sales tax remittances, and debt service payments for debt that was not subject to approval by the Local Government Commission. These transactions must be pre-audited and the pre-audit language required in G.S. 159-28(a1) affixed to the documentation.

Procedures for Disbursing Public Funds by Electronic Payments

The County does currently pay some invoices that are processed through its accounts payable system by creating an ACH file for transmittal. These payments will have already been pre-audited with the pre-audit language required by G.S. 159-28(d1) affixed to the documentation.

LEE COUNTY'S MINORITY BUSINESS/HISTORICALLY UNDERUTILIZED BUSINESS PARTICIPATION OUTREACH PLAN AND GUIDELINES

OUTREACH PLAN AND GUIDELINES FOR RECRUITMENT AND SELECTION OF MINORITY BUSINESSES FOR PARTICIPATION IN LEE COUNTY BUILDING CONSTRUCTION OR REPAIR CONTRACTS

N.C.G.S. 143-128.2 requires that a local government unit or other public or private entity that receives State appropriations for a building project or other State grant funds for a building project, including a building project done by a private entity on a facility to be leased or purchased by the local government unit, where the project cost is one hundred thousand dollars ($100,000) or more, shall have a verifiable ten percent (10%) goal for participation by minority businesses in the total value of the work. A verifiable goal is also required for building projects costing three hundred thousand dollars ($300,000) or more when no state funds are involved. The outreach plan shall also be applicable to the selection process of architectural, engineering, and Construction Manager-at-Risk services, unless otherwise exempted.

Lee County has a current verifiable goal of 10% percent for minority participation for building construction or repair projects. The goal will be reviewed annually or as soon as relevant data is available.

SECTION A: INTENT

It is the intent of these guidelines that Lee County, as awarding authority for building construction or repair projects, and the contractors and subcontractors performing the construction contracts awarded shall cooperate and in good faith do all things legal, proper, and reasonable to achieve the goal of 10% percent for participation by minority businesses in each building construction or repair project as required by GS 143-128.2. Nothing in these guidelines shall be construed to require contractors or awarding authorities to award contracts or subcontracts to or to make purchases of materials or equipment from minority-business contractors or minority-business subcontractors who do not submit the lowest responsible, responsive bid or bids. Lee County wants to provide historically underutilized businesses opportunities to participate in bidding opportunities.

SECTION B: DEFINITIONS

1. <u>Minority</u> - a person who is a citizen or lawful permanent resident of the United States and who is:
   a. Black, that is, a person having origins in any of the black racial groups in Africa;
   b. Hispanic, that is, a person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race;
   c. Asian American, that is, a person having origins in any of the original peoples of the Far East, Southeast Asia and Asia, the Indian subcontinent, the Pacific Islands;
   d. American Indian, that is, a person having origins in any of the original peoples of North America; or
   e. Female
   f. Disabled, that is, a person with a disability as defined in N.C.G.S. 168-1 or N.C.G.S. 168A-3
   g. Disadvantaged, that is, a person who is socially and economically disadvantaged as defined in 15 U.S.C. Section 637

2. <u>Minority Business (MBE)</u> – According to N.C.G.S. 143-128.4, minority business or historically underutilized business is a business that meets the following conditions:
   a. In which at least fifty-one percent (51%) is owned by one or more persons who are members of at least one of the groups set above, or in the case of a corporation, in which at least fifty-one percent (51%) of the stock is owned by one or more minority persons or socially and economically disadvantaged individuals; and

   b. Of which the management and daily business operations are controlled by one or more of the minority persons or socially and economically disadvantaged individuals who own it.

3. Socially and economically disadvantaged individual - means the same as defined in 15 U.S.C. 637: Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

4. Economically disadvantaged individuals -those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

5. Disability- according to N.C.G.S. 168A-3 is a person who has a physical or mental impairment which substantially limits one or more major life activities, has a record of such an impairment or is regarded as having such an impairment. As used, the term:
   a. Physical or mental impairment means (i) any physiological disorder or abnormal condition, cosmetic disfigurement, or anatomical loss, caused by bodily injury, birth defect or illness, affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic; and lymphatic; skin; and endocrine; or (ii) any mental disorder, such as mental retardation, organic brain syndrome, mental illness, specific learning disabilities, and other developmental disabilities, but (iii) excludes (A) sexual preferences; (B) active alcoholism or drug addiction or abuse; and (C) any disorder, condition or disfigurement which is temporary in nature leaving no residual impairment.
   b. Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working
   c. Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits major life activities
   d. Is regarded as having an impairment means (i) has a physical or mental impairment that does not substantially limit major life activities but that is treated as constituting such a limitation, (ii) has a physical or mental impairment that substantially limits major life activities because of the attitudes of others, or (iii) has none of the impairments defined above, but is treated as having an impairment.

6. Owner – Lee County.

7. Designer – Any person, firm, partnership, or corporation which has contracted with Lee County to perform architectural or engineering work.

8. Bidder - Any person, firm, partnership, corporation, association, or joint venture seeking to be awarded a public contract or subcontract.

9. Contract - A mutually binding legal relationship or any modification thereof obligating the seller to furnish equipment, materials, or services, including construction, and obligating the buyer to pay for them.

10. Contractor - Any person, firm, partnership, corporation, association, or joint venture which has contracted with Lee County to perform building construction or repair work.

11. Subcontractor - A firm under contract with the prime contractor or construction manager at risk for supplying materials or labor and materials and/or installation. The subcontractor may or may not provide materials in his subcontract.

SECTION C: MINORITY OUTREACH PLAN AND GUIDELINES

Owner

Lee County will employ the following strategies to encourage participation from MBEs.

1. Place emphasis on the importance of soliciting certified MBE firms for subcontracting opportunities at pre-bid conferences and in the bid documents. Examine specifications to identify special subcontracting opportunities and strongly encourage prime contractors to solicit bids for subcontracts from MBE firms.
2. Provide detailed information to majority contractors concerning the bidding and good faith efforts requirements by holding meetings with the contractors.
3. Assess the effectiveness of the MBE program, and identify opportunities to enhance it by evaluating MBE participation and compliance and reviewing the good faith efforts provided in bid packages.
4. Build new and strengthen existing business relationships through networking. Continue communicating with other North Carolina public agencies to find out how their MBE outreach programs are working and to share "best practices" and ideas to improve programs.
5. Participate in educational opportunities throughout the community as they become available and offer training sessions to share Lee County's outreach plan with interested businesses and organizations
6. Enhance Lee County's web page by including the outreach plan and guidelines, listing good faith efforts, creating links to MBE resources, and creating awareness of specific subcontracting opportunities.
7. Maintain or continue to maintain a database specifically for MBE firms and majority contractors to ensure those firms wishing to do business with Lee County have access to up-to-date information.
8. Advertise upcoming bid opportunities on the State HUB website.
9. Work with architects and engineers to make subcontracting opportunities more noticeable and more easily understood by potential contractors and subcontractors.

Designer

Under the single-prime bidding, separate prime bidding, construction manager at risk, or alternative contracting method, the designer will:

1. Attend the scheduled pre-bid conference to explain minority business requirements to the prospective bidders.
2. Assist the owner to identify and notify prospective minority business prime and subcontractors of potential contracting opportunities.
3. Maintain documentation of any contacts, correspondence, or conversation with minority business firms made in an attempt to meet the goals.
4. Review jointly with the owner, all requirements of G.S. 143-128.2(c) and G.S.143-128.2(f) – (i.e. bidders' proposals for identification of the minority businesses that will be utilized with corresponding total dollar value of the bid and affidavit listing good faith efforts, or affidavit of self-performance of work, if the contractor will perform work under contract by its own workforce) - prior to recommendation of award.

5. During construction phase of the project, review documentation for contract payment to MBEs (e.g. state form "Appendix E: MBE Documentation for Contract Payment") for compliance with minority business utilization commitments. Submit this form with monthly pay applications to the Owner.

Prime Contractor(s), CM at Risk, and Its First-Tier Subcontractors

Under the single-prime bidding, the separate-prime biding, construction manager at risk, and alternative contracting methods, contractor(s) will:

1. Attend the scheduled pre-bid conference.
2. Identify or determine those work areas of a subcontract where minority businesses may have an interest in performing subcontract work.
3. During the bidding process, comply with the owner's requirements listed in the proposal for minority participation.
4. Identify on the bid the minority businesses that will be utilized on the project with corresponding total dollar value of the bid and affidavit listing good faith efforts as required by G.S. 143-128.2(c) and G.S. 143-128.2(f).
5. Make documentation showing evidence of implementation of Prime Contractor, CM-at-Risk and First-Tier Subcontractor responsibilities available for review by Lee County, upon request.
6. Upon being named the apparent low bidder, the bidder shall provide one of the following: (1) an affidavit that includes a description of the portion of work to be executed by minority businesses, expressed as a percentage of the total contract price, which is equal to or more than the applicable goal; or (2) if the percentage is not equal to the applicable goal, then documentation of all good faith efforts taken to meet the goal. The documentation must include evidence of all good faith efforts that were implemented including any advertisements, solicitations, and evidence of other specific actions demonstrating recruitment and selection of minority businesses for participation in the contract. Failure to comply with these requirements is grounds for rejection of the bid and award to the next lowest responsible and responsive bidder.
7. The contractor(s) shall identify the name(s) of minority business subcontractor(s) and corresponding dollar amount of work on the schedule of values.
8. The contractor(s) shall submit with each monthly pay request(s) and final payment(s) documentation for contract payment to MBEs (e.g. state form "Appendix E: MBE Documentation for Contract Payment" for designer's review.
9. During the construction of a project, at any time, if it becomes necessary to replace a minority business subcontractor, immediately advise the owner in writing, of the circumstances involved. The prime contractor shall make a good faith effort to replace a minority business subcontractor with another minority business subcontractor.
10. If during the construction of a project additional subcontracting opportunities become available, the contractor shall make a good faith effort to solicit sub-bids from minority businesses.

Minority Business Responsibilities

<u>Certification</u>
Lee County does not certify minority businesses. Lee County requires certification for minority, disadvantaged or women-owned businesses. Any business that desires to participate as an MBE will be required to complete and submit for certification, documents required by any of the agencies listed below. Only those firms holding current certification through at least one of the following agencies will be considered eligible for inclusion in meeting the MBE participation percentage goals:

North Carolina Department of Administration Historically Underutilized Business (HUB) certification
North Carolina Department of Transportation Disadvantaged Business Enterprise (DBE)
North Carolina Department of Transportation Minority Business Enterprise (MBE)
North Carolina Department of Transportation Women Business Enterprise (WBE) Business Certification
Small Business Administration 8(a) certification
Other governmental agencies on a case-by-case basis

<u>Other Responsibilities</u>
Minority businesses that are contacted by owners or bidders must respond promptly whether or not they wish to submit a bid.

SECTION D: MINIMUM COMPLIANCE REQUIREMENTS

All written statements or affidavits made by the bidder shall become a part of the agreement between the Contractor and Lee County for performance of the contract. Failure to comply with any of these statements, affidavits, or with the minority business guidelines shall constitute a breach of the contract. A finding by Lee County that any information submitted either prior to award of the contract or during the performance of the contract is inaccurate, false, or incomplete shall also constitute a breach of the contract. Any such breach may result in termination of the contract in accordance with the termination provisions contained in the contract. It shall be solely at the option of Lee County whether to terminate the contract for breach.

In determining whether a contractor has made good faith efforts, Lee County will evaluate all efforts made by the Contractor and will determine compliance in regard to quantity, diligence, and results of these efforts. Contractors are required to earn at least 50 points for good faith efforts. Failure to file a required affidavit or documentation demonstrating that the contractor made the required good faith effort, is grounds for rejection of the bid. Good faith efforts include:

1. Contacting minority businesses that reasonably could have been expected to submit a quote and that were known to the contractor or available on State or local government maintained lists at least 10 days before the bid or proposal date and notifying them of the nature and scope of the work to be performed. (10 points)

2. Making the construction plans, specifications, and requirements available for review by prospective minority businesses, or providing these documents to them at least 10 days before the bid or proposals are due. (10 points)

3. Breaking down or combining elements of work into economically feasible units to facilitate minority participation. (15 points)

4. Working with minority trade, community, or contractor organizations identified by the Office for Historically Underutilized Businesses and included in the bid documents that provide assistance in recruitment of minority businesses. (10 points)

5. Attending any pre-bid meetings scheduled by the public owner. (10 points)

6. Providing assistance in getting required bonding or insurance or providing alternatives to bonding or insurance for subcontractors. (20 points)

7. Negotiating in good faith with interested minority businesses and not rejecting them as unqualified without sound reasons based on their capabilities. Reasons for rejection of a minority business based on lack of qualification should be documented in writing. (15 points)

8. Providing assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisting minority businesses in obtaining the same unit pricing with the bidder's suppliers in order to help minority businesses in establishing credit. (25 points)

9. Negotiating joint venture and partnership arrangements with minority businesses in order to increase opportunities for minority business participation on a public construction or repair project when possible. (20 points)

10. Providing quick pay agreements and policies to enable minority contractors and suppliers to meet cash flow demands. (20 points)

SECTION E: DISPUTE RESOLUTION PROCEDURES

Pursuant to G.S. 143-128 (f1), all disputes involving contractors on a building construction or repair project with Lee County shall be resolved pursuant to Lee County's Dispute Resolution Policy (Exhibit E).

SECTION F: In addition to these guidelines, there will be issued with each construction bid package provisions for providing minority business participation in the Lee County projects.

SECTION G: INFORMAL BIDDING STATUTE

All public entities shall solicit minority participation in contracts for the erection, construction, alteration or repair of any building awarded pursuant to this section. The public entity shall maintain a record of contractors solicited and shall document efforts to recruit minority business participation in these contracts. Nothing in this section shall be construed to require formal advertisement of bids. All data, including the type of project, total dollar value of the project, dollar value of minority business participation on each project, and documentation of efforts to recruit minority participation shall be reported to the Department of Administration, Office of Historically Underutilized Business, upon the completion of the project. Department Heads must work with the Development Services Director who will report the MWBE information to the Office of Historically Underutilized Business.

SECTION H

Identification of HUB Certified/ Minority Business Participation

I,____,
(Name of Bidder)
do hereby certify that on this project, we will use the following HUB Certified/ minority business as construction subcontractors, vendors, suppliers or providers of professional services.

Firm Name, Address and Phone #	Work Type	*Minority Category	**HUB Certified (Y/N)

*Minority categories: Black, African American (**B**), Hispanic (**H**), Asian American (**A**) American Indian (**I**), Female (**F**) Socially and Economically Disadvantaged (**D**)

**** HUB Certification with the state HUB Office required to be counted toward state participation goals.**

The total value of minority business contracting will be ($)________________.

County of Lee - AFFIDAVIT A - Listing of Good Faith Efforts

Affidavit of____

(Name of Bidder)

I have made a good faith effort to comply under the following areas checked:

Bidders must earn at least 50 points from the good faith efforts listed for their bid to be considered responsive. (1 NC Administrative Code 30 I.0101)

- ❑ **1 – (10 pts)** Contacted minority businesses that reasonably could have been expected to submit a quote and that were known to the contractor, or available on State or local government maintained lists, at least 10 days before the bid date and notified them of the nature and scope of the work to be performed.
- ❑ **2 - (10 pts)** Made the construction plans, specifications and requirements available for review by prospective minority businesses, or providing these documents to them at least 10 days before the bids are due.
- ❑ **3** – **(15 pts)** Broken down or combined elements of work into economically feasible units to facilitate minority participation.
- ❑ **4 – (10 pts)** Worked with minority trade, community, or contractor organizations identified by the Office of Historically Underutilized Businesses and included in the bid documents that provide assistance in recruitment of minority businesses.
- ❑ **5** – **(10 pts)** Attended prebid meetings scheduled by the public owner.
- ❑ **6** – **(20 pts)** Provided assistance in getting required bonding or insurance or provided alternatives to bonding or insurance for subcontractors.
- ❑ **7 – (15 pts)** Negotiated in good faith with interested minority businesses and did not reject them as unqualified without sound reasons based on their capabilities. Any rejection of a minority business based on lack of qualification should have the reasons documented in writing.
- ❑ **8** – **(25 pts)** Provided assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisted minority businesses in obtaining the same unit pricing with the bidder's suppliers in order to help minority businesses in establishing credit.
- ❑ **9** – **(20 pts)** Negotiated joint venture and partnership arrangements with minority businesses in order to increase opportunities for minority business participation on a public construction or repair project when possible.
- ❑ **10** - **(20 pts)** Provided quick pay agreements and policies to enable minority contractors and suppliers to meet cash-flow demands.

The undersigned, if apparent low bidder, will enter into a formal agreement with the firms listed in the Identification of Minority Business Participation schedule conditional upon scope of contract to be executed with the Owner. Substitution of contractors must be in accordance with GS143-128.2(d) Failure to abide by this statutory provision will constitute a breach of the contract.

The undersigned hereby certifies that he or she has read the terms of the minority business commitment and is authorized to bind the bidder to the commitment herein set forth.

Date:__________________Name of Authorized Officer:____

Signature:____

Title:____

SEAL

State of______________, County of______________________________________

Subscribed and sworn to before me this _day of _______________20_____

Notary Public ________________________________

My commission expires ________________________________

County of Lee -AFFIDAVIT B- Intent to Perform Contract With Own Workforce.

Affidavit of____
(Name of Bidder)

I hereby certify that it is our intent to perform 100% of the work required for the ____________________

____contract.
(Name of Project)

In making this certification, the Bidder states that the Bidder does not customarily subcontract elements of this type project, and normally performs and has the capability to perform and will perform <u>all elements of the work</u> on this project with his/her own current work forces; and

The Bidder agrees to provide any additional information or documentation requested by the owner in support of the above statement. The Bidder agrees to make a Good Faith Effort to utilize minority suppliers where possible.

The undersigned hereby certifies that he or she has read this certification and is authorized to bind the Bidder to the commitments herein contained.

Date:__________ Name of Authorized Officer:______________________________

Signature:______________________________

Title:______________________________

SEAL

State of ____________________, County of____________________

Subscribed and sworn to before me this ______________day of __________20___

Notary Public ____________________

My commission expires____________________

County of Lee - AFFIDAVIT C - Portion of the Work to be Performed by HUB Certified/Minority Businesses

(Note this form is to be submitted only by the apparent lowest responsible, responsive bidder.)

If the portion of the work to be executed by HUB certified/minority businesses as defined in GS143-128.2(g) and 128.4(a),(b),(e) is equal to or greater than 10% of the bidders total contract price, then the bidder must complete this affidavit.
This affidavit shall be provided by the apparent lowest responsible, responsive bidder within **72 hours** after notification of being low bidder.

Affidavit of ______________________________ I do hereby certify that on the
(Name of Bidder)

____
(Project Name)

Project ID#______________________ Amount of Bid $________________

I will expend a minimum of ________% of the total dollar amount of the contract with minority business enterprises. Minority businesses will be employed as construction subcontractors, vendors, suppliers or providers of professional services. Such work will be subcontracted to the following firms listed below.
Attach additional sheets if required

Name and Phone Number	*Minority Category	**HUB Certified Y/N	Work Description	Dollar Value

*Minority categories: Black, African American (**B**), Hispanic (**H**), Asian American (**A**) American Indian (**I**), Female (**F**) Socially and Economically Disadvantaged (**D**)

**** HUB Certification with the state HUB Office required to be counted toward state participation goals.**

Pursuant to GS143-128.2(d), the undersigned will enter into a formal agreement with Minority Firms for work listed in this schedule conditional upon execution of a contract with the Owner. Failure to fulfill this commitment may constitute a breach of the contract.

The undersigned hereby certifies that he or she has read the terms of this commitment and is authorized to bind the bidder to the commitment herein set forth.

Date:__________ Name of Authorized Officer:______________________________

Signature:______________________________
Title:______________________________

SEAL

State of ________________, County of ________________
Subscribed and sworn to before me this ______day of ______20____
Notary Public______________________
My commission expires___________

County of Lee - AFFIDAVIT D – Good Faith Efforts

(Note this form is to be submitted only by the apparent lowest responsible, responsive bidder.)

If the goal of 10% participation by HUB Certified/ minority business **is not** achieved, the Bidder shall provide the following documentation to the Owner of his good faith efforts:

Affidavit of ____I do hereby certify that on the
(Name of Bidder)

____
(Project Name)

Project ID#______________________________________Amount of Bid $__________________________

I will expend a minimum of _________% of the total dollar amount of the contract with HUB certified/minority business enterprises. Minority businesses will be employed as construction subcontractors, vendors, suppliers or providers of professional services. Such work will be subcontracted to the following firms listed below. (Attach additional sheets if required)

Name and Phone Number	*Minority Category	**HUB Certified Y/N	Work Description	Dollar Value

***Minority categories: Black, African American (**B**), Hispanic (**H**), Asian American (**A**) American Indian (**I**), Female (**F**) Socially and Economically Disadvantaged (**D**)

**** HUB Certification with the state HUB Office required to be counted toward state participation goals.**

Examples of documentation that may be required to demonstrate the Bidder's good faith efforts to meet the goals set forth in these provisions include, but are not necessarily limited to, the following:

A. Copies of solicitations for quotes to at least three (3) minority business firms from the source list provided by the State for each subcontract to be let under this contract (if 3 or more firms are shown on the source list). Each solicitation shall contain a specific description of the work to be subcontracted, location where bid documents can be reviewed, representative of the Prime Bidder to contact, and location, date and time when quotes must be received.

B. Copies of quotes or responses received from each firm responding to the solicitation.

C. A telephone log of follow-up calls to each firm sent a solicitation.

D. For subcontracts where a minority business firm is not considered the lowest responsible sub-bidder, copies of quotes received from all firms submitting quotes for that particular subcontract.

E. Documentation of any contacts or correspondence to minority business, community, or contractor organizations in an attempt to meet the goal.

F. Copy of pre-bid roster

G. Letter documenting efforts to provide assistance in obtaining required bonding or insurance for minority business.

H. Letter detailing reasons for rejection of minority business due to lack of qualification.

I. Letter documenting proposed assistance offered to minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letter of credit, including waiving credit that is ordinarily required.

Failure to provide the documentation as listed in these provisions may result in rejection of the bid and award to the next lowest responsible and responsive bidder.

Pursuant to GS143-128.2(d), the undersigned will enter into a formal agreement with Minority Firms for work listed in this schedule conditional upon execution of a contract with the Owner. Failure to fulfill this commitment may constitute a breach of the contract.

The undersigned hereby certifies that he or she has read the terms of this commitment and is authorized to bind the bidder to the commitment herein set forth.

Date:________________Name of Authorized Officer:____

Signature:____

Title:____

SEAL

State of_____________________, County of _______________________________

Subscribed and sworn to before me this ____day of ______________20_____

Notary Public ____________________________

My commission expires ______________

SECTION I

MINORITY BUSINESS CONSTRUCTION CONTRACT PROVISIONS INSTRUCTIONS FOR BIDDING PACKETS

APPLICATION:

The Outreach Plan and Guidelines for Recruitment and Selection of Minority Owned Businesses for Participation in Lee County contracts are hereby made a part of these contract documents.

MINORITY BUSINESS SUBCONTRACT GOALS:

The goal for participation by minority firms as subcontractors on this project has been set at 10%.

The bidder must identify on its bid the minority businesses that will be utilized on the project with corresponding total dollar value of the bid and affidavit (Affidavit A) listing good faith efforts or affidavit (Affidavit B) of self-performance of work, if the bidder will perform work under contract by its own workforce, as required by N.C.G.S. 143-128.2(c) and 143-128.2(f).

In addition, the lowest responsible, responsive bidder must do one of the following:

1) Provide Affidavit C that includes a description of the portion of work to be executed by minority businesses, expressed as a percentage of the total contract price, which is equal to or more than the applicable goal.

OR

2) If the portion of work to be executed by minority businesses, expressed as a percentage of the total contract price, is less than the applicable goal, provide Affidavit D as well as documentation of good faith efforts.

OR

3) Provide Affidavit B, which includes sufficient information for the Owner to determine that the bidder does not customarily subcontract work on this project.

The above information must be provided as required. Failure to submit these documents is grounds for rejection of the bid.

COUNTY OF LEE
RULES FOR IMPLEMENTING MEDIATED SETTLEMENT CONFERENCES
IN NORTH CAROLINA PUBLIC BUILDING CONTRACTS

Table of Rules

RULE 1. INITIATING MEDIATED SETTLEMENT CONFERENCES

A. Purpose of Mandatory Settlement Conferences. Pursuant to N.C.G.S. 143-128(f1)and (g), these Rules are promulgated to implement a system of settlement events, which are designated to focus the parties' attention on settlement rather than on claim preparation and to provide a structured opportunity for settlement negotiations to take place. Nothing herein is intended to limit or prevent the parties from engaging in settlement procedures voluntarily at any time to or during commencement of the dispute resolution process.

B. Initiating the Dispute Resolution Process

1. The County reserves the right to require mediation as a precondition to litigation. The County also encourages all disputes to be resolved through good faith efforts of discussion by submitting a dispute to the Project Designer or Prime Contractor and working with the County before a party requests mediation.

2. Any party to a public building contract governed by Article 8, Chapter 143 of the NC General Statutes and identified in N.C.G.S. 143-128(f1) and (g) and who is a party to a dispute arising out of the building process in which the amount in controversy is at least $15,000 may submit a written request to the County of Lee owner, notice to the Lee County Manager, for mediation of the dispute.

3. Prior to submission of a written request for mediation to the County of Lee owner, the parties requesting mediation:
   a. If a prime contractor, must have first submitted its claim to the Project Designer for review. If the dispute is not resolved through the Project Designer's instructions, then the dispute is eligible for mediation in the Formal Dispute Resolution Process and the party may submit their written request for mediation to Lee County.
   b. If the party requesting mediation is a subcontractor, it must first have submitted its claim for mediation to the prime contractor with whom it has a contract. If the dispute is not resolved through the Prime Contractor's involvement, then the dispute is eligible for mediation in the Formal Dispute Resolution Process, and the party may submit its written request for mediation to the County of Lee.
   c. If the party requesting mediation is the Project Designer, then it must first submit its claim to the County of Lee to resolve. If the dispute is not resolved with the County of Lee's involvement, then the Project Designers' dispute is eligible for mediation in the Formal Dispute Resolution Process, and the Project Designer may submit its written request to the County of Lee for mediation.

RULE 2. SELECTION OF MEDIATOR

A. Selection of Certified Mediator by Agreement of the Parties. The parties may select a certified mediator pursuant to the Rules by agreement within 21 days of requesting mediation. The requesting party shall file with the County of Lee a Notice of Selection of Mediator by Agreement within 10 days of the request; however, any party may file the notice. Such notice shall state the name, address, and telephone number of the selected mediator, state the rate of compensation of the mediator, state that the mediator and opposing counsel have agreed upon the selection and rate of compensation, and state that the mediator is certified pursuant to these Rules.

B. Nomination and the County of Lee Approval of a Non-Certified Mediator. The parties may select a mediator who does not meet the certification requirements of these Rules, but who, in the opinion of the parties and the County of Lee, is otherwise qualified by training or experience to mediate the action.

If the parties select a non-certified mediator, the requesting party shall file with Lee County a Nomination of Non-Certified Mediator within 10 days of the request. Such nomination shall state the name, address and telephone number of the mediator, state the training, experience or other qualifications of the mediator, state the rate of compensation of the mediator, and state that the mediator and opposing counsel have agreed upon the selection and rate of compensation.

Lee County shall rule on said nomination, shall approve or disapprove of the parties' nomination and shall notify the parties of its decision.

C. Appointment of Mediator by Lee County. If the parties cannot agree upon the selection of a mediator, the party or party's attorney shall notify Lee County and request, on behalf of the parties, that Lee County appoint a mediator. The request for appointment must be filed within 10 days after request to mediate and shall state that the parties have had a full and frank discussion concerning the selection of a mediator and have been unable to agree. The request shall state whether any party prefers a certified attorney mediator, and if so, Lee County shall appoint a certified attorney mediator. If no preference is expressed, Lee County may appoint a certified attorney or a certified non-attorney mediator.

D. Mediator Information Directory. To assist the parties in the selection of a mediator by agreement, the parties are free to utilize the list of certified mediators maintained in any county participating in the Superior Court Mediation Settlement Conference Program.

E. Disqualification of Mediator. Any party may request replacement of the mediator by Lee County for good cause. Nothing in this provision shall preclude mediators from disqualifying themselves.

RULE 3. THE MEDIATED SETTLEMENT CONFERENCE

A. Where Conference is to be Held. Unless all parties and the mediator otherwise agree, the mediated settlement conference shall be held in Lee County. The mediator shall be responsible for reserving a place and making arrangements for the conference and for giving timely notice of the time and location of the conference to all attorneys, unrepresented parties and other persons or entities required to attend.

B. When Conference is to be Held. The deadline for completion of the mediation shall be not less than 30 days nor more than 60 days after naming the mediator.

C. Request to Extend Deadline for Completion. A party, or the mediator, may request Lee County to extend the deadline for completion of the conference. Such request shall state the reasons the extension is sought and shall be served by the moving party upon the other parties and the mediator. If any party does not consent to the request, said party shall promptly communication its objection to Lee County.

Lee County may grant the request by setting a new deadline for completion of the conference.

D. Recesses. The mediator may recess the conference at any time and may set times for reconvening. If the time for reconvening is set before the conference is recessed, no further notification is required for persons present at the conference.

E. The mediated settlement conference shall not be cause for the delay of the building project which is the focus of the dispute.

RULE 4. DUTIES OF PARTIES AND OTHER PARTICIPANTS IN FORMAL DISPUTE RESOLUTION PROCESS

A. Attendance.

1. All parties to the dispute originally presented to the Designer or Prime Contractor for initial resolution must attend the mediation. Failure of a party to a construction contract to attend the mediation may result in Lee County's withholding of monthly payment to that party until such party attends the mediation.
2. Attendance shall constitute physical attendance, not by telephone or other electronic means. Any attendee on behalf of a party must have authority from that party to bind it to any agreement reached as a result of the mediation.
3. Attorneys on behalf of parties may attend the mediation but are not required to do so.
4. Sureties or insurance company representatives are not required to attend the mediation unless any monies paid or to be paid as a result of mediation require their presence or acquiescence. If such agreement or presence is required, then authorized representatives of the surety or insurance company must attend the mediation.

B. Finalizing Agreement. If an agreement is reached in the conference, parties to the agreement shall reduce the terms to writing and sign it along with their counsel.

C. Mediation Fee. The mediation fee shall be decided amongst the parties at the time mediation is requested.

D. Failure to Compensate Mediator. Any party's failure to compensate the mediators in accordance with N.C.G.S. 143-128(f1) and (g) may subject that party to a withholding of said amount of money from the party's monthly payment by Lee County.

RULE 5. AUTHORITY AND DUTIES OF MEDIATORS

A. Authority of Mediator.

1. Control of Conference. The mediator shall at all times be in control of the conference and the procedures to be followed.
2. Private Consultation. The mediator may communicate privately with any participant or counsel prior to and during the conference. The fact that private communications have occurred with a participant shall be disclosed to all other participants at the beginning of the conference.

3. Scheduling the Conference. The mediator shall make a good faith effort to schedule the conference at a time that is convenient with the participants, attorneys and mediator. In the absence of agreement, the mediator shall select the date for the conference.

B. Duties of Mediator.

1. The mediator shall define and describe the following at the beginning of the conference:
   a. The process of mediation;
   b. The difference between mediation and other forms of conflict resolution;
   c. The costs of the mediated settlement conference;
   d. That the mediated settlement conference is not a trial, the mediator is not a judge, and the parties retain their legal rights if they do not reach settlement;
   e. The circumstances under which the mediator may meet and communicate privately with any of the parties or with any other person;
   f. Whether and under what circumstances communications with the mediator will be held in confidence during the conference;
   g. The inadmissibility of conduct and statements as provided by N.C.G.S. 7A-38.1;
   h. The duties and responsibilities of the mediator and the participants; and
   i. That any agreement reached will be reached by mutual consent.
2. Disclosure. The mediator has a duty to be impartial and to advise all participants of any circumstance bearing on possible bias, prejudice or partiality.
3. Declaring Impasse. It is the duty of the mediator to timely determine that an impasse exists and that the conference should end.
4. Reporting Results of Conference. The mediator shall report to Lee County within 10 days of the conference whether or not an agreement was reached by the parties. If an agreement was reached, the report shall state the nature of the agreement. The mediator's report shall inform Lee Count of the absence of any party known to the mediator to have been absent from the mediated settlement conference without permission. Lee County may require the mediator to provide statistical data for evaluation of the mediated settlement conference program.
5. Scheduling and Holding the Conference. It is the duty of the mediator to schedule the conference and conduct it prior to the deadline of completion set by the Rules. Deadlines for completion of the conference shall be strictly observed by the mediator unless said time limit is changed by a written order from Lee County.

RULE 6. COMPENSATION OF THE MEDIATOR

A. By Agreement. When the mediator is stipulated by the parties, compensation shall be as agreed upon by the parties and the mediator provided that the provisions of N.C.G.S. 7A-38.1(k) are observed.

B. By Appointment. When the mediator is appointed by Lee County, the parties shall compensate the mediator for mediation services at the rate in accordance with the rate charged for Superior Court mediation. The parties shall also pay to the mediator a one-time per case administrative rate in accordance with the rate charged for Superior Court mediation, which is due upon appointment.

RULE 7. MEDIATOR CERTIFICATION

All mediators certified in the Formal Dispute Resolution Program shall be properly certified in accordance with the rules certifying mediators in Superior Court in North Carolina, except when otherwise allowed by Lee County upon the request of the parties to the mediation. When selecting mediators, the parties may designate a preference for mediators with a background in construction law or public construction contracting. Such requirements, while preferred, are not mandatory under these Rules.

All mediators chosen must either demonstrate they are certified in accordance with the Rules Implementing Scheduled Mediated Settlement Conference in Superior Court or must gain the consent of Lee County to mediate any dispute in accordance with these Rules.

RULE 8. RULE MAKING

These Rules are subject to amendment by Lee County at any time the County deems it appropriate.

RULE 9. TIME LIMITS

Any time limit provided for by these Rules may be waived or extended by the mediator it appoints for good cause shown. If the mediator has not yet been appointed, the Designer of Record shall decide all waivers or extensions of time for good cause shown.

Exemption from Architectural, Engineering and Surveying Qualifications-Based Selection Process for Fees Less than $50,000

Name of Project: ____

Responsible Department: _______________________________________

Vendor: _________________________________ _____________________

Amount: ____

N.C.G.S. 143-64.31 requires the initial selection and evaluation of firms to perform architectural, engineering, surveying, construction management-at-risk services and design-build services (collectively "design services") to be based on qualifications and without regard to fee, the qualification selection process must be announced and good faith efforts must be made to notify minority firms.

AND

N.C.G.S. 143-64.32 authorizes units of local government to exempt contracts for services from the qualifications based selection ("QBS") requirements of G.S. 143-64.31 if the estimated fee is less than $50,000 and the estimated professional fee for services for the above-described project is less than $50,000.

Lee County proposes to enter into a contract for services for work on the above described project.

The above described project is hereby made exempt from the provisions of N.C.G.S. 143-64.31.

On March 16, 2020, the Lee County Board of Commissioners adopted a resolution exempting the government from requiring QBS procedures for eligible projects under G.S. 143-64.31 and authorized the County Manager to approve each project on a case-by-case basis and by signing below, has approved such exemption.

______________________ ____________

County Manager Date

SOLE SOURCE JUSTIFICATION FORM
(for all items)

Vendor: ____

Item: ____

Estimated expenditure for the above item: $_________________

INITIAL ALL ENTRIES BELOW THAT APPLY TO THE PROPOSED PURCHASE ATTACH A MEMO CONTAINING JUSTIFICATION AND SUPPORT DOCUMENTATION.

1. ______ Sole source is for the original manufacturer or provider. There are no area distributors.

2. ______ The parts/equipment are not interchangeable with similar parts of another manufacturer.

3. ______ This is the only known item or service that will meet the specialized needs of this department or perform the intended function.

4. ______ The parts/equipment are required from this source to permit standardization.

5. ______ None of the above apply. A detailed explanation and justification for this sole source in contained in the attached memo.

The undersigned requests that competitive procurement be waived and that the vendor identified as the supplier of the material or service described in this sole source justification be authorized as a sole source for the material or service.

______________________________ ______________________________
Chairman, Board of Commissioners Department

____
Date

ITEM #: II.H

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Update to the Lee County Hazard Mitigation Plan

DEPARTMENT: Emergency Management

CONTACT PERSON: Matt Britt, Emergency Management Coordinator

TYPE: Consent Agenda

REQUEST	Please approve the revision of Table 5-1 of the Lee County Hazard Mitigation Plan.
BUDGET IMPACT	N/A
ATTACHMENTS	HAZARD MITIGATION PLAN - Flood Risks - Dams.pdf
PRIOR BOARD ACTION	The Board of Commissioners adopted the Lee County Hazard Mitigation Plan in December of 2011.
RECOMMENDATION	Please approve the update to the Lee County Hazard Mitigation Plan, which updates the list of High Hazard Dams within the County.

SUMMARY

The Lee County Hazard Mitigation Plan was adopted by the Board of Commissioners in December of 2011. This plan looks to identify and develop methods of addressing hazards within the County. Section 5.9 (pg. 46) of the plan specifically addresses flood risks as a result of dam failures. Included in this section is Table 5-1 (pg.47), which lists dams that are considered High Hazard by the North Carolina Department of Environmental Quality. The update requiring approval is a revision of Table 5-1 to include Watson Lake Dam in the list of dams currently categorized as High Hazard. The Town of Broadway specifically requested this update due to a grant that they are seeking.

interactive risks. Depending on the nature of the materials and the facilities, it may be appropriate for owners to examine potential damage under a reasonably anticipated flood.

5.8 Flood Risks – Stormwater Management

Experience shows that many drainage problems in Lee County are not dramatic or life threatening. Many areas experience accumulations of rainfall that are slow to drain away, causing disruption of normal vehicular and pedestrian travel, soil erosion, water quality problems, and some minor damage and disruption for residents and businesses.

As of mid-2002, storm water management provisions are applied only through the subdivision process, and thus not to single large lot developments. This may change as Lee County, Sanford and Broadway move toward completion of the Unified Development Ordinance.

The Unified Development Ordinance recognizes that improving water quality and maintaining the capacity of local drainage ways is important.

5.9 Flood Risks – Dams

FEMA and the U.S. Army Corps of Engineers maintain the National Inventory of Dams (1998), a database of high and significant hazard dams. For the most part, data on non-federal dams is provided by state agencies responsible for regulation and inspection of dams. The North Carolina Department of Environment Health and Natural Resources has reported on dams located on waterways that drain through Lee County.
Dams are categorized into three hazard potential classes:

- High hazard potential
- Significant hazard potential
- Low hazard potential

High hazard potential dams are those where failure or operational failure will probably cause loss of life and/or significant infrastructure losses.

Significant hazard potential dams are those where failure or operational problems are unlikely to cause lose of human life, but can cause economic loss, environmental damage, disruption of lifelines or other concerns.

Low hazard potential dams are those where failure would cause no probably loss of human life and low economic and/or environmental losses, and such losses typically are limited to the owner's property.

Table 5-1 summarizes certain information related to the hazards these dams may pose to downstream communities.

Table 5-1 - High and Significant Hazard Dams

State ID	Dam Name	River or Stream	Hazard	Owner Name
Lee-017	Ashmore Lake Dam		H	Ashmore Lake H/Owners Assn
Lee-029	Cedar Lake Dam	Deep River-Tr	H	Cedar Lake Prop Owners Assn
Lee-036	Hall Pond Dam	Gasters Creek-Tr	H	Jack and Juanita Hall
Lee-011	Holiday Lake (lower)	Patterson Creek	H	Westlake Valley, Inc.
Lee-012	Holiday Lake Dam (upper)	Patterson Creek	H	Westlake Valley Assoc
Lee-014	New Johnson Pond Dam		H	Johnson Lake Prop Owners
Lee-016	Sanford Raw Water Reservoir	Bush Creek-OS	H	City of Sanford
Lee-003	San-Lee Park Dam (lower)	Little Lick Creek	H	Lee County Parks and Recreation
Lee-022	San-Lee Park Dam (upper)	Little Lick Creek	H	Lee County Parks and Recreation
Lee-002	Watson Lake Dam	Juniper Creek	H	Town of Broadway
Lee-041	Ray-McGilvary Dam		H	William R. Matthews
Lee-042	Greenwood Road Dam		H	Betty Lynn Farms, LLC
Lee-043	Gustafson Dam		H	Dennis J. Gustafson
Lee-046	Reeves Subdivision Dam		H	Alejandro Collazo
Lee-047	Dalrymple Dam		H	William E. Dalrymple
Lee-053	Dalrymple-Richardson Dam		H	William E. Dalrymple
Lee-061	Purvis Dam #1		H	Eugene E. Moore
Lee-062	Purvis Dam #2		H	Eugene E. Moore
Lee-063	Lind Dam		H	David E. Lind
Lee-066	Mckendry-Horner Dam		H	Perry W. Horner

The dam at San-Lee Park has an emergency action plan that provides an automatic telephone alert once the water level reaches a certain point. Emergency Action Plans typically include some form of identification of vulnerable property (dam failure inundation map or list), coordination protocols for notification of emergency personnel, and delineation of evacuation routes.

5.10 Severe Winter Storm Risks

Severe winter storms have adversely affected the region around Lee County in three significant ways:

- Major transportation routes are impaired, requiring significant State resources to maintain traffic.
- Local streets and secondary roads become impassable, requiring extensive use of municipal and NCDOT employees and heavy equipment to clear roads.
- Tree damage may result, causing damage to power lines, affecting residential, commercial and industrial users.

For non-residential construction, the building code requires design to meet a specific snow load. Although it is unknown how many buildings do not meet this load requirement, little structural damage due to snow has been observed.

5.11 High Wind Risks

Most significant wind events that have affected the Lee County area have been associated with major hurricanes. In recent years, winds from Hurricanes Fran and Floyd had considerable impact throughout the area, largely associated with tree damage and downed power lines. Although not all outages were directly related to wind, during Hurricane Fran over 90 percent of the customers served by Progress Energy and CEMC utilities were without power. Most areas were without power for several hours to a few days, with some out of service for more than 7 days.

Wind risks are dealt with through administration of the building code. The current code, adopted in 2002, requires design to 100 mile per hour winds for new structures. This same wind speed has been in effect for many years.

Other structures must meet the design wind speed requirement in the building code, including towers. Above-ground utilities such as water tanks, telephone poles, and electrical poles and lines must meet certain design criteria.

ITEM #: II.I

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Grace Christian School Request for Fireworks Display

DEPARTMENT: Fire Marshal

CONTACT PERSON: Aaron Bullard,

TYPE: Consent Agenda

REQUEST	Grace Christian School is requesting to have a fireworks display as part of a Military Appreciation Night ceremony at the conclusion of a home baseball game on April 21, 2025.
BUDGET IMPACT	N/A
ATTACHMENTS	Certficate of Ins-Grace Christian School 4.21.2025.pdf Shell Summary-Grace Christian School 4.21.2025.pdf Site Diagram-Grace Christian School 4.21.2025.pdf Daniel_McNeill_Credentials.pdf Lee_Denning_Credentials.pdf Grace_Fireworks_Permit
PRIOR BOARD ACTION	The Board approved in 2024 for Grace Christian School to hold a fireworks display as part of their Military Appreciation night on April 29, 2024.
RECOMMENDATION	Approve Grace Christian School's Request for fireworks display for "Military Appreciation Night" at a home baseball game contingent on coordination with the Fire Marshal's Office and Tramway Fire Department and issuance of a permit by Lee County Government.

SUMMARY

Grace Christian, along with Pyro Shows East Coast Inc., is seeking approval to perform a fireworks display at their home baseball game on April 21, 2025 as part of a Military Appreciation Night ceremony. The display will be set up behind the outfield fence as displayed on the site map. The Fire Marshal's Office has approved this application pending the Board's approval and will be onsite to conduct required inspections. The Tramway Fire Department will also be onsite. Please note, should the burn ban issued locally and by the State still be in place on the date/time of the event, the fireworks display will not be permitted to proceed.

CERTIFICATE OF LIABILITY INSURANCE

ACORD®

DATE (MM/DD/YYYY): 3/17/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Acrisure Great Lakes Partners Insurance Services
223 West Grand River Ave #1
Howell MI 48843

CONTACT NAME:
PHONE (A/C, No, Ext): 216-658-7100
FAX (A/C, No): 216-658-7101
E-MAIL ADDRESS: info@brittongallagher.com

INSURED
Pyro Shows East Coast Inc.
PO Box 1776
Lafollette TN 37766

	INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A :	Everest Indemnity Insurance Company	10851
INSURER B :	Everest Denali Insurance Company	16044
INSURER C :	Accident Fund Insurance Company of America	10166
INSURER D :	Everspan Indemnity Insurance Company	16882
INSURER E :	AXIS Specialty Insurance Company	15610
INSURER F :		

COVERAGES **CERTIFICATE NUMBER:** 1143115675 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
D	X COMMERCIAL GENERAL LIABILITY			GCI0010001-241	10/1/2024	10/1/2025	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE / X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 500,000
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY / X PRO-JECT / LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
B	AUTOMOBILE LIABILITY			GCD0010001-241	10/1/2024	10/1/2025	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
E	UMBRELLA LIAB / X OCCUR			P-001-000698866-04	10/1/2024	10/1/2025	EACH OCCURRENCE	$ 4,000,000
	X EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$ 4,000,000
	DED / RETENTION $							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N	N / A		DAP99000105101 (NC)	10/1/2024	10/1/2025	X PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?						E.L. EACH ACCIDENT	$ 1,000,000
	(Mandatory in NH)						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	$ 1,000,000
A	Excess Liability #2			GCI0010002-241	10/1/2024	10/1/2025	Each Occ/ Aggregate Total Limits	$5,000,000 $10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Additional Insured extension of coverage is provided by above referenced General Liability policy where required by written agreement.
Fireworks Display(s): April 21, 2025 (Grace Christian Baseball Military Appreciation Night)
Additional Insured: Grace Christian School; Grace Chapel Ministries

CERTIFICATE HOLDER

Grace Christian School
2605 Jefferson Davis Highway
Sanford NC 27332

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Grace Christian School

Grace Christian School Baseball - Military Appreciation

Monday, April 21, 2025

Show Time: TBD | Show Length: 10 Minutes

NATIONAL ANTHEM & TEAM INTRO

DEVICE		QUANTITY	TOTAL
48MM Mines		10	10

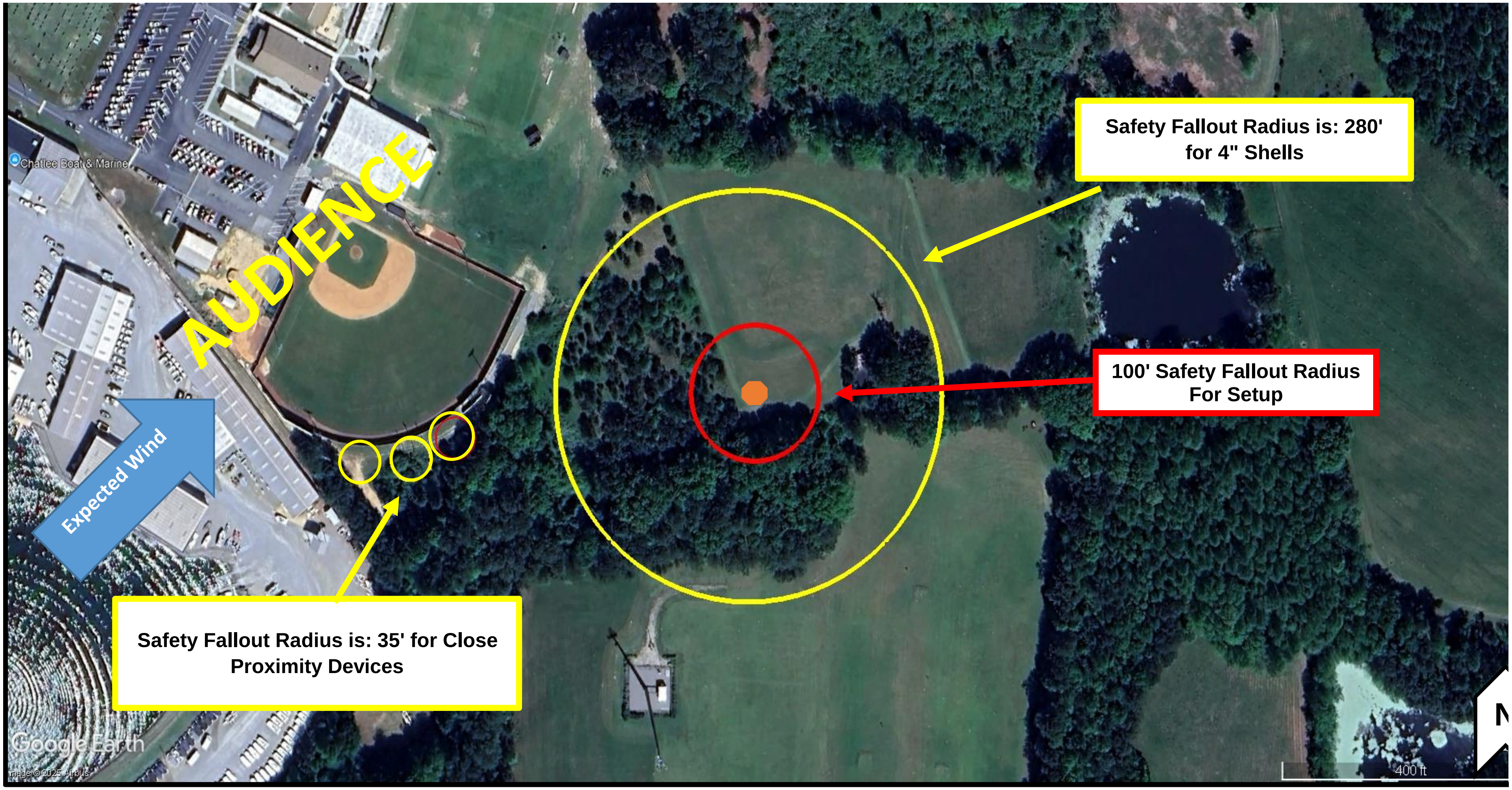
MAIN BODY

SHELL SIZE	DEVICE		QUANTITY		TOTAL
3"	Aerial Shells		180		180
4"	Aerial Shells		126		126
			MAIN BODY DEVICE TOTAL		306

FINALE

SHELL SIZE	DEVICE		QUANTITY		TOTAL
3"	Aerial Shells		120		120
4"	Aerial Shells		18		18
			TOTAL FINALE DEVICES		138

TOTAL DEVICE COUNT - MAIN BODY AND FINALE	444



Customer: Grace Christian School

Show Date: Monday, April 21, 2025

Show Address: 2605 Jefferson Davis Highway Sanford, NC 27332

Show Site Lat / Long: 35.425241, -79.220883

Show Time: TBD

Rain Date: null

Show Name: Grace Christian School Baseball - Military Appreciation

Maximum Device Size: 4

Safety Fallout Radius: 280'

Storage Required: 0

Diagram Created: 03/17/25

Diagram Created By:

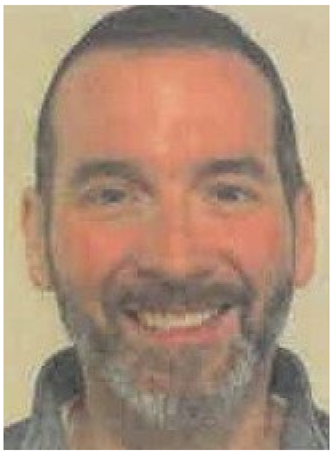
Holder's Full Name: James Daniel McNeill

Business Name: Pyro Shows East Coast

Government ID By: North Carolina

Government ID Type: Driver License

ID Number: ********2480



License Number: 3958

License Type: 1.3G Pyrotechnic

License Level: Operator

License Status: Valid

Expiration Date: 04/30/2028

License Number: 4036

License Type: Proximate Audience

License Level: Operator

License Status: Valid

Expiration Date: 08/31/2025

License Number: 3500

License Type: 1.3G Pyrotechnic

License Level: Assistant

License Status: Superceded

Expiration Date: 08/04/2024

Holder's Full Name: Lee Samuel Denning

Business Name: Pyro Shows East Coast

Government ID By: North Carolina

Government ID Type: Driver License

ID Number: ********2973

License Number: 1159

License Type: 1.3G Pyrotechnic

License Level: Operator

License Status: Valid

Expiration Date: 03/31/2028

License Number: 3020

License Type: Proximate Audience

License Level: Operator

License Status: Valid

Expiration Date: 07/31/2025

STATE OF NORTH CAROLINA)
) **PERMIT**
COUNTY OF LEE)

PERMIT FOR USE OF PYROTECHNICS
IN CONNECTION WITH THE CONDUCT OF
A PUBLIC EXHIBITION IN
LEE COUNTY, NORTH CAROLINA

Pursuant to the authority contained in North Carolina General Statute §14-413, and after satisfactory evidence has been produced to the effect that said pyrotechnics will be used in connection with the public exhibition described in the attached application and none other, the Board of Commissioners for Lee County, North Carolina, issues this permit to Pyro Shows East Coast, to use pyrotechnics for an aerial pyrotechnic display at Grace Christian School, 2605 Jefferson Davis Highway, Sanford, North Carolina, on Monday, April 21, 2025, only if there are no State or local burn bans in place, and in accordance with the attached application. If there is a State or local burn ban in place on April 21, 2025, this permit shall be null and void.

Approved, this the 7th day of April, 2025.

____
Kirk D. Smith, Chairman
Board of Commissioners
Lee County, North Carolina

ATTEST:

____
Hailey Hall, Clerk

ITEM #: II.J

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Update Resolution Establishing a Youth Council Representative at Lee County Board of Commissioners and Advisory Board Meetings

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish ,

TYPE: Consent Agenda

REQUEST	Approve Updated Resolution Establishing a Youth Council Representative at Lee County Board of Commissioners and Advisory Board Meetings.
BUDGET IMPACT	N/A
ATTACHMENTS	2022 - 33 RESOLUTION - Establishing a Youth Representative at Lee County Bo.pdf Amended Youth Council Resolution 4.7.25.pdf
PRIOR BOARD ACTION	The Board Approved the Resolution Establishing a Youth Representative at Lee County Board of Commissioners and Advisory Board Meetings at its November 14, 2022 meeting.
RECOMMENDATION	Approve Updated Resolution Establishing a Youth Council Representative at Lee County Board of Commissioners and Advisory Board Meetings.

SUMMARY

The Board established a Youth Council at its November 14, 2022 meeting. The resolution establishing the Council indicates the youth representatives will fill out a County's Boards and Commissions application and then approved by the Commissioners. Staff is suggesting the

Board change this practice and instead have the Youth Council be recognized as a 4H program. This will allow the youth representative members to fill out the 4H application, waivers, and insurance. This change will have no negative effect to the Youth Council and the Youth Council will continue working to be recognized as a State Youth Council.

FILED
LEE COUNTY NC
PAMELA G. BRITT
REGISTER OF DEEDS

FILED	Jan 06, 2023
AT	02:23:50 pm
BOOK	00003
START PAGE	0887
END PAGE	0888
INSTRUMENT #	00088
EXCISE TAX	(None)

RESOLUTION ESTABLISHING A YOUTH REPRESENTATIVE AT

LEE COUNTY BOARD OF COMMISSIONERS AND ADVISORY BOARD MEETINGS

WHEREAS, it is the express intent of the Board of Commissioners to engage representatives of the local youth population in relevant issues related to County government by providing opportunities to impart information and solicit a youth perspective on select issues that may impact community youth; and

WHEREAS, each youth representative will attend their designated Board of Commissioners, Lee County Parks and Recreation Commission, or Lee County Library Board of Trustees meetings to represent their respective youth organization to learn about current events and projects occurring in Lee County Government and to provide professional, unbiased feedback on behalf of their respective youth member organizations; and

WHEREAS, interested individuals will be required to meet certain criteria to be eligible to serve as a youth representative; and

WHEREAS, the Lee County Cooperative Extension Director or their designee will provide oversight of the youth representative qualification and participation process to ensure the facilitation and engagement; and

NOW, THEREFORE, BE IT RESOLVED by the Lee County Board of Commissioners that:

Section 1: The role of the youth representative at Board of Commissioners and Advisory Board Meetings:

A. The youth representative will be recognized by the Chair person of the associated board at the beginning of each meeting
B. The youth may be called upon by any member of the respective boards to provide input on youth-related matters
C. The youth representative will provide an update on what projects their Council/Club have been working on at the conclusion of the Board of Commissioners meetings prior to adjournment

Section 2: The requirements for eligibility to serve as a youth representative to the Lee County Board of Commissioners include:

A. Serving as an active member of the Lee County Youth Council for at least six months, OR
B. Having completed the Lee County Young Commissioner 4-H Club 2-week summer leadership program and have been an active member of the Lee County Young Commissioners 4-H Club for the last three months
C. Submitting an application to serve as a youth representative to the Clerk to the Board of Commissioners (via the County's Boards and Commissions Application), which will be reviewed

by the Lee County Cooperative Extension Director for eligibility confirmation and then must be reviewed and approved by the Lee County Board of Commissioners

Section 3: The structure of the youth representative position shall be as follows:

A. The youth board representative will be a rotating position
B. Members of the Lee County Young Commissioners and Youth Council will rotate representation at each regularly scheduled Board of Commissioners meeting
C. Each youth representative will be limited to serving at no more than four meetings during the calendar year

Section 4: Expectations of the youth board representative:

A. The youth representative will be responsible for working with their club leader/advisor to stay current and informed on local community and youth-related issues
B. The youth representative will review the agenda prior to each meeting they are scheduled to attend
C. The youth representative will find a qualified substitute in the event an emergency prevents his/her attendance
D. The youth representative will conduct themselves in a professional manner during the meeting and abide by any 4-H and Youth Council standards of professional dress and behavior
E. A parent/guardian or adult chaperone will be present at the meeting with the youth representative
F. The youth representative will be responsible for providing a summary of the meetings to the membership of their associated organization at their following Council/Club meeting

Adopted this 14th day of November, 2022.

Kirk D. Smith

Kirk D. Smith, Chairman
Lee County Board of Commissioners

ATTEST:

Hailey Hall

Hailey Hall, Clerk to the Board

LEE COUNTY
EST. 1907
NORTH CAROLINA

LEE COUNTY
EST 1907
NORTH CAROLINA

AMENDED RESOLUTION ESTABLISHING A YOUTH REPRESENATIVE AT LEE COUNTY BOARD OF COMMISSIONERS AND ADVISORY BOARD MEETINGS

WHEREAS, the Lee County Board of Commissioners adopted a Resolution Establishing a Youth Representative at Lee County Board of Commissioners and Advisory Board Meetings on November 14, 2022; and

WHEREAS, the Resolution requires the youth representatives to submit applications to serve as a youth representative directly to the Clerk to the Board of Commissioners (via the County's Board and Commissioners Application) and to be approved by the Lee County Board of Commissioners; and

WHEREAS, the Youth Council is eligible to be recognized as the Lee County Youth Council 4-H Club, which will provide insurance, applications, 4-H guidelines, and waivers for the members and will enable them to charter as a State Youth Council; and

WHEREAS, the duties and responsibilities of the youth representatives will remain the same;

NOW, THEREFORE, BE IT RESOLVED by the Lee County Board of Commissioners that the Lee County Youth Council will be established as a 4-H Club and youth members will apply to and be approved by the 4-H program instead of by the Board of Commissioners. All other sections of the November 14, 2022 Resolution with the exception of Section 2(C) will remain in full force and effect.

Adopted this the 7th day of April, 2025.

____

Kirk D. Smith, Chair
Lee County Board of Commissioners

ITEM #: II.K

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Sole Source Justification for TentCraft Enclosed Drive Thru Tent

DEPARTMENT: Health

CONTACT PERSON: Heath Cain, Health Department Director

TYPE: Consent Agenda

REQUEST	The Health Department respectfully requests the Board of Commissioners' approval for the purchase of two enclosed drive thru tents via TentCraft. TentCraft is a sole-sourced manufacturer and distributer in North America responsible for the selling, design, and construction of the product within the Traverse City, Michigan corporate office and production plant. TentCraft offers a lifetime warranty on the frame against manufacturing defect.
BUDGET IMPACT	Enclosed tents will be purchased through State 719 funds. No county funds are needed for this purchase.
ATTACHMENTS	719 Tent Craft Soul Source.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	The Health Department respectfully requests the Board of Commissioners' approval for a sole source justification in the purchase of two enclosed drive thru tents via TentCraft.

SUMMARY

The Health Department is seeking to purchase enclosed drive thru tents for the purpose of providing mass vaccinations should the need arise in the future where employees and potential drive thru patrons will be protected form the elements. During the previous pandemic, tents were rented from a third party vendor and required short term installation. This installation removed the ability for quick set up and take down and incurred some inconvenience to the site holder. With this purchase the county will own the items and will have the ability for mobility of vaccination placement, comfort for the vaccination workers, and shelter from the weather elements.

Supply Requisition
Lee County Health Department

11918

Name of Company Tent Craft
Address of company

Check One
Regular Monthly Order [x]
Emergency Order [ ]

Item Description	Item #	Program Using	Budget Line Item	# Requested	Price Each	Total Cost
13x26 Enclosed	719	~~FE~~ funds	46411	1	23,384.00	23,384.00
Drive-Thru Tent		~~5117~~ 5126				$ -
						$ -
						$ -
						$ -
						$ -
						$ -
						$ -
						$ -
					Sub Total	$ -
					Tax	$ -
					Total	$ -
2/25/25 entered in Munis	Req 1410					

Employee / Date 1/31/2025

Section Head / Date 1/31/25

Finance Officer / Officer 2/7/25

Health Director / Date 2-10-25

TentCraft

Lee County Emergency Management
Job #: 24174434T
Created Date: 09/23/2024

Logan Krieger
(231) 346-8590
lkrieger@tentcraft.com

Item	Price	Quantity	Total
13x26 MONARCHTENT Frame	$3,619.00	2	$7,238.00
13x26 MONARCHTENT Roof	$4,119.00	2	$8,238.00
TentCraft Stake Kit - 6 Stakes	INCLUDED	2	$0
13x26 MONARCHTENT Bag	INCLUDED	2	$0
TentCraft Dolly	INCLUDED	2	$0
13x26 MONARCHTENT Peak Banner Hardware	INCLUDED	2	$0
13x26 MONARCHTENT Peak Banner - Double Sided	INCLUDED	2	$0
13' Medical MONARCHTENT - Full Wall - Single Sided	$259.00	8	$2,072.00
Roll-Up Door	$159.00	4	$636.00
TentCraft Footplate	$175.00	12	$2,100.00
13' Medical MONARCHTENT TAB Wall - Single Sided	$359.00	2	$718.00
Rectangle Window	$209.00	2	$418.00
Rectangle Window Flap	$159.00	2	$318.00
TentCraft LED Lighting Kit	$199.00	4	$796.00
Shipping	$655.00	1	$655.00
Shipping - Lift Gate Service	$195.00	1	$195.00

Summary

Total:	$23,384.00
Tax:	$1,636.99
Grand Total:	**$25,020.99**

All pricing is valid for 30 days.

Expiration: 03/02/2025

PRODUCTION WILL BEGIN WHEN TENTCRAFT RECEIVES FINAL ARTWORK APPROVAL, TERMS AND CONDITIONS AGREEMENT, AND EITHER PAYMENT IS RECEIVED OR PAYMENT TERMS APPROVED.

To whom it may concern,

TentCraft is the North American sole source manufacturer and distributor of the sole source elements listed below. TentCraft does not utilize any "dealer" networks and sells directly to the end user. The design, as well as the actual construction of this product, plus many other items, are all produced from our Traverse City, Michigan corporate office and production plant.

MONARCHTENT Construction & Features:

- 50mm anodized aluminum octagonal leg profiles for full corrosion resistance
- 2mm thick aluminum walls of all frame elements
- Dual flange scissor piece connecting elements with integrated red push button releases on each leg to eliminate pinch points
- All frame pieces pinned together to allow for replacement of broken or damaged pieces
- All sliding connecting elements (including legs) have polymer slides to reduce friction and metal on metal contact
- Integrated wheel kit that inserts into tent foot pads
- Capability to have a peak flag or peak banner system
- Canopy constructed out of heavy-duty 600 Denier with 4 protective coatings to ensure fire retardance (passes requirement of California (CSFM) and NFPA 701 Flame Retardant Standards), water resistance, UV protection, and mildew resistance
- Canopy reinforced by PVC vinyl at all touch points; all corners and wherever the frame touches the canopy
- Nylon webbing valance tensioners sewn to the canopy to ensure proper stretching of fabric
- Rubber coated protective end caps and corner brackets to tension canopy properly
- Full hook and loop Velcro fastening system for all walls
- 55lb interlocking powder coated cast iron footplates (additional cost)
- Heavy duty transport bag
- 16" heavy duty spiral aluminum staking kit with mallet and 1 inch webbing tie downs (included with each frame)
- No tooling needed for setup
- Pops up in 60 seconds or less
- 100% made in the USA
- Lifetime frame warranty against manufacturing defect

Please don't hesitate to reach out to me with any additional questions.

To Whom It May Concern,

This letter has been written to confirm that TentCraft is the sole source provider of the MONARCHTENT frame in North America. There are no agents or dealers authorized to represent or sell the MONARCHTENT in North America except TentCraft.

Brett Milliman

Sincerely,
Brett Milliman
Vice President Of Manufacturing
TentCraft

800.950.4553 2662 Cass Road, Traverse City, MI 49684 www.tentcraft.com

SOLE SOURCE JUSTIFICATION FORM
(for all items)

Vendor: Tent Craft

Item: 13x26 Drive-Thru Tent

Estimated expenditure for the above item: $ 23,384

INITIAL ALL ENTRIES BELOW THAT APPLY TO THE PROPOSED PURCHASE ATTACH A MEMO CONTAINING JUSTIFICATION AND SUPPORT DOCUMENTATION.

1. X Sole source is for the original manufacturer or provider. There are no area distributors.
2. ______ The parts/equipment are not interchangeable with similar parts of another manufacturer.
3. ______ This is the only known item or service that will meet the specialized needs of this department or perform the intended function.
4. ______ The parts/equipment are required from this source to permit standardization.
5. ______ None of the above apply. A detailed explanation and justification for this sole source in contained in the attached memo.

The undersigned requests that competitive procurement be waived and that the vendor identified as the supplier of the material or service described in this sole source justification be authorized as a sole source for the material or service.

______________________________ Chairman, Board of Commissioners

Jessica Miller - Health
Department

____
Date

ITEM #: II.L

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Letter in Opposition of Legislation Increasing Truck Load Weight

DEPARTMENT: Governing Body

CONTACT PERSON: Hailey Hall, Clerk to the Board/Communications Specialist

TYPE: Action Item

REQUEST	Consider approving theÂ Letter in Opposition of Legislation Increasing Truck Load Weight.
BUDGET IMPACT	N/A
ATTACHMENTS	LCG Letter_Budd.pdf LCG Letter_Knott.pdf LCG Letter_Tillis.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Consider approving the Letter in Opposition of Legislation Increasing Truck Load Weight.

SUMMARY

Chairman Kirk Smith requested the consideration of submitting a letter in opposition of legislation increasing truck load weight for the Board's consideration, as well as to send the letter to Representative Knot and Senators Budd and Tillis.

Lee County Government
NORTH CAROLINA

April 8, 2025

The Honorable Ted Budd
United States Senate
304 Russell Senate Office Building
Washington, DC 20515

Dear Senator Budd,

The Lee County Board of Commissioners believes that trucks serve an important economic role, but it is essential to balance their use with public safety. We have been made aware of recent efforts in Congress to increase the weight of trucks – federal proposals that would allow for heavier trucks would compound our challenges maintaining safe roads, and we urge you to oppose legislation that would raise limits on weight and length.

According to the North Carolina State Highway Patrol, more than 15 million tractor-trailers passed through the state last year. A specialized unit within the Highway Patrol known as the Motor Carrier Safety Assistance Program (MCSAP) is devoted to ensuring those vehicles and their drivers are following the laws. The federal weight limits for commercial vehicles is 80,000 pounds so when a collision occurs, it's catastrophic most of the time and to have any kind of increase only creates danger for the truck drivers and everyone else on the road. Overloading a truck beyond its recommended weight capacity can cause excessive strain on the axle. This not only jeopardizes the structural integrity of the axle but also increases the risk of crashes. An overloaded truck struggles with balance, making it prone to tipping or rolling over. It is clear that heavier trucks will cause more crashes and more fatalities.

Lee County is situated near I-40 (US 1) and I-95, with the future I-685 (US 421) planned to connect it to Greensboro and other areas, enhancing transportation and economic opportunities.

These roads are already congested with trucks so how would adding heavier trucks to these already overloaded roads work? It will only cause more logistical problems, more damage for our roadways, and more casualties for our drivers. With data found by the Federal Motor Carrier Safety Association (FMSCA), it shows that truck crash fatalities rose

52% throughout North Carolina from 2012-2022. It is simply not acceptable to put these heavier truck weights on the road.

We understand and appreciate the role of trucks in our region's booming economy, we need to carefully balance this with making our highways safe. We hope that if these bills come up, you will join in opposition.

Sincerely,

Kirk D. Smith, Chairman
Lee County Board of Commissioners
408 Summit Drive | Sanford, NC 27330

LEE COUNTY GOVERNMENT

NORTH CAROLINA

April 8, 2025

The Honorable Brad Knott
United State House of Representatives
1239 Longworth House Office Building
Washington, DC 20515

Dear Representative Knott,

The Lee County Board of Commissioners believes that trucks serve an important economic role, but it is essential to balance their use with public safety. We have been made aware of recent efforts in Congress to increase the weight of trucks – federal proposals that would allow for heavier trucks would compound our challenges maintaining safe roads, and we urge you to oppose legislation that would raise limits on weight and length.

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We understand and appreciate the role of trucks in our region’s booming economy, we need to carefully balance this with making our highways safe. We hope that if these bills come up, you will join in opposition.

Sincerely,

Kirk D. Smith, Chairman
Lee County Board of Commissioners
408 Summit Drive | Sanford, NC 27330

LEE COUNTY GOVERNMENT
NORTH CAROLINA

April 8, 2025

The Honorable Thom Tillis
United States Senate
113 Dirksen Senate Office Building
Washington, DC 20515

Dear Senator Tillis,

The Lee County Board of Commissioners believes that trucks serve an important economic role, but it is essential to balance their use with public safety. We have been made aware of recent efforts in Congress to increase the weight of trucks – federal proposals that would allow for heavier trucks would compound our challenges maintaining safe roads, and we urge you to oppose legislation that would raise limits on weight and length.

According to the North Carolina State Highway Patrol, more than 15 million tractor-trailers passed through the state last year. A specialized unit within the Highway Patrol known as the Motor Carrier Safety Assistance Program (MCSAP) is devoted to ensuring those vehicles and their drivers are following the laws. The federal weight limits for commercial vehicles is 80,000 pounds so when a collision occurs, it's catastrophic most of the time and to have any kind of increase only creates danger for the truck drivers and everyone else on the road. Overloading a truck beyond its recommended weight capacity can cause excessive strain on the axle. This not only jeopardizes the structural integrity of the axle but also increases the risk of crashes. An overloaded truck struggles with balance, making it prone to tipping or rolling over. It is clear that heavier trucks will cause more crashes and more fatalities.

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We understand and appreciate the role of trucks in our region's booming economy, we need to carefully balance this with making our highways safe. We hope that if these bills come up, you will join in opposition.

Sincerely,

Kirk D. Smith, Chairman
Lee County Board of Commissioners
408 Summit Drive | Sanford, NC 27330

ITEM #: II.M

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Central Carolina Holdings Recycling and Disposal Contract

DEPARTMENT: General Services

CONTACT PERSON: Amber Giles,

TYPE: Consent Agenda

REQUEST	Approval of the Central Carolina Holdings Recycling and Disposal Contract and authorize the Board of Commissioners Chairman to sign the contract and associated Sole Source Justification Form.
BUDGET IMPACT	Funds are included in the budget for next fiscal year and are reimbursed quarterly for the NC scrap tire disposal tax.
ATTACHMENTS	Tire Agreement 2015.pdf Lee Co. Revised Contract 2025.pdf Lee County CONTRACT ADDENDUM.pdf Sole Source Justification Form - Memorandum CCH Recycling 2025.pdf
PRIOR BOARD ACTION	Board originally approved agreement in 2015 and services have continued since then. The Board authorized the County Manager to approve the Liberty Tire DBA Central Carolina Holdings LLC purchase order on July 15, 2024.
RECOMMENDATION	Approval of the Central Carolina Holdings Recycling and Disposal Contract and authorize the Board of Commissioners Chairman to sign the contract and associated Sole Source Justification Form.

SUMMARY

Central Carolina Holdings, LLC has been the only vendor used for scrap tire recycling services for Lee County since 1997. Residents of Lee County and local businesses are required to transport 6 or more tires directly to this facility. Disposal is free of charge when using a Scrap Tire Certification Form. This vendor is convenient when paying hauling fees associated with transporting the bulk tire bin from the Landfill Road convenience center. We are requesting the Board of Commissioners to approve and sign the contract related to this service.

STATE OF NORTH CAROLINA

LEE COUNTY
CENTRAL CAROLINA HOLDINGS LLC.

SCRAP TIRE RECYCLING & DISPOSAL CONTRACT

This Scrap Tire Recycling and Disposal Contract (" Contract") made and entered on this 1st day of March, 2015 (Anniversary date), by and between Lee County, a political subdivision of the State of North Carolina, hereafter referred to as " County" and Central Carolina Holdings, LLC, a North Carolina Corporation, with principal business offices located at 1616 McKoy Town Road, Cameron,28326, hereinafter referred to as " Contractor".

WITNESETH

WHEREAS, the County chooses to recycle its scrap tires when possible and has determined that this service can best be provided through a service contract with a qualified firm; and

WHEREAS, the Contractor is qualified to provide collection, transportation, recycling and disposal of tires and other scrap rubber and has the necessary equipment, personnel, facilities, expertise, financial resources and management skills to provide a high level of service.

1) Scrap Tire Volume Generated

It is unknown how many scrap tires that the County receives at its landfill annually. However, the Contractor understands that the County does not control the scrap tire waste stream and that there is no guaranteed volume that will be received during the term of this contract.

2) Recycling and Disposal Services

a) Contractor Responsibilities
The contractor agrees to accept tires once they are hauled in by a contractor of Lee County Solid Waste hauling service.

3) Term
This Contract shall be in full force and effect for a period of five (5) years from the date of execution, unless terminated earlier per Section 7 (b) with automatically extended annual renewal terms at the end of each successive term unless either party notifies the other party in writing 30 days prior to the expiration of the term of his desire to terminate this contract, in which case the term shall end as scheduled.

STATE OF NORTH CAROLINA

LEE COUNTY

4) Time of Performance

Contractor shall have gate open for delivery of scrap tires Monday thru Thursday 8:00 AM TO 4:30 PM AND ON Friday 8:00 AM TO 3:30 PM. The exception shall include Saturday, Sunday, New Year's Day, Martin Luther King Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas and the day after Christmas.

5) Invoices

The Contractor shall invoice the County monthly for scrap tires collected and transported since the previous invoice. Each invoice shall be according to the fees per Section 6 and the applicable weight tickets. Each invoice shall include a dated listing of the loads collected and transported indicating the weight per load, and the load origin.

6) Collection Disposal Fees

The County shall pay Contractor, for the work described in Section 2, including processing and transportation of all passenger and truck tires, the sum of $ 51.00 per ton for tires delivered to Contractor's gate and $60.00 per ton for tires for tires picked up by Contractor at tire dealers..

In the event of a discrepancy between Contractor and County records, such invoice shall be paid less the amount of the discrepancy. A notice of discrepancy with supporting documentation shall be promptly sent to Contractor and the two parties shall reconcile records and invoices at the earliest possible date. Such reconciliation shall be reflected on the next invoice from Contractor.

7) Termination

This contract may be terminated according to either of the following provisions:

a) Default: If either party hereto deems the other party hereto to be in default of any provision hereof, the claiming party shall provide notice in writing to the defaulting party of said default. If said defaulting party fails to correct the default within twenty (20) working days from the date of notice, the other party may terminate this Contract immediately. In case of such termination the party terminating this contract shall forthwith give the other party written notice of such termination.

b) Mutual Agreement : This Contract may be terminated by mutual agreement of the parties hereto, at any time.

STATE OF NORTH CAROLINA

LEE COUNTY

8) Force Majeure

a) Suspension of Performance: The performance of its duties and obligations hereunder by either party shall be suspended to the extent that such performance, in whole or in part, shall be rendered impracticable by Force Majeure.

b) Definition: Force Majeure – For purposes herein, Force Majeure shall be termed as any event or occurrence of any nature or kind in respect to the duties herein that is beyond the control of and occurs without the negligence of the party invoking the same, including without limitation: acts of God or of a public enemy, acts of government or governmental authority in either its sovereign or contractual capacity, wars, riots, fires floods, explosions, epidemics, boycotts, excessive fuel prices, blackouts, strikes, labor disputes, equipment breakdowns, and any transportation problem directly affecting or inhibiting pickups.

c) Notice : In the event that either party hereto determines that a Force Majeure has occurred, or it is likely to occur, said party shall promptly furnish to the other party notice in writing of such Force Majeure , setting forth the nature of such problem, the anticipated effect thereof on said party's performance hereunder and when normal performance may be expected. In the event of excessive fuel prices of over the road diesel Contractor and County will negotiate satisfactory terms for both parties involved.

d)No Unreasonable Delay: Any party hereto whose performance hereunder is delayed or prevented by a factor of Force Majeure, and said party subsequently invokes Force Majeure, shall take all reasonable steps to resume, with the least possible delay, compliance with its obligations hereunder, provided that said party shall not be required to settle any strike or labor dispute on terms not acceptable to it.

9) Representations

9.1) The Contractor represents, warrants and covenants to County that:

a) It is an entity duly organized, validly existing and in good standing under the laws of the State of North Carolina, and is duly and validly qualified to conduct business and is in good standing in all jurisdictions in which such qualification is necessary.

b) The execution ,delivery, and performance of this Contract have been duly and validly authorized by all corporate action required to be taken and will not result in a breach of, constitute a Default under, or violate the terms of Contractor's organizational agreement, or any rule, regulation, judgment, decree, order, or agreement to which Contractor is a party or by which it may be bound.

c) Contractor has valid rights of control with respect to its plant size.

d) Contractor shall comply with all environmental and other applicable governmental permits, guidelines and actions during the term hereof, and has paid and will pay all valid charges and assessments in connection therewith. Contractor hereby indemnifies County against any punitive or other action resulting from or associated with Contractor's failure to do so.

9.2) County represents, warrants and covenants to Contractor that:
a) The execution, delivery and performance of this Contract by County have been duly and validly authorized by all corporate action required to be taken and will not result in a breach of , constitute a Default under, or violate the terms of decree, order, contract or agreement to which County is a party or by which it may be bound. Concurrently herewith, County tenders unto Contractor a certified copy of the resolution of its Board of Commissioners authorizing execution and delivery of this Contract.

10) Insurance

Contractor does hereby attest that it has general liability insurance coverage (which covers all its operations including but not limited to motor vehicle transportation) in the minimum amount of one million ($ 1,000,000.00) dollars. A "Certificate of Insurance" affirming said coverage is attached hereto as an integral part of this Contract. County shall be listed as an additional insured under said Certificate of Insurance and a copy of said endorsement shall be provided to the County within ten (10) days of signing Contract. Contractor shall at all times during the existence of this contract maintain liability insurance coverage in the amount not less than one million ($1,000,000.00) dollars.

11) Hold Harmless

The Contractor does hereby indemnify and hold the County free and harmless from liability on account of injury or damage to persons or property which may result from the negligent conduct or operations arising out of the business of collection, removal and transportation of tires in accordance with the terms of this contract; and in the event that any suit or proceeding is brought against the County at law or in equity, either independently or jointly with the Contractor, or either of them, on account of such negligent acts, The Contractor will defend the County in any such suit or proceeding at the cost of the Contractor, and in the event of a final judgment of decree being brought against either of them , The Contractor will pay such judgment or comply with such decree with all costs and expenses of whatsoever nature and hold the County harmless therefrom.

STATE OF NORTH CAROLINA

LEE COUNTY

12) Disputes

Any matter that arises hereunder that cannot be settled in negotiations between the parties hereto shall be handled according to the laws, legal processes and courts of the State of North Carolina. Any final decision therefrom shall be valid and binding upon the parties hereto and enforceable at law. Venue for any action arising out of this contract shall be the general court of justice, Lee County, N.C.

13) Miscellaneous

13.1) Contractor agrees to be an equal opportunity employer and not discriminate based on race, religion, or sex.

13.2) This Contract may be changed only by agreement in writing and signed by both parties hereto.

13.3) This Contract embodies the entire contract between the parties and supersedes any prior agreements and understanding, oral and /or written.

13.4) This Contract may be executed simultaneously in two or more counterparts, each of which shall be deemed an original.

13.5) This Contract shall be governed by the laws of the State of North Carolina.

13.6) The sections and heading in the Contract are for reference purposes only and shall not effect in any way the meaning of this Contract or any part herein.

13.7) In the event that any provisions of this Contract shall be determined to be invalid, this Contract thereupon shall be deemed to have been amended to eliminate such provisions so the remaining provisions of this Contract shall be valid and binding.

STATE OF NORTH CAROLINA

LEE COUNTY

13.8) All notices and other formal communications hereunder shall be made in writing and given or delivered by certified United States mail to the principal and at the address designated below. Acceptance thereof shall be deemed to constitute receipt.

Contractor
Central Carolina Holdings LLC.
1616 McKoy Town Rd.
Cameron, N.C. 28326

County
Lee County
Joseph Cherry
805 South 5th Street
Sanford, N.C. 27330

13.9) Any waiver made hereto shall be deemed to be limited in application to the matters explicitly referred to therein and shall neither be construed as, nor entitle the other party to a waiver by said party of any similar matter.

13.10) This Contract shall be binding upon and insure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Contract nor any of the rights, interests, or obligations hereunder shall be assigned by either party hereto without the prior written consent of the other party hereto, which consent shall not be unreasonable withheld or delayed.

IN WITNESS WHEREOF, the parties hereto have set their respective hands and seals as of the date first above written.

COUNTY OF LEE

BY: _______________

ATTEST

____

CENTRAL CAROLINA HOLDINGS LLC.

BY: Thomas J. Frye

ATTEST

____

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

Lisa G. Minter,
Asst. County Manager/Finance Director

Date: 2/9/15

STATE OF NORTH CAROLINA

LEE COUNTY

RECYCLING & DISPOSAL CONTRACT

This Scrap Tire Recycling and Disposal Contract ("Contract") made and entered on this 1st day of July 2025 ("Anniversary Date"), by and between the County of Lee, a political subdivision of the State of North Carolina, hereafter referred to as "County" and Central Carolina Holdings, LLC, located at 1616, Mckoy Town Road, North Carolina 28326, herein after referred to as the "Contractor".

WITNESSETH

WHEREAS the County chooses to recycle its scrap tires when possible and has determined that this service can best be provided through a service contract with a qualified firm: and,

WHEREAS, the Contractor is qualified to provide collection, transportation recycling and disposal of tires and other scrap rubber and has the necessary equipment, personnel, facilities, expertise, financial resources, and management skills to provide a high level of service.

1) Scrap Tire Volume Generated

It is unknown how many scrap tires that the County receives at its landfill annually. However, the Contractor understands that the County does not control the scrap tire waste stream and that there is no guaranteed volume that will be received during the term of this Contract.

2) Recycling and Disposal Services

a) Contractor Responsibilities

The Contractor agrees to stage a van trailer at the County's designated sites and to transport, process, recycle or dispose of all scrap tires loaded in said trailer. Furthermore, the Contractor shall be responsible for hauling, processing, recycling and/or disposing of all scrap tires in accordance with all applicable state, federal, and local environmental and safety laws, regulations, permits, ordinances, and standards.

b) County Responsibilities

The County shall make available ample space in a manner acceptable to the Contractor to provide for efficient handling of containers and materials contained therein.

STATE OF NORTH CAROLINA

LEE COUNTY

3) Term

This Contract shall be in full force and effect for a period of five (5) years from the date of execution, unless terminated earlier per Section 8 (b) with two (2) automatically extended annual renewal terms at the end of each successive term unless either party notifies the other party in writing 30 days prior to the expiration of the term of his desire to terminate this contract, in which case the term shall end as scheduled.

4) Time of Performance

The contractor shall remove each loaded trailer in a timely manner. Non-working days shall include Saturday, Sunday, New Year's Day, Martin Luther King Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas, and the day after Christmas.

5) Invoices

The Contractor shall invoice the County for scrap tires collected and transported since the previous invoice. Each invoice shall be according to the fees per Section 6. Each invoice shall include a dated listing of the loads collected and transported.

6) Collection Disposal Fees

The County shall pay Contractor for the work described in Section 2, including the processing of all passenger and truck tires, for the sum of $75.00 per ton, for tires delivered to contractor's gate. And $85.00 per ton for all tires picked up by Contractor at tire dealers and hauled by Contractor. A (10) ton minimum per load requirement for all trailers at tire dealers that Contractor is hauling. Off road tires are charged at the same rate of $75.00 per ton plus an additional $0.20 per pound / Super Singles will be at the same rate of $75.00 per ton plus $.05 per pound with no minimum tonnage. A Consumer Price Index adjustment will be calculated in March of each year and will be applied to the contract price each year on July 1. Central Carolina Holdings reserves the right to reject or apply a special handling sur-charge fee for any and all tires that appear to have been burned, buried or shredded prior to transfer to their facility. Because fuel consumption constitutes a major part of the fee structure, in addition to the freight, there will be a fuel Sur Charge on each load.

STATE OF NORTH CAROLINA

LEE COUNTY

Fuel Sur Charge Calculation

Fuel Sur-charge is calculated on a base price of fuel. Total round trip 50 miles for this transaction are multiplied times the incremental adjustment shown with that average price per gallon. Average price increments with the corresponding Sur-charge are listed below. The price of diesel fuel for the purposes of this agreement shall be the diesel price for the East Coast, as obtained from the Diesel Fuel Hotline (202) 586-6966.

Price per Gallon	Price Adjustment per mile
$2.50 - $2.74	+0.30
$2.75 - $2.99	+0.35
$3.00 - $3.24	+0.40
$3.25 - $3.49	+0.45
$3.50 - $3.74	+0.50
$3.75 - $3.99	+0.55
$4.00 - $4.24	+0.60
$4.25 - $4.49	+0.65
$4.50 - $4.74	+0.70
$4.75 - $4.99	+0.75
$5.00 - $5.24	+0.80

Formula follows with the price of fuel.

In the event of a discrepancy between Contractor and County records, such an invoice shall be paid less the amount of the discrepancy. A notice of discrepancy with supporting documentation shall be promptly sent to Contractor and the two parties shall. reconcile records and invoices at the earliest possible date. Such reconciliation shall be reflected on the next invoice from Contractor.

7) Taxes, etc. clause

Should the local, state, or federal government impose a franchise fee or tax, Contractor will pass this fee on to the county, or Contractor and County will agree to cancel the contract. Should such termination or recession occur before the performance of the activity herein provided is begun, all parties hereto shall be released from the provisions hereof without liability or obligation. Should such termination or recession occur after such performance is begun, the liability and obligations of the parties shall be limited to settlement of all proper claims based upon performance prior to termination or recession of this contract. In no case shall the Company be liable or responsible for any other cost of obtaining, preparing, maintaining, or operating the facilities for deposit of said tires nor shall Company be liable or responsible for any of the cost of obtaining, preparing, maintaining, or operating the location for assembly, collection, and removal of said tires.

STATE OF NORTH CAROLINA

LEE COUNTY

8) Termination

This Contract may be terminated according to either of the following provisions:

a) Default: If either party hereto deems the other party hereto to be in default of any provision hereof, the claiming party shall provide notice in writing to the defaulting party of said default. If said defaulting party fails to correct the default within twenty (20) working days from the date of notice, the other party may terminate this Contract immediately. In case of such termination the party terminating this contract shall forthwith give the other party written notice of such termination.

b) Mutual Agreement: This Contract may be terminated by mutual agreement of the parties hereto, at any time.

c) This Contract may be terminated by the County at any time, giving a 60-day notice

9) Force Majeure

a) Suspension of Performance: The performance of its duties and obligations hereunder by either party shall be suspended to the extent that such performance, in whole or in part, shall be rendered impracticable by Force Majeure.

b) Definition: Force Majeure - For purposes herein, Force Majeure shall be termed as any event or occurrence of any nature or kind in respect to the duties herein that is beyond the control of and occurs without the negligence of the party invoking the same, including without limitation: acts of God or of a public enemy, acts of government or governmental authority in either its sovereign or contractual capacity, wars, riots, fires, floods, explosions, epidemics, boycotts, excessive fuel prices, blackouts, strikes, labor disputes, equipment breakdowns, and any transportation problem directly affecting or inhibiting pickups.

c) Notice: In the event that either party hereto determines that a Force majeure has occurred, or it is likely to occur, said party shall promptly furnish to the other party notice in writing of such Force Majeure, setting forth the nature of such problem, the anticipated effect thereof on said party's performance hereunder and when normal performance may be expected. In the event of excessive fuel prices of over the road diesel. Contractor and County will negotiate satisfactory terms for both parties involved.

d) No Unreasonable Delay: Any party hereto whose performance hereunder is delayed or prevented by a factor of Force Majeure, and said party subsequently invokes Force Majeure, shall take all reasonable steps to resume, with the least possible delay, compliance with its obligations hereunder, provided that said party shall not be required to settle any strike or labor dispute on terms not acceptable to it.

10) Representations

10.1) The Contractor represents warrants and covenants to County that:

a) It is an entity duly organized, validly existing and in good standing under the laws of the State of North Carolina and is duly and validly qualified to conduct business and is in good standing in all jurisdictions in which such qualification is necessary.

b) The execution, delivery and performance of this Contract have been duly and validly authorized by all corporate action required to be taken and will not result in a breach of, constitute a Default under, or violate the terms of Contractor's organizational agreement, or any rule, regulation, judgment, decree, order, or agreement to which Contractor is a parry or by which it may be bound.

c) Contractor shall comply with all environmental and other applicable governmental permits, guidelines and actions during the term hereof, and has paid and will pay all valid charges and assessments in connection therewith. Contractor hereby indemnifies County against any punitive or other action resulting from or associated with Contractor's failure to do so.

11) Insurance

Contractor does hereby attest that it has general liability insurance coverage (which covers all its operations including but not limited to motor vehicle transportation) in the minimum amount of one million ($1,000,000.00) dollars. A "Certificate of Insurance" affirming said coverage is attached hereto as an integral part of this Contract. County shall be listed as an additional insured under said Certificate of Insurance and a copy of said endorsement shall be provided to County within ten (10) days signing of Contract. The contractor shall always during the existence of this contract maintain liability insurance coverage in the amount not less than one million ($1,000,000.00) dollars.

12) Hold Harmless

The Contractor does hereby indemnify and hold the County free and harmless from liability on account of injury or damage to persons or property which may result from the negligent conduct or operations arising out of the business of collection, removal and transportation of tires in accordance with the terms of this contract; and, in the event that any suit or proceeding is brought against the County at law or in equity, either independently or jointly with the Contractor, or either of them, on account of such negligent acts, the Contractor will defend the County in any such suit or proceeding at the cost of the Contractor, and in the event of a final judgment of decree being brought against either of them, the Contractor will pay such judgment or comply with such decree with all costs and expenses of whatsoever nature and hold the County harmless therefrom.

13) Disputes

Any matter that arises hereunder that cannot be settled in negotiations between the parties hereto shall be handled according to the laws, legal processes, and courts of the State of North Carolina. Any final decision therefrom shall be valid and binding upon the parties hereto and enforceable at law. The venue for any action arising out of this contract shall be the general court of justice**, County of Lee N.C.**

14) Miscellaneous

14.1) Contractor agrees to be an equal opportunity employer and not discriminate based on race, religion, or sex.

14.2) This Contract may be changed only by agreement in writing and signed by both parties hereto.

14.3) This Contract embodies the entire contract between the parties and supersedes any prior agreements and understanding, oral and/or written.

14.4) This Contract may be executed simultaneously in two or more counterparts, each of which shall be deemed an original.

14.5) This Contract shall be governed by the laws of the State of North Carolina.

14.6) The sections and heading in the Contract are for reference purposes only and shall not affect in any way the meaning of this Contract or any part herein.

STATE OF NORTH CAROLINA

LEE COUNTY

14.7) In the event that any provision of this Contract shall be determined to be invalid, this Contract thereupon shall be deemed to have been amended to eliminate such provisions so the remaining provisions of this Contract shall be valid and binding.

14.8) All notices, and other formal communications hereunder shall be made in writing and given or delivered by certified United States mail to the principal and at the address designated below. Acceptance thereof shall be deemed to constitute receipt.

Contractor
Central Carolina Holdings
1616 Mckoy Town Road
Cameron, North Carolina 28326

County
Lee County
Amber Giles
805 South 5th Street
Sanford, NC, 27330

14.9) Any waiver made hereto shall be deemed to be limited in application to the matters explicitly referred to therein and shall neither be construed as, nor entitle the other party to a waiver by said party of any similar matter.

14.10) This Contract shall be binding upon and insure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Contract nor any of the rights, interests, or obligations hereunder shall be assigned by either party hereto without the prior written consent of the other party hereto, which consent shall not be unreasonable withheld or delayed.

STATE OF NORTH CAROLINA

LEE COUNTY

IN WITNESS WHEREOF, the parties hereto have set their respective hands and seals as of the date first written above.

LEE COUNTY

BY____________________________

ATTEST

____

CENTRAL CAROLINA HOLDINGS

BY_______________________________

ATTEST

____

CONTRACT ADDENDUM
FOR CONTRACTS WITH ANY DEPARTMENT OF
LEE COUNTY GOVERNMENT

CONTRACTOR: Central Carolina Holdings, LLC

COUNTY DEPARTMENT: Solid Waste

SUBJECT OF CONTRACT: Tire removal and disposal

DATE/TERM OF CONTRACT: March 17, 2025- March 17, 2030

Notwithstanding any provision contained in the above referenced Contract or Agreement which may be to the contrary, the following provisions are incorporated and shall apply, supplant and control:

Non-appropriation clause. Contractor acknowledges that Lee County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Lee County's obligations under this contract, then this contract shall automatically expire without penalty to Lee County thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that Lee County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Lee County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Lee County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Lee County upon written notice to Contractor of such limitation or change in Lee County's legal authority.

Dispute Resolution/Jurisdiction/Venue. Any dispute arising under this Agreement may be settled by mediation in the State of North Carolina in accord with such procedures as may be available to units of local government under state law. No other dispute resolution procedures shall apply. Jurisdiction for any legal proceedings concerning this contract or agreement shall be in the state courts in the State of North Carolina. Venue for such proceedings shall be Lee County.

No pledge of taxing authority. No deficiency judgment may be rendered against Lee County or any agency of Lee County in any action for breach of a contractual obligation under this contract. The taxing power of the Lee County is not pledged directly or indirectly to secure any monies due under this contract.

Conflict of Interest: If this is a contract for design, engineering, contract administration or similar services, the Contractor will not enter into contracts or agreements with third parties that may present a potential for conflict of interest between Lee County and the third parties regarding the subject matter of this Contract or Agreement.

Compliance with E-Verify requirements: The Contractor and any of its subcontractors must comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, if applicable, which requires certain employers to verify the work authorization of each newly hired employee through the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies.

Revised 4-9-2024

Divestment from companies that boycott Israel: Contractor certifies that (a) it is not identified on the Israel Boycott List or any other list created by the NC State Treasurer pursuant to N.C.G.S. 147—86.80 et al and (b) it will not take any action causing it to appear on any such list during the term of the contract agreement.

Iran Divestment Act Certification. The Contractor certifies that the Contractor is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58 (the Final Divestment List) and the Contractor will not utilize any subcontractors performing work under this Contract which is listed on the Final Divestment List. The Final Divestment List can be found on the State Treasurer's website at the address and should be updated every 180 days.

Non-Discrimination in Employment. The Contractor will not discriminate again any employee or applicant for employment because of age, sex, race, creed, national origin or disability. In the event Contractor is determined by the final order of an appropriate agency or court to be in violation of this provision or any non-discrimination provision of federal, state or local law, this Contract may be suspended or terminated, in whole or in part by the County. In addition, the Contractor may be declared ineligible for further contracts with the County.

Indemnification: The Contractor agrees, to the fullest extent permitted by law, to indemnify and hold harmless the County, its officers, directors and employees (collective, County) against all damages, liabilities, or costs, including reasonable attorneys' fees and defense costs, to the extent caused by Contractor's negligent performance of services under this Agreement and that of its subcontractors or anyone for whom the Contractor is legally liable.

Drug-Free Workplace. During the performance of this agreement, the Contractor agrees to (i) provide a drug-free workplace for its employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees of the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in its workplace and specifying the actions that will be taken against employees for violations of such prohibitions, (iii) state in all solicitations or advertisements for employees placed by or on its behalf that it maintains a drug-free workplace; (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000.00 so that the provisions will be binding upon each subcontractor or vendor.

Gov Ops. Contractor acknowledges that by contracting with Lee County and receiving public funds, they may be subject to potential examination, evaluation and investigation, including access to buildings and documents and compelled testimony, by the Joint Legislative Commission on Governmental Operations under Section 27.10(b) of North Carolina S.L. 2023-134. Contractor acknowledges that Lee County has no control over the Commission and its activities.

Public Records Law. The Contractor acknowledges that Lee County is a governmental agency and subject to public records law and is required to provide public records, including this contract, upon a valid, legal request. The Contractor has advised the County prior to executing this contract of all information it contends is proprietary, confidential or a trade secret.

For the CONTRACTOR: Teri Rogers Title: Sales Manager

For LEE COUNTY: ______________________ Title: ______________

Revised 4-9-2024

SOLE SOURCE JUSTIFICATION FORM
(for all items)

Vendor: **Central Carolina Holdings LLC.**

Item: **Scrap Tire Recycling Services**

Estimated expenditure for the above item: $134,593.00

INITIAL ALL ENTRIES BELOW THAT APPLY TO THE PROPOSED PURCHASE ATTACH A MEMO CONTAINING JUSTIFICATION AND SUPPORT DOCUMENTATION.

1. __x__ Sole source is for the original manufacturer or provider. There are no area distributors.

2. ______ The parts/equipment are not interchangeable with similar parts of another manufacturer.

3. ______ This is the only known item or service that will meet the specialized needs of this department or perform the intended function.

4. ______ The parts/equipment are required from this source to permit standardization.

5. ______ None of the above apply. A detailed explanation and justification for this sole source in contained in the attached memo.

The undersigned requests that competitive procurement be waived and that the vendor identified as the supplier of the material or service described in this sole source justification be authorized as a sole source for the material or service.

______________________________ Ryan Faulk
Chairman, Board of Commissioners — Department

____
Date

MEMORANDUM

DATE: March 31, 2025

TO: Board of Commissioners

RF

FROM: Ryan Faulk
General Services Director

RE: Sole Source Justification:
Central Carolina Holdings LLC. Scrap Tire Recycling Services

I hereby request that competitive procurement be waived, and that Central Carolina Holdings LLC. be authorized as a sole source for scrap tire recycling services.

1. Central Carolina Holdings, LLC has been the only vendor used for scrap tire recycling services for Lee County since 1997. Residents of Lee County and local businesses are required to transport 6 or more tires directly to this facility. Disposal is free of charge when using a Scrap Tire Certification Form. This vendor is convenient when paying hauling fees associated with transporting the bulk tire bin from the Landfill Road convenience center.

Thank you for your consideration in this matter. If you have any comments or questions, please do not hesitate to contact me.

/adg

ITEM #: III.A

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Proclamation Honoring the Southern Lee High School State Championship Bowling Team

DEPARTMENT: Administration

CONTACT PERSON: Hailey Hall, Clerk to the Board/Communications Specialist

TYPE: Action Item

REQUEST	Approve the Proclamation Honoring the Southern Lee High School State Championship Bowling Team.
BUDGET IMPACT	N/A
ATTACHMENTS	PROCLAMATION - SLHS Bowling Team.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve the Proclamation Honoring the Southern Lee High School State Championship Bowling Team.

SUMMARY

The proclamation will be presented to the Southern Lee Bowling Team at the April 7, 2025 Board of Commissioners meeting in recognition of winning the State Championship during the 2025 season.

PROCLAMATION RECOGNIZING THE ACHIEVEMENTS OF THE SOUTHERN LEE HIGH SCHOOL MEN'S BOWLING TEAM

WHEREAS, the Southern Lee High School Men's Bowling Team, the Cavaliers, demonstrated outstanding dedication, hard work, and exceptional skill in the North Carolina High School Athletic Association (NCHSAA) bowling tournament; and

WHEREAS, after a fierce competition against rival Scotland County and securing victory in the best-of-three matches, the Cavaliers proudly claimed the 2025 State Championship title, achieving their second consecutive win; and

WHEREAS, the team format is a rotation of five players per team roll two frames each, with Mark Lovick as the leadoff bowler for the Cavaliers, followed by Tucker Maria, Landon Lovick, Blane Downing, and Mar'kel Brown, under the leadership of Head Coach Vicki Wilkins and Assistant Coaches Peggy Gunter and Wayne Gamble; and

WHEREAS, bowlers from the men's team also saw success individually, with the men's top bowler, Mar'kel Brown, winning sixth in the state, Tucker Maria taking 10^{th} place, while Blaine Downing and Landon Lovick wrapped up the individual tournament in 13^{th} and 19^{th} places, respectively; and

WHEREAS, the Cavaliers represented Lee County admirably in the NCHSAA Men's State Bowling Tournament to close out the 2025 bowling season; and

NOW, THEREFORE, the Lee County Board of Commissioners hereby proclaim Tuesday, April 8^{th}, 2025 as ***Southern Lee High School Men's Bowling Team Day*** in Lee County, North Carolina and call upon residents to observe this day recognizing and celebrating the Team and their contributions to and successes shared with the Lee County community.

Presented this 7^{th} day of April, 2025.

Kirk D. Smith, Chair
Lee County Board of Commissioners

ATTEST:

Hailey Hall, Clerk to the Board

ITEM #: III.B

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Proclamation Recognizing Electric Utility Line Worker Appreciation Day

DEPARTMENT: Administration

CONTACT PERSON: Hailey Hall, Clerk to the Board/Communications Specialist

TYPE: Action Item

REQUEST	Approve the Proclamation Recognizing Electric Utility Line Worker Appreciation Day.
BUDGET IMPACT	N/A
ATTACHMENTS	PROCLAMATION - Lineman Appreciation Day.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve the Proclamation Recognizing Electric Utility Line Worker Appreciation Day.

SUMMARY

See enclosed Proclamation Recognizing April 18, 2025 as Electric Utility Line Worker Appreciation Day.

PROCLAMATION RECOGNIZING APRIL 18, 2025 AS ELECTRIC UTILITY LINE WORKER APPRECIATION DAY

WHEREAS, the Lee County Board of Commissioners celebrates and commends the work of all electrical utility line workers who work in a profession requiring passion, dedication and extensive training; and

WHEREAS, Lee County is served by Duke Energy and Central Electric Membership Corporation line workers, and, especially during major storms, these line workers operate in dangerous conditions to repair broken power lines and equipment; and

WHEREAS, electric line workers often are the first responders during storms, whose work is critical to making the damaged area safe for other public safety heroes; and

WHEREAS, Duke Energy and Central Electric Membership Corporation line workers and other lineman are on call 24 hours a day, 365 days a year to maintain our electrical infrastructure and keep the power flowing to everyone; and

WHEREAS, due to the danger of their work with high voltage, these men and women put their lives at risk every day for the citizens of our community; and

WHEREAS, the U. S. House of Representatives recognizes the efforts of line workers in keeping the power on and protecting public safety and has designated the celebration of a National Lineman Appreciation Day;

NOW, THEREFORE, BE IT RESOLVED, that the Lee County Board of Commissioners hereby proclaim April 18, 2025 as "Lineman Appreciation Day in Lee County," and call upon all citizens to recognize the contribution that these public servants make every day to our health, safety, comfort, and quality of life.

Adopted the 7th day of April, 2025.

____
Kirk D. Smith, Chair
Lee County Board of Commissioners

ATTEST:

____
Hailey Hall, Clerk to the Board

ITEM #: III.C

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Proclamation Recognizing 4th Annual Lee County "Ag Week"

DEPARTMENT: Cooperative Extension

CONTACT PERSON: Bill Stone,

TYPE: Action Item

REQUEST	Requesting that the Board Chair read and sign the proclamation, recognizing the fourth week in April as Lee County Ag Week.
BUDGET IMPACT	N/A
ATTACHMENTS	AgWeekStakeholderInvite2025.jpg 2025LeeCountyAgWeekCalendarofEvents.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Requesting that the Board Chair read and sign the proclamation, recognizing the fourth week in April as Lee County Ag Week.

SUMMARY

Our 4th Annual Lee County Ag Week theme this year is â€œSmall Farms, Big Impactsâ€ which recognizes the emergence of more and more small farms across the County, and the role these farms play in our economy, stewardship of the land, and the preservation of the rural character and agricultural heritage of our community. By recognizing the importance of small farms, while continuing to support agricultural businesses and operations of all sizes, Lee County can ensure a vibrant agricultural sector for years to come. Lee County Ag Week will officially run from April 19th-26th and feature a week packed full of educational workshops, family friendly events, speakers, hands-on demonstrations, farm tours, and much more. To commence our 2025 Ag Week, weâ€™™d like to invite the Board of Commissioners to our

kickoff breakfast (registration required) to be held on Thursday, April 17th at 8:30am at the McSwain Center located at 2420 Tramway Road, Sanford, NC 27332, as well as the Ag Week Farm Tours to be held the morning of April 23rd. Fliers for these events have been attached to this agenda item request.

KICKOFF BREAKFAST

Lee County Ag Week
Small Farms BIG IMPACTS
April 19-26, 2025

OUR THEME

Small Farms BIG IMPACTS

recognizes the emergence of more and more small farms across the County, and the role these farms play in our economy, stewardship of the land and the preservation of the rural character and agricultural heritage of our community.

By appreciating the importance of small farms, while continuing to support agricultural businesses and operations of all sizes, Lee County can ensure a vibrant agricultural sector for years to come.

PLEASE JOIN US

As our keynote speakers this year will be Hunter and Aaron Ayers, owners and operators of "Ayers Family Farm".

Thursday, April 17th
8: 30 a.m

McSwain Agricultural Center
2420 Tramway Rd
Sanford, NC 27332

STAKEHOLDER FARM TOURS

Join us for a Stakeholder Farm Tour, where you will learn firsthand about the current challenges facing small farms and how they are addressing these issues with innovation and resolve. This immersive visit will also highlight the continued importance of conservation efforts and allow attendees to gain a more in depth understanding of two very unique local agricultural operations.

Wednesday, April 23rd

We will meet at the **McSwain Center for** a light breakfast at **8:30am** and then depart directly from the office for our first tour. Lunch will be provided on site at the conclusion of our second tour at approximately **12:00pm.**

Howard Tree Farm "Wildlife Lake"

Ayers Family Farm

RSVP for Each Event by April 10th

https://go.ncsu.edu/agweek

NC COOPERATIVE EXTENSION

Lee County Ag Week

Small Farms BIG IMPACTS

April 19-26, 2025

SPONSOR AgSouth Farm Credit

Lee County Agriculture Week
Calendar of Events

GARDENING, COOKING, FARM TOURS, AND POLLINATORS!

22 APRIL — Container Gardening at Big Bloomers Flower Farm

22 APRIL — Garden to Fork: Cooking with Local Foods

22 APRIL — Southern Debutants: Camellia Care and Pruning

23 APRIL — Small Farm Tour: Blueberry Hill; Strawberry U-Pick at McNeill Farms; and Pint-Sized Pasture

REGISTER NOW

24 APRIL — Pollinator Haven Open House: Pollinator Garden Design and Bee Hotel Workshops (for Adults, Homeschoolers and Afterschoolers!)

25 APRIL — Ag Trivia at Camelback Brewing

26 APRIL — Sanford Farmers' Market and Farm Passport Program Giveaway!

MORE INFORMATION https://go.ncsu.edu/leecountyagweek

NC Cooperatives Extension is an equal opportunity provider

ITEM #: III.D

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Child Abuse Prevention Month and Shine the Light on Child Abuse

DEPARTMENT: Social Services

CONTACT PERSON: Angelina Noel, Assistant County Manager

TYPE: Action Item

REQUEST	To proclaim the month of April 2025 as Child Abuse Prevention Month in Lee County and shine the light on child abuse.
BUDGET IMPACT	N/A
ATTACHMENTS	Proclamation Child Abuse Prevention Month Blue Light.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	To proclaim the month of April 2025 as Child Abuse Prevention Month in Lee County.

SUMMARY

Partners across the state are lighting buildings blue in the month of April to show support of victims of child abuse given April is Child Abuse Prevention Month. Community partners are coming together to shine light and support this effort, including the Lee County District Attorney's Office and the Lee County Social Services and Community Support Services departments.. Attached is a proclamation proclaiming the month of April 2025 as Child Abuse Prevention month in Lee County, North Carolina, and calls upon residents to observe this month by helping and supporting families in our community.

Proclamation
Child Abuse Prevention Month and Shine a Light on Child Abuse

Whereas, children are vital to Lee County's future success, prosperity and quality of life, as well as being our most vulnerable assets; and

Whereas, all children deserve to have the safe, stable, nurturing homes and communities they need to foster their healthy growth and development; and

Whereas, child abuse and neglect is a community responsibility affecting both the current and future quality of life of a community; and

Whereas, the Lee County Board of County Commissioners supports the victims of child abuse and its staff works tirelessly to provide resources to victims of child abuse; and

Whereas, effective child abuse prevention strategies succeed because of partnerships created among citizens, human service agencies, schools, faith communities, health care providers, civic organizations, law enforcement agencies and the business community; and

Whereas, Children's Advocacy Centers of North Carolina is requesting partners across the State of North Carolina to light their buildings blue in the month of April to show support of victims of child abuse.

Now, therefore be it resolved, that the Lee County Board of Commissioners proclaim the month of April 2025 as Child Abuse Prevention Month in Lee County, North Carolina, and call upon residents to observe this month by helping and supporting families in our community, thereby preventing child abuse and supporting victims of child abuse and to shine a blue light at the Lee County Historic Courthouse to show its commitment to victims of child abuse.

Adopted this the 7th day of April, 2025.

____
Kirk D. Smith, Chair Lee County Board of Commissioners

____
Hailey Hall, Clerk to the Board

ITEM #: VI.A

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: Major Subdivision Preliminary Plat

DEPARTMENT: Planning

CONTACT PERSON: Amy McNeill, Senior Planner

TYPE: Action Item

REQUEST	Consideration of a preliminary plat for a major residential subdivision off of Sheriff Watson Road.
BUDGET IMPACT	N/A
ATTACHMENTS	LCC Report w. Attachments & Pages.pdf
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Consider Planning Board Recommendation and Vote.

SUMMARY

Copper Ridge Development, LLC is seeking approval of a preliminary plat for River Falls, a 101-lot residential single-family home subdivision off of Sheriff Watson Road that would be served by public roads, public water, and private septic systems.

EnerGov Case #: ______________________ Subdivision File: LMS-103 NO FEE

SANFORD / LEE COUNTY / BROADWAY

MAJOR SUBDIVISION APPLICATION

115 Chatham Street, Sanford, NC 27330 919.718.4656 zoning@sanfordnc.net

Subdivisions within the City of Sanford (and ETJ): For all major subdivisions within the City of Sanford (and ETJ), major subdivision preliminary plats are reviewed at staff level through the Technical Review Committee (TRC).

Subdivision within Lee County: For all major subdivisions within Lee County, the Lee County Planning Board and Board of Commissioners must review and approve preliminary plats *after* the civil plan set is approved by the TRC.

Subdivisions within the Town of Broadway (and ETJ): For all major subdivisions within the Town of Broadway (and ETJ), the Broadway Planning Board and Broadway Town Commissioners must review and approve preliminary plats *after* the civil plan set is approved by the TRC.

This application must be completed and submitted to the Department of Community Development prior to being placed on the appropriate jurisdiction's Planning Board agenda. If a plat is to be submitted in two or more phases, a Master Plan shall be submitted which shows the preliminary plat for the entire subdivision.

A preliminary plat shall not be placed on any jurisdiction's Planning Board agenda until it has been deemed complete by the Department of Community Development staff. No final plat shall be approved until a preliminary plat has been approved by the appropriate jurisdiction's Planning Board and governing board.

Application Deadline: 1st Business Day of each month at 12:00PM (noon)

Meeting Dates: TRC meets on the last Thursday of each month at 9AM (subject to change for holidays)

Lee County Planning Board meets on the 3rd Monday of each month at 6PM, if needed.

Broadway Planning Board meets on the last Monday of each month at 6PM, if needed.

Submit this application and any required supplemental documents via email to: zoning@sanfordnc.net

Jurisdiction: ☐ Sanford, including ETJ ☒ Lee County ☐ Broadway, including ETJ

Subdivision Name: River Falls

Address / Location of Subdivision: Intersection of Sheriff Watson Rd and River Falls Rd

Parcel ID / Tax ID: 9650-41-2026-00 **Total Acreage:** 132 **Zoning:** RA

Total Number of Lots: 101 **Minimum Lot Size:** 40,000 **Smallest Lot Size:** 40,000

Utilities: ☐ Existing ☐ Private Well ☒ Private Septic System

☒ Proposed ☒ Public Water Supply ☐ Public Sanitary Sewer

Streets: ☐ Existing ☐ Public Street (City Maintained)

Linear Feet of New Street: 7,385 ☒ Proposed ☒ Public Street (NCDOT Maintained)

Project Description: A single family residential subdivision with 101 lots. The average lot size is 44,200 SF. The percent open space is 14.3.

The homes will be served by City of Sanford Water and private septic systems.

The roads will be maintained by NCDOT.

Property Owner(s) The legal property owner(s) as of the date of submittal.

Name: Copper Ridge Development LLC

Mailing Address: PO Box 2825 Sanford, NC 27331

Phone: (919) 770-2554 Email: vgrocejr@grocecompanies.com

Name:

Mailing Address:

Phone: Email:

Name:

Mailing Address:

Phone: Email:

Contact Person / Applicant The person/company submitting the preliminary plat application.

Name: Van Groce Jr.

Mailing Address: PO Box 2825 Sanford, NC 27331

Phone: (919) 770-2554 Email: vgrocejr@grocecompanies.com

VAN R. GROCE, JR VcR GJr 12/19/2024

Applicant (print & sign) Date

STAFF USE ONLY

Jurisdiction: ☐ City of Sanford ☒ Lee County ☐ Town of Broadway

Date Received: 12-19-2024 Subdivision File #: LMS-103

Planning Board Meeting Date: 3-17-2025 EnerGov File #:

Staff Signature & Title: Planner II

Notes:

Submittal: ☒ Complete ☐ Incomplete

HAL OWEN & ASSOCIATES, INC.

SOIL & ENVIRONMENTAL SCIENTISTS
P.O. Box 400, Lillington NC 27546-0400
Phone (910) 893-8743 / Fax (910) 893-3594
www.halowensoil.com

26 July 2024

Van Groce

Reference: Comprehensive Soil Investigation
River Falls Subdivision, Sanford NC (Lots 42-128)
PIN 9559-39-4946

Dear Mr. Groce,

A comprehensive soil investigation has been conducted at the above referenced property, located on the eastern side of Sheriff Watson Road (SR 1162) in Lee County, North Carolina. The purpose of the investigation was to determine each lot's ability to support a subsurface wastewater dispersal system and repair area for a typical three- or four-bedroom residence. It is our understanding that individual wastewater systems and public water supplies will be utilized at the site.

All sewage disposal ratings and determinations were made in accordance with the Rules for "Wastewater Treatment and Dispersal Systems", 15A NCAC 18E. This report represents my professional opinion as a Licensed Soil Scientist but does not guarantee or represent permit approval for any lot by the Local Health Department. An application for an approved wastewater system shall be made to the Local Health Department that specifies the proposed building size and location and the design and location of the septic system to be installed.

Each lot appears to contain sufficient amounts of usable soil to accommodate conventional septic disposal systems and 100% repair areas of three- or four-bedroom residences. The attached Soil Suitability Map shows the differing soils for each lot.

The soils shown as suitable have subsoil textures ranging from friable sandy clay loam to firm clay between 20 and 36 inches below land surface. Limiting factors, including soil wetness conditions, were not observed within 36 inches of the surface. Inclusions of areas that rate as suitable for modified systems were observed within this area and exhibited soil wetness conditions at 26 inches or deeper. These suitable soils appear capable of supporting long term acceptance rates of 0.3 to 0.5 gal/day/sqft.

The soils shown as suitable for low profile chamber systems were observed to range from friable sandy clay loams to firm clay loams between 18 and 25 inches below land surface. Soil wetness conditions were observed at 20 inches or deeper. These soils appear capable of supporting long term acceptance rates of 0.4 to 0.45 gal/day/sqft.

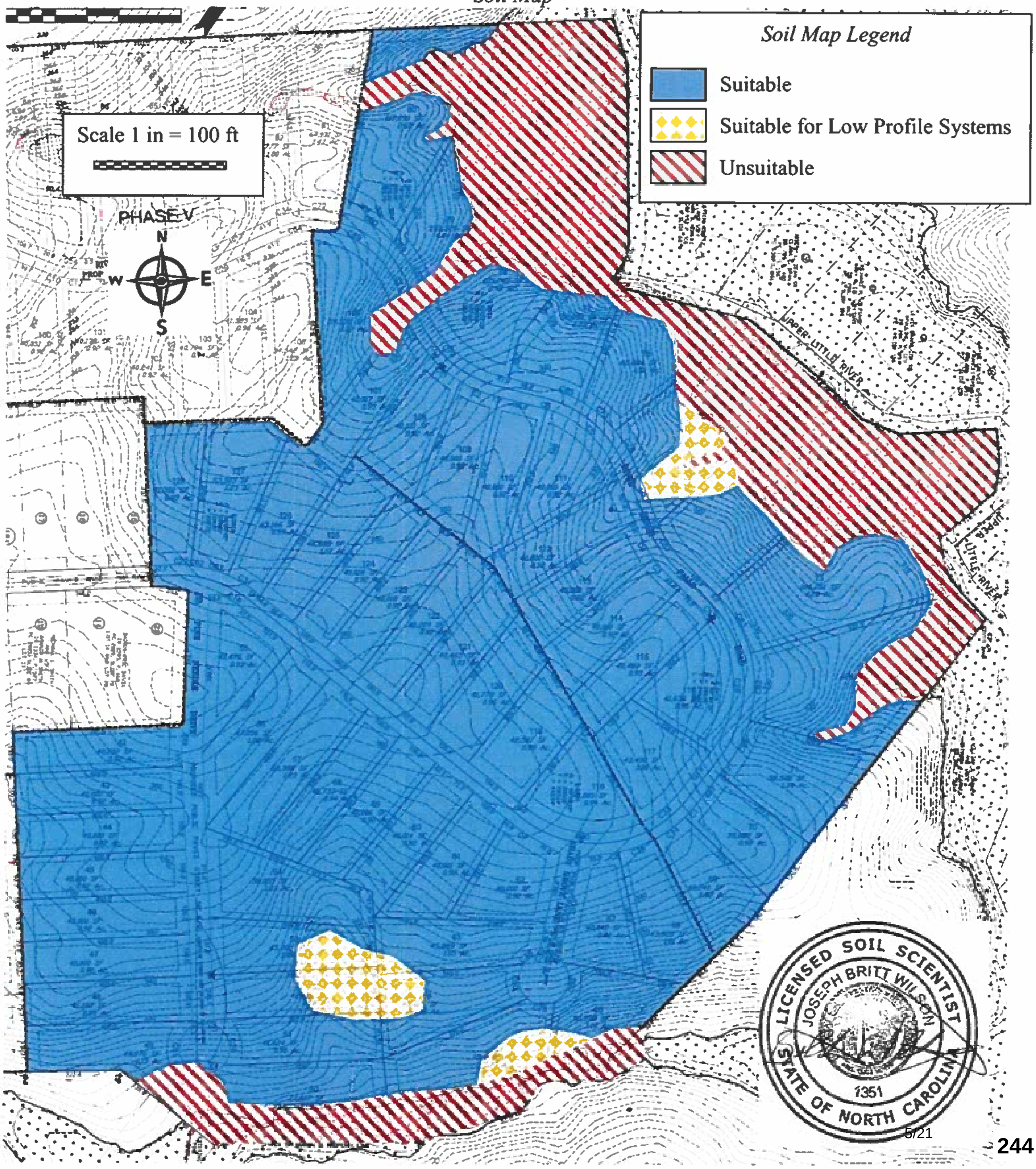
This soil investigation report, when provided to the Lee County Health Department, should allow them to approve the mylars for recordation. I appreciate the opportunity to provide this service and hope to be allowed to assist you again in the future. If you have any questions or need additional information, please contact me at your convenience.

Sincerely,

Britt Wilson
Licensed Soil Scientist

Comprehensive Soil Investigation
River Falls Subdivision, Sanford NC (Lots 42-128)
26 July 2024

Soil Map



RIVER FALLS SUBDIVISION

SANFORD, NC 27330

PROJECT:
RIVER FALLS SUBDIVISION

GREENWOOD TOWNSHIP
LEE COUNTY NORTH CAROLINA
AUGUST 30, 2024

OWNER:
COPPER RIDGE DEVELOPMENT LLC
PO BOX 2626
SANFORD, NC 27331

SITE AREA: ±132 Ac

PARCEL PIN NO. 9650-41-2026-00

REFERENCES:
DB 1211, P.240

ZONING: RA
FRONT = 30'
BACK = 30'
SIDE = 10'
MIN. LOT WIDTH 100' AT SETBACK
MIN. LOT WIDTH CUL DE SAC: 60' AT SETBACK
MIN. LOT AREA SIZE: 40,000 SQ. FT.

SITE DATA:

NUMBER OF LOTS 101
SMALLEST LOT SIZE 40,000 sq ft
AVERAGE LOT SIZE 43,288 sq ft
LOTS PER ACRE = 0.765 PROPOSED 1.0 LOT/Ac ALLOWED

PROJECT PHASES
PHASE IV 13 LOTS
PHASE V 28 LOTS
PHASE VI 60 LOTS

OPEN SPACES

OS-1	10.45 Ac
OS-2	6.83 Ac
OS-1	1.07 Ac
OS-2	0.46 Ac
TOTAL OPEN SPACE	18.84 Ac

PERCENT OPEN SPACE = 18.84 Ac / 132 Ac = 14.3 %

2/12/2025

DISTURBED AREA: XX Ac ±

EXISTING IMPERVIOUS AREA
ALL THE SITE IS PERVIOUS
EXISTING PERCENT IMPERVIOUS = 0%

PROPOSED IMPERVIOUS AREA:

HOUSES & DRIVEWAYS	101 x 6,000 SF =	606,000 SF	13.91 Ac
MAIL KIOSK AREA		8,000 SF	0.18 Ac
ROAD PAVEMENT		165,528 SF	3.80 Ac
TOTAL SITE IMPERVIOUS		662,066 SF	17.89 Ac

PERCENT IMPERVIOUS = 17.89 Ac / 132 Ac = 13.46 % LOW DENSITY PROJECT

LINEAR FOOTAGE

	STREET	WATER
RIVER FALLS RD	5,120 LF	5,120 LF
OLD FARM RD	830 LF	980 LF
PINE NEEDLE RD	1,000 LF	1,240 LF
SHADY LN	330 LF	540 LF
TOTAL	7,280 LF	7,880 LF

11/27/2024

SEWAGE SEPTIC SYSTEMS
WATER CITY OF SANFORD

DRAINAGE AND UTILITY EASEMENTS:
- 10' TOTAL ALL INTERIOR LOT LINES
- 10' ALONG R/W
- 15' ALONG EXISTING DRAINAGE WAYS.

STREET LIGHTS
1. SPACING ALONG PUBLIC RIGHTS-OF-WAY SHALL BE DETERMINED BY THE APPROPRIATE UTILITY PROVIDER.
2. THE HEIGHT OF STREETLIGHT FIXTURES SHALL BE 14 VERTICAL FEET.
3. STREETLIGHT FIXTURES SHALL NOT PRODUCE DIRECT LIGHT INTO ADJACENT PROPERTIES.
4. STREETLIGHTS ALONG RESIDENTIAL STREETS SHALL UTILIZE "OPEN TRADITIONAL" DESIGN ON A BLACK FINISHED, TYPE "A" FIBERGLASS POLE AS PROVIDED BY DUKE ENERGY OR AN EQUIVALENT UTILITY PROVIDER.

NOTES:

1) BOUNDARY FROM PRELIMINARY SURVEY THOMAS J. MATTHEWS PROFESSIONAL LAND SURVEYING

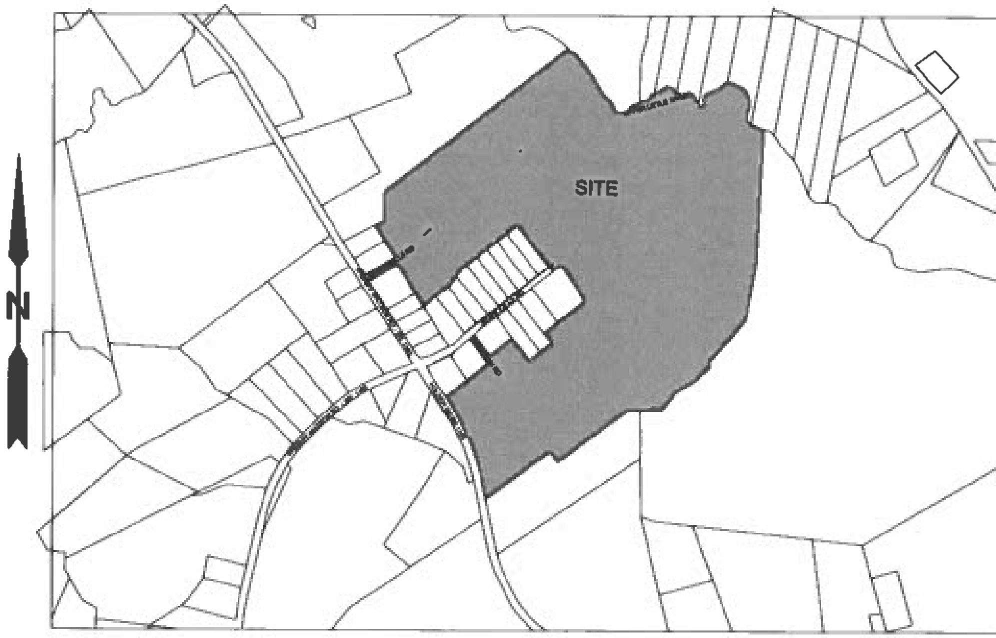
2) SITE TOPO FROM NC SPATIAL WEBSITE.

3) FLOOD ZONE: AE FLOOD RISK AS PER MAP 3710965000J DATE 9/6/06

3) WETLANDS DELINEATED BY HAL OWEN AND ASSOCIATES AND LOCATED BY THOMAS J. MATTHEWS PROFESSIONAL LAND SURVEYING AS SHOWN ON PLANS.

4) NOT IN A WATERSHED

811
Know what's below.
Call before you dig.

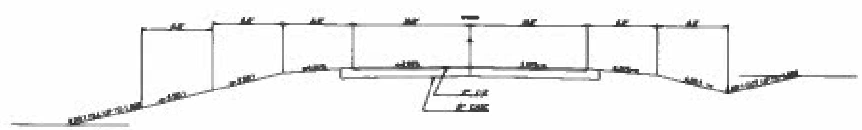


VICINITY MAP - NTS

INDEX

PERMITS

AGENCY	PERMIT NUMBER	DATE
TECHNICAL REVIEW COMMITTEE	APPROVED	12/8/2024
NCDOT ENCROACHMENT		
NCDOT DRIVEWAY		
PUBLIC WATER SUPPLY		
NCDEQ - LAND QUALITY		



For Lee County Board 12/19/2024

REVISIONS:
11/27/2024 OPEN SPACE & RD LENGTH
6/21

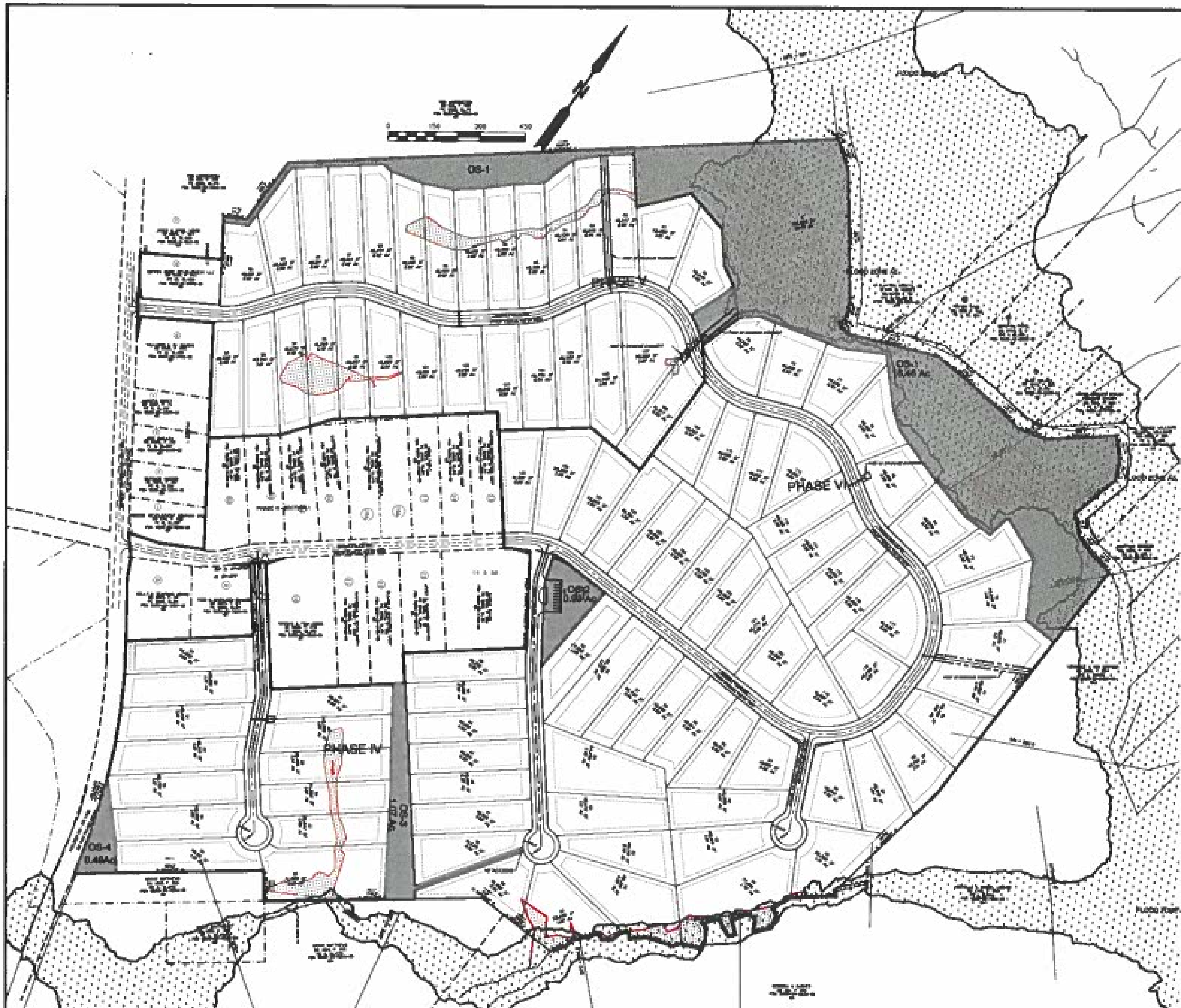
KEN BRIGHT ASSOCIATES PLLC
P-0781
CONSULTING ENGINEERS
P.O. BOX 533 2305 CARTHAGE ST.
SANFORD, NC 27331
PHONE: (919) 776-3444
e-mail: kenbright@kenbrightengineering.com
www.kenbrightengineering.com

CONTACT:
MR. VAN GROCE
1504 S Horner Blvd
Sanford, NC 27330
(919) 775-1487

DATE: 11-27-2024
SCALE:
RIVER FALLS SUBDIVISION
COVER

C0

FILE:



WETLANDS

CENTERLINE OF BRANCH		
B1	S21°40'17"W	15.00'
B2	S49°39'16"E	20.46'
B3	S52°39'02"W	149.04'
B4	S24°03'30"W	68.19'
B5	S59°36'44"E	29.31'
B6	S12°11'13"E	41.20'
B7	S41°41'25"W	60.98'
B8	N26°36'55"W	42.85'
B9	S86°00'00"W	29.84'
B10	S37°19'30"W	56.60'
B11	S51°24'53"E	51.18'
B12	S41°15'14"W	24.75'
B13	N65°58'13"W	68.39'
B14	S37°49'34"W	58.19'
B15	S74°36'43"E	21.46'
B16	S29°14'45"E	41.37'
B17	S20°11'38"E	27.95'
B18	S88°25'48"W	68.65'
B19	S36°16'51"W	22.87'
B21	S73°25'14"W	88.56'
B20	S50°20'52"W	57.63'
B22	N37°55'21"W	21.50'
B23	S58°59'22"W	21.85'
B24	S16°28'16"W	42.22'
B25	S58°26'47"W	36.28'
B26	N62°45'03"W	21.83'
B27	S40°19'28"W	87.08'
B28	S11°23'28"W	31.61'
B29	S41°22'04"W	34.51'
B30	S28°33'37"W	17.00'

For Lee County Board 12/19/2024

DATE: 11-27-2024 SCALE:

RIVER FALLS SUBDIVISION

PRELIMINARY PLAT - OVERALL

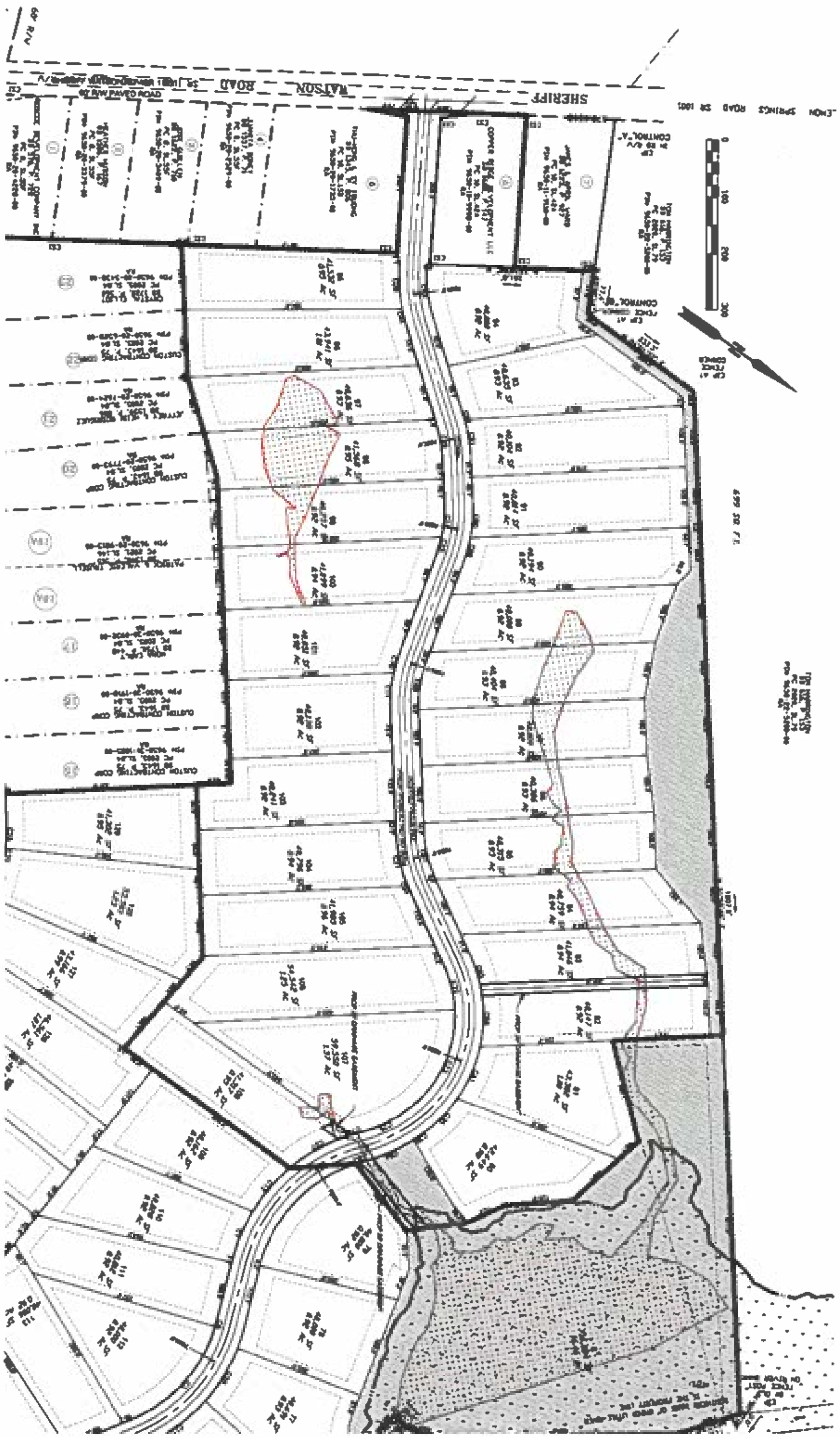
CONTACT:

KEN BRIGHT ASSOCIATES PLLC

REVISIONS:

C3.0

FILE:



MATCHLINE SHEET C3.2

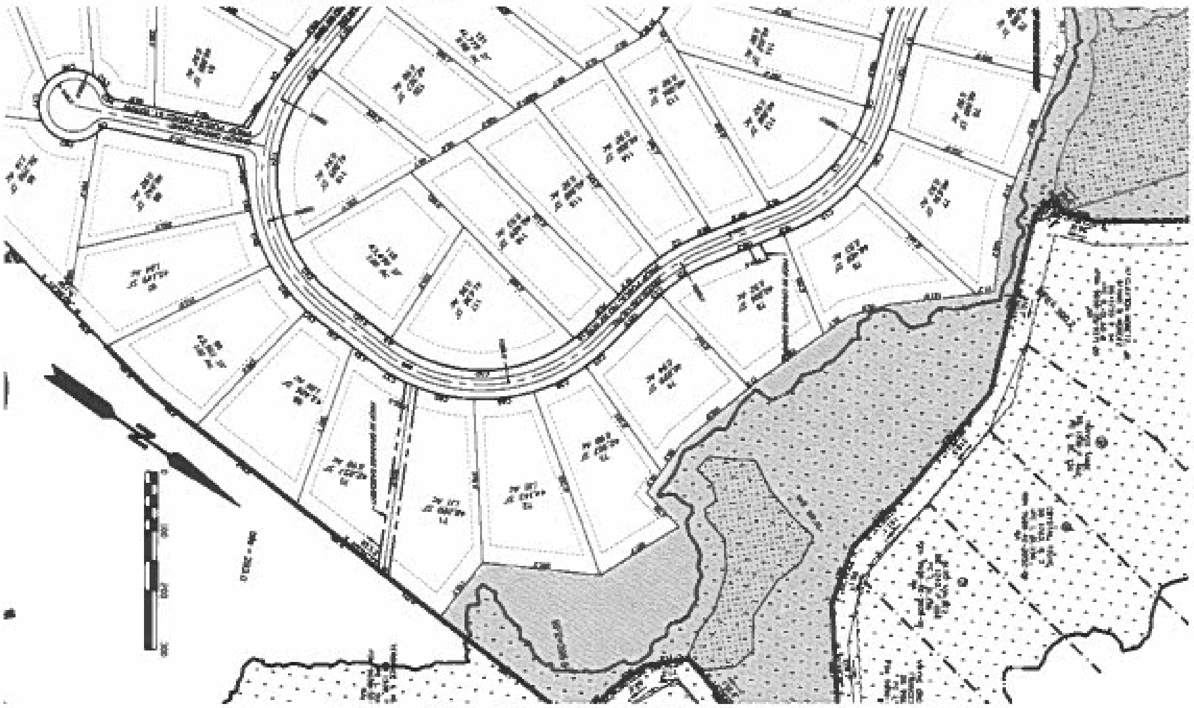
For Lee County Board 12/19/2024

WETLANDS

FILE:	C3.1	DATE: 11-27-2024 SCALE:	CONTACT:	THESE DRAWINGS AND RELATED DOCUMENTS ARE INSTRUMENTS OF SERVICE AND AS SUCH, ARE THE PROPERTY OF KEN BRIGHT ASSOCIATES, PLLC. THEY SHALL NOT BE USED, ALTERED, OR REPRODUCED WITHOUT THEIR WRITTEN CONSENT.	KEN BRIGHT ASSOCIATES PLLC P-0781 CONSULTING ENGINEERS P.O. BOX 553 2305 CARTHAGE ST. SANFORD, NC 27331 PHONE: (919) 776-3444	REVISIONS: 11/27/2024 OPEN SPACE & RD LENGTH
		RIVER FALLS SUBDIVISION ***PRELIMINARY PLAT - DETAILED 1 OF 3***	MR. VAN GROCE 1604 B Horner Blvd Sanford, NC 27330 (919) 775-1487			8/21

MATCHLINE SHEET C3.3

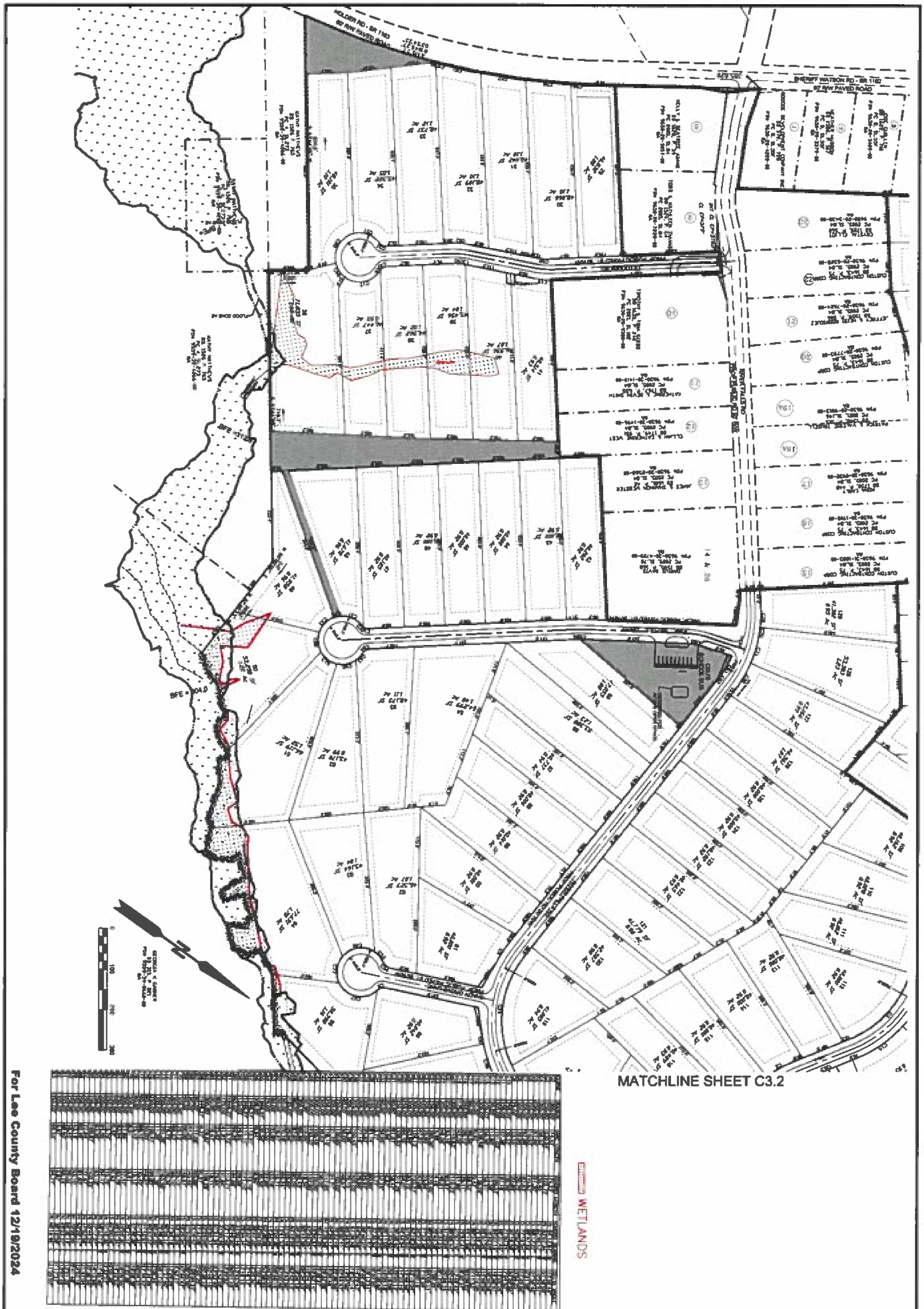
MATCHLINE SHEET C3.1



WETLANDS

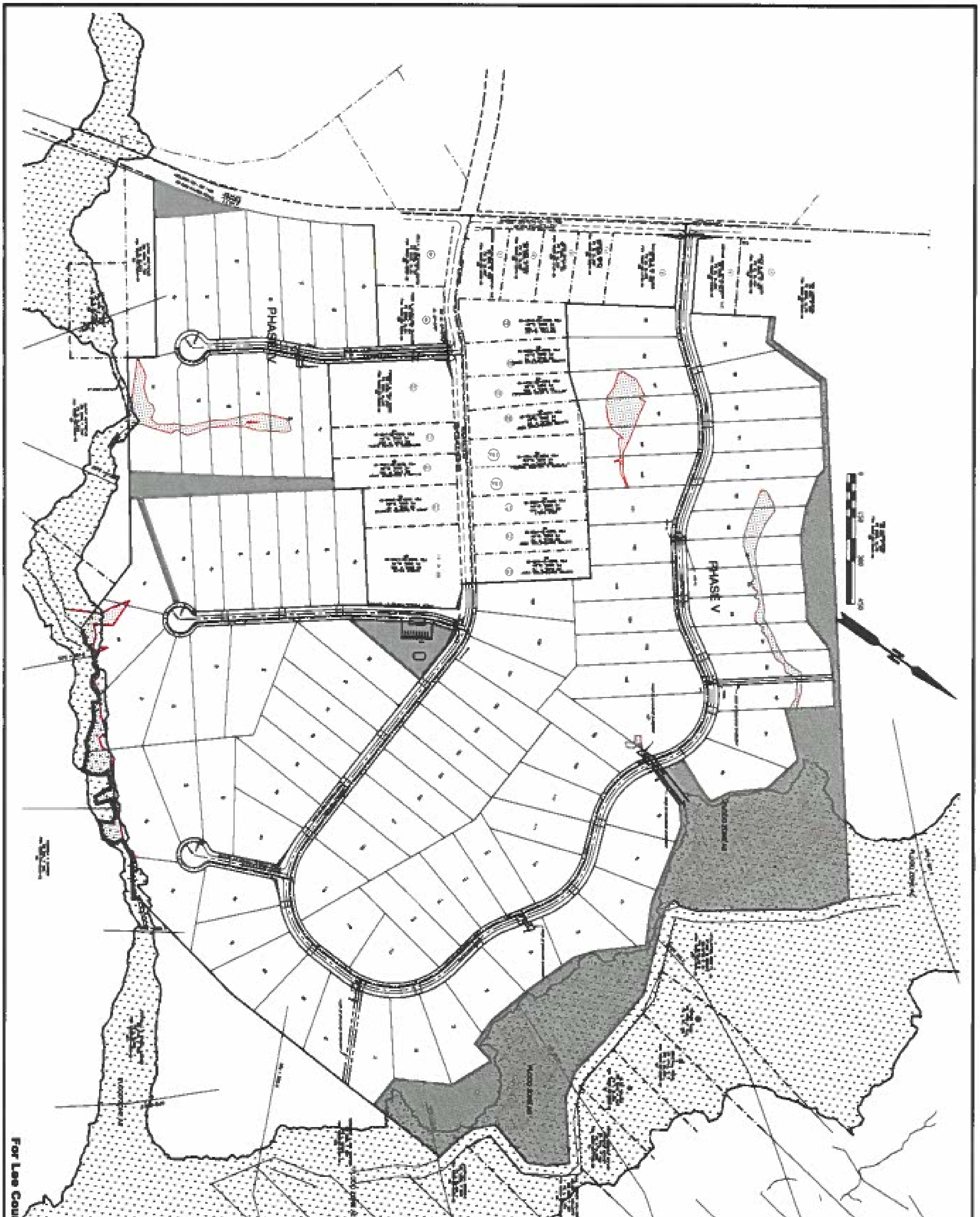
For Lee County Board 12/19/2024

FILE:	C3.2	DATE: 11-27-2024 SCALE:	CONTACT:		KEN BRIGHT ASSOCIATES PLLC		REVISIONS
		RIVER FALLS SUBDIVISION	MR. VAN GROCE		P-0781		11/21/2024 OPEN SPACE & RD LENGTH
		PRELIMINARY PLAT - DETAILED2 OF 3			CONSULTING ENGINEERS		
					P.O. BOX 553 2305 CARTHAGE ST.		
					SANFORD, NC 27331		
					PHONE: (919) 776-3444		



FILE:	C3.3	DATE: 11-27-2024 SCALE: RIVER FALLS SUBDIVISION PRELIMINARY PLAT - DETAILED 3 OF 3	CONTACT: MR. VAN GROCE 1504 S Horner Blvd Sanford, NC 27330	KEN BRIGHT ASSOCIATES PLLC P-0781 CONSULTING ENGINEERS P.O. BOX 553 2305 CARTHAGE ST. SANFORD, NC 27331 PHONE: (919) 776-3444	REVISIONS: 11/27/2024 OPEN SPACE & RD LENGTH

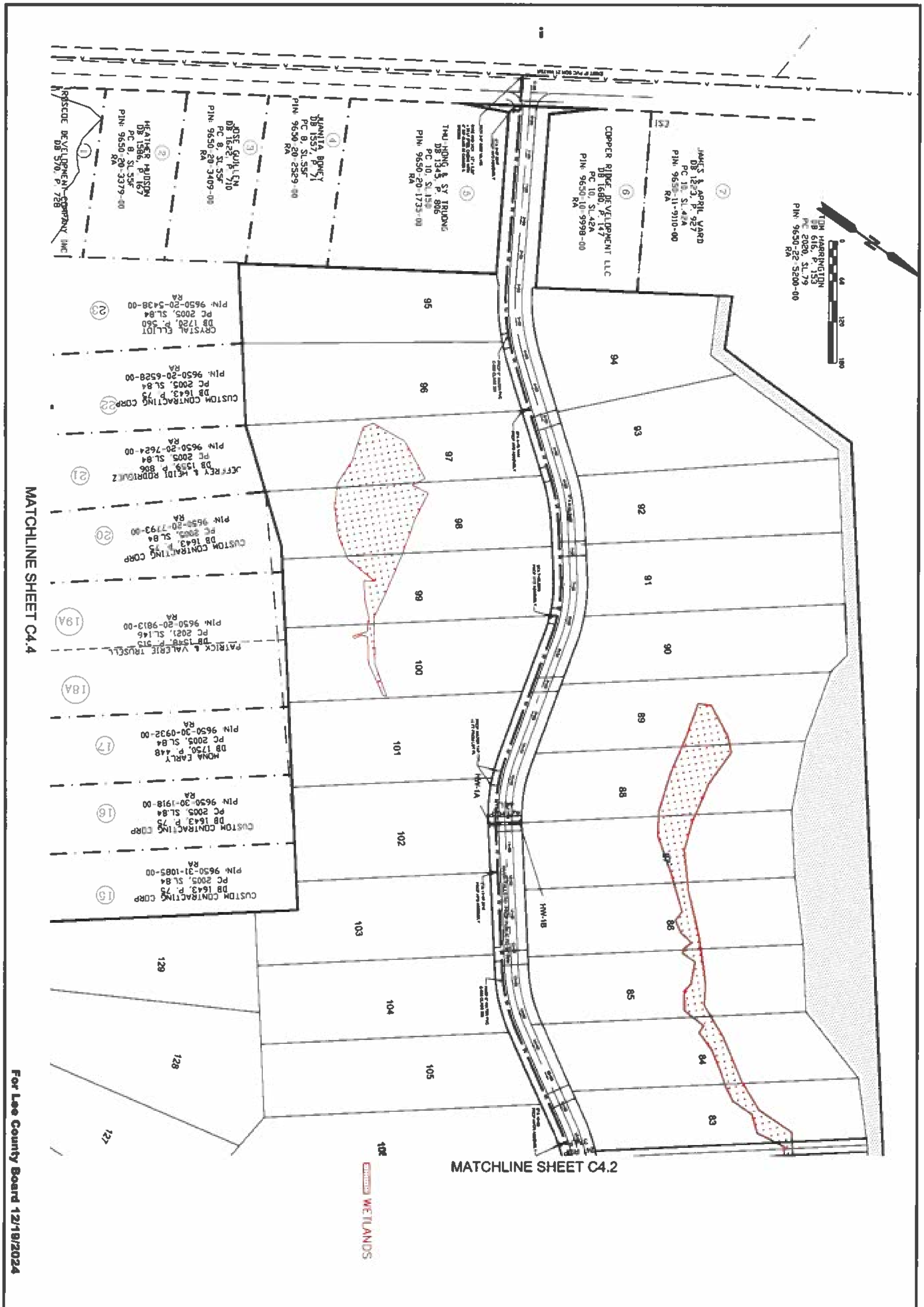
10/21



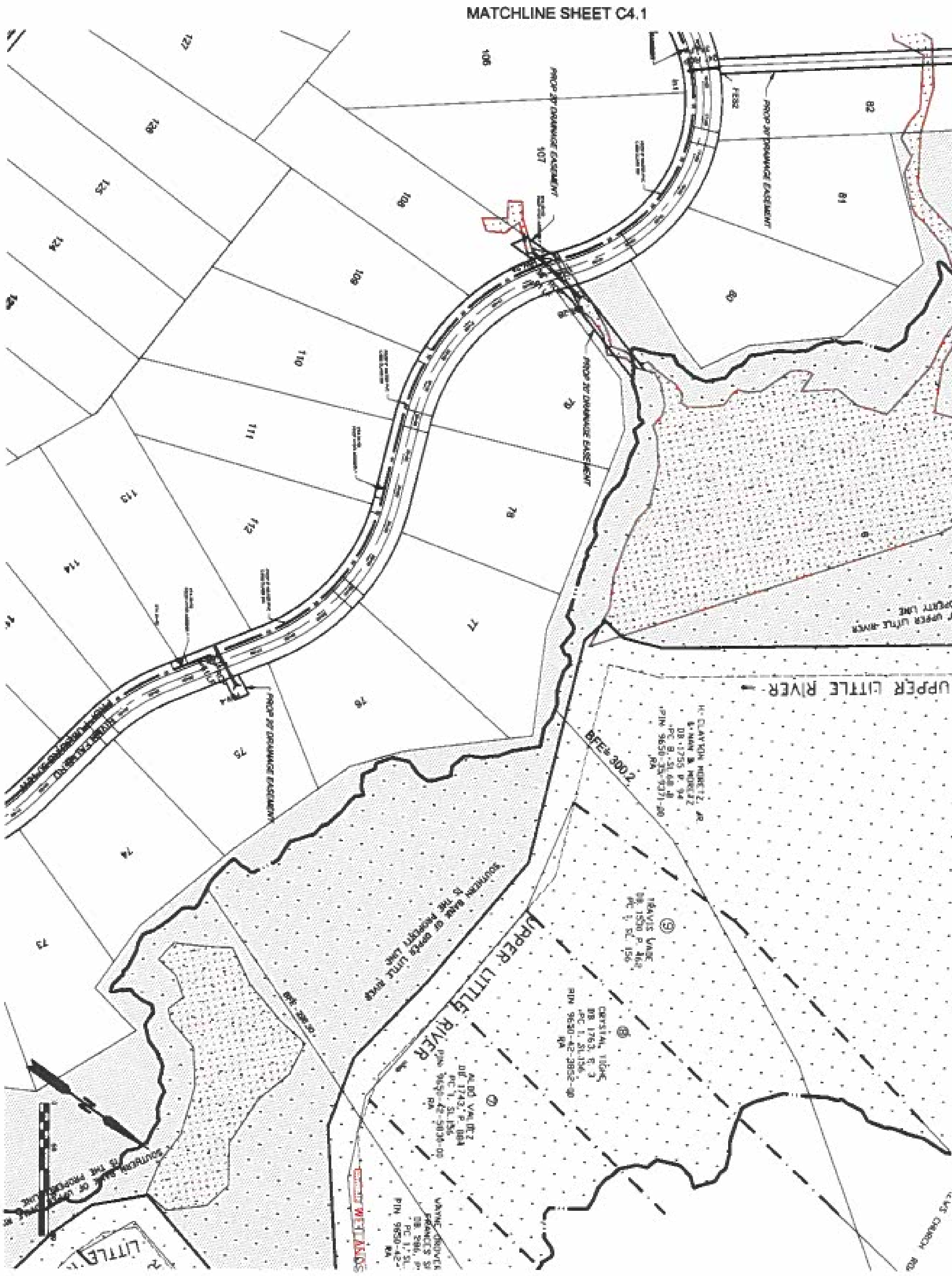
WETLANDS

For Lee County Board 12/19/2024

FILE:	C4	DATE: 11-27-2024 SCALE:	CONTACT:		KEN BRIGHT ASSOCIATES PLLC	REVISIONS:
		RIVER FALLS SUBDIVISION	MR. VAN DROCE		CONSULTING ENGINEERS	WATER, CUL DE SAC
		UTILITY PLAN - OVERALL	(919) 776-1487		P.O. BOX 553 2305 CARTHAGE ST.	11/21
					SANFORD, NC 27331	
					PHONE: (919) 776-3444	



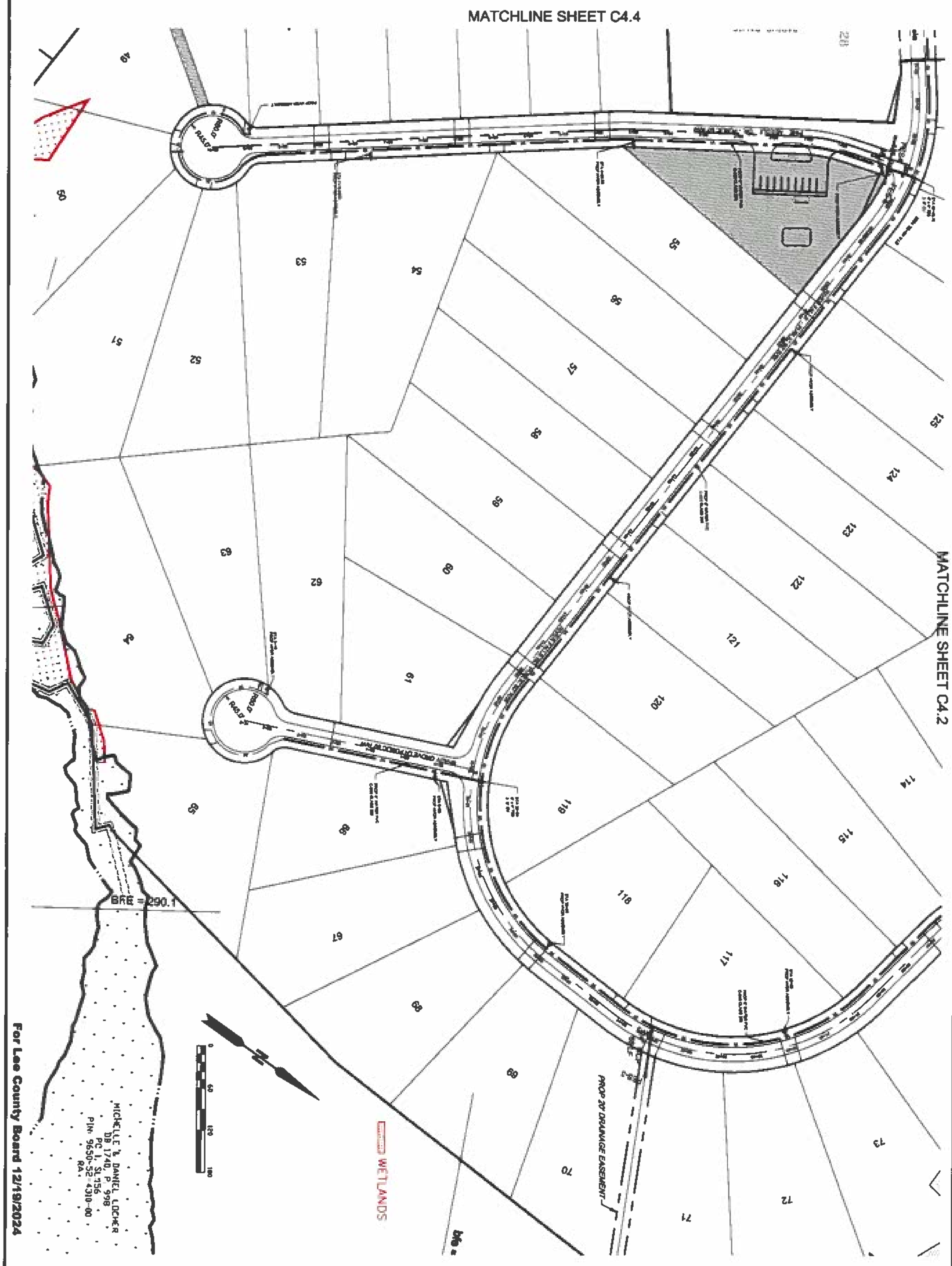
FILE:	C4.1	DATE: 11-27-2024 SCALE:	CONTACT:		KEN BRIGHT ASSOCIATES PLLC	REVISIONS:
		RIVER FALLS SUBDIVISION UTILITY PLAN - DETAILED 1 OF 4	MR. VAN GROCE 1904 S Horner Blvd Sanford, NC 27330 (919) 775-1487	THESE DRAWINGS AND RELATED DOCUMENTS ARE INSTRUMENTS OF SERVICE AND AS SUCH, ARE THE PROPERTY OF KEN BRIGHT ASSOCIATES, PLLC. THEY SHALL NOT BE USED, ALTERED, OR REPRODUCED WITHOUT THEIR WRITTEN CONSENT. © KEN BRIGHT ASSOCIATES, PLLC	P-0781 CONSULTING ENGINEERS P.O. BOX 553 2305 CARTHAGE ST. SANFORD, NC 27331 PHONE: (919) 776-3444 e-mail: kenbright@kenbrightengineering.com www.kenbrightengineering.com	11/27/2024 WATER CUL DE SAC 12/21



For Lee County Board 12/19/2024

FILE:	C4.2	DATE: 11-27-2024 SCALE: RIVER FALLS SUBDIVISION UTILITY PLAN - DETAILED2 OF 4	CONTACT: MR. VAN GROCE	KEN BRIGHT ASSOCIATES PLLC P-0781 CONSULTING ENGINEERS P.O. BOX 553 2305 CARTHAGE ST. SANFORD, NC 27331	REVISIONS: WATER CUL DE SAC

13/21



FILE:

C4.3

DATE: 11-27-2024 SCALE:

RIVER FALLS SUBDIVISION

UTILITY PLAN - DETAILED 3 OF 4

CONTACT:

MR. VAN GROCE
1904 S Horner Blvd
Sanford, NC 27330
(919) 775-1487

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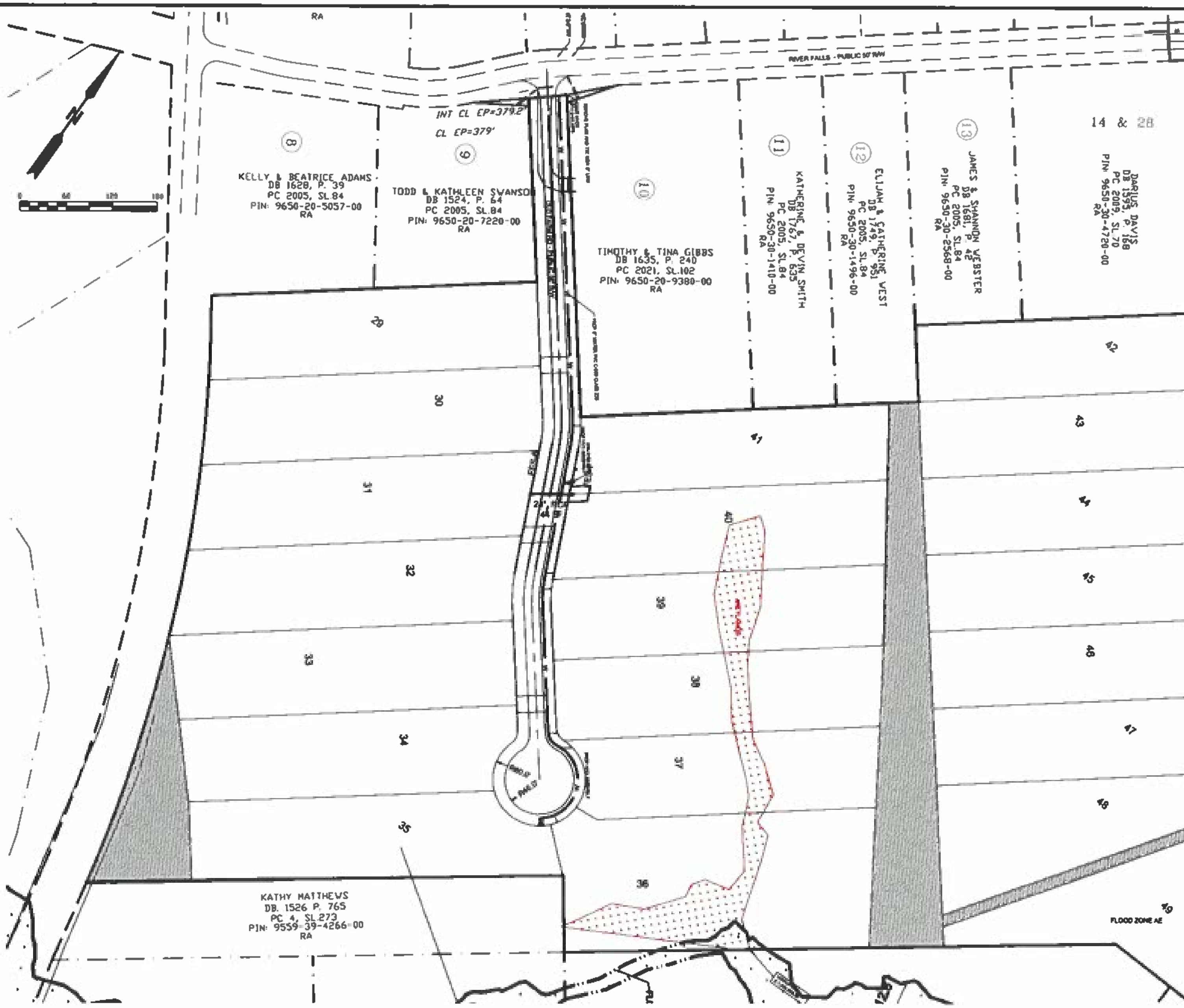
14/21



For Lee County Board 12/19/2024

DATE:	11-27-2024
SCALE:	
	RIVER FALLS SUBDIVISION
	UTILITY PLAN - DETAILED 4 OF 4
CONTACT:	MR. VAN GROCE 1804 S Horner Blvd Sanford, NC 27330 (919) 776-1497

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e-mail: kenbright@kenbrightengineering.com
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REVISIONS:
11/27/2024 WATER CUL-DE-SAC

C4.4

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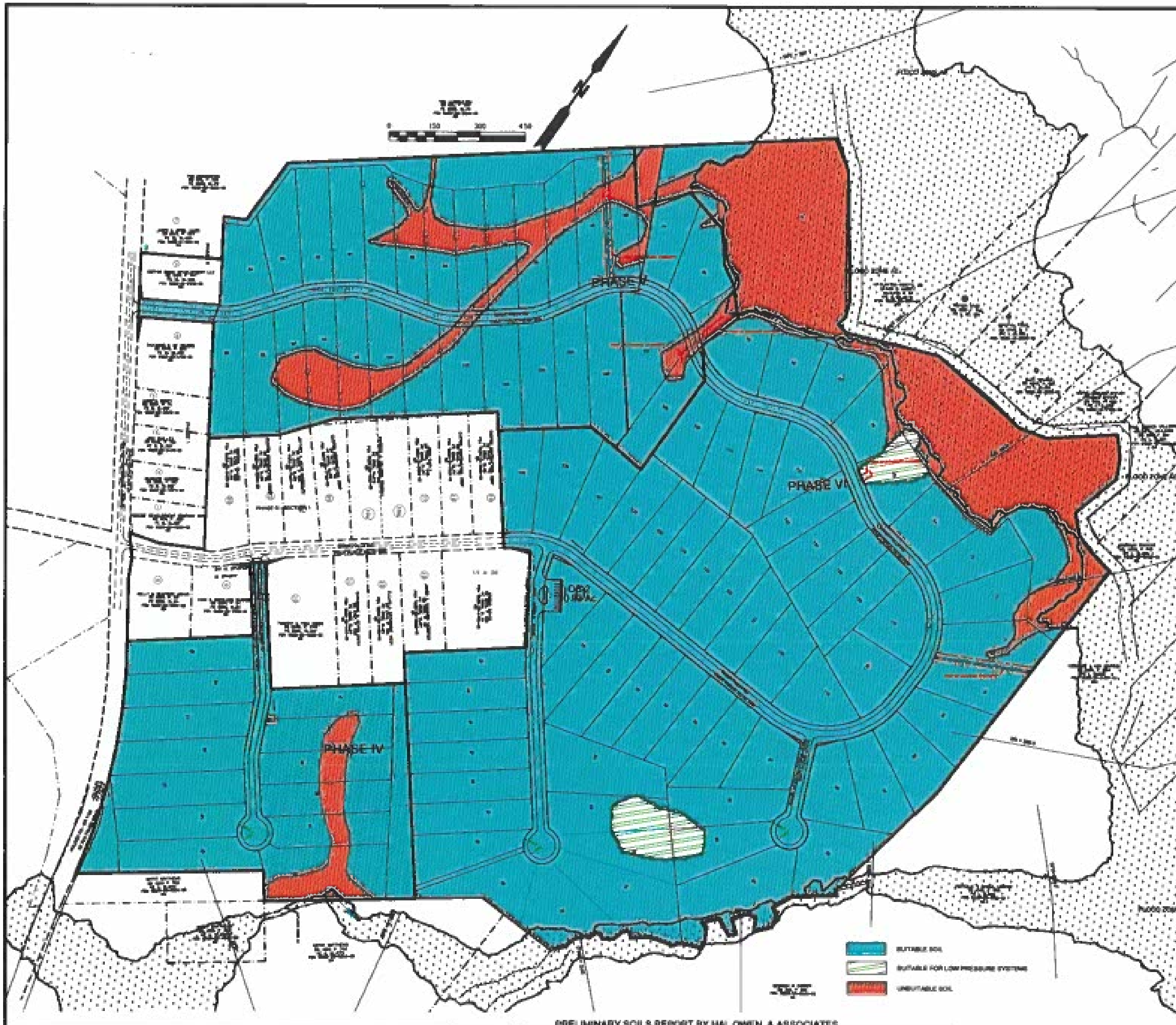


For Lee County Board 12/19/2024

DATE: 11-27-2024 SCALE:

RIVER FALLS SUBDIVISION

PRELIMINARY SOILS MAP

CONTACT:

KEN BRIGHT ASSOCIATES PLLC

CONSULTING ENGINEERS

REVISIONS:

C7.0

FILE:

LEE COUNTY
BOARD OF COMMISSIONERS STAFF REPORT
April 7th, 2025
RIVER FALLS SUBDIVISION
PRELIMINARY PLAT

Planning Board Recommendation:
The Planning Board met on Monday, March 17th and recommended that the Board of Commissioners approve the preliminary plat for the River Falls Subdivision by a unanimous vote.

Introduction

This proposal is for a single-family home residential subdivision served by public water, individual private septic systems, and public roads off of Sheriff Watson Rd. (SR1162) and Holder Rd. (SR1163) in southeastern Lee County. The development of this location was reviewed by the Lee County Planning Board on September 16th, 2021.

Location:	0 Sheriff Watson Road (At intersection of Sheriff Watson and Holder Rd)
Property Owner:	Copper Ridge Development, LLC.
Property Developer:	Copper Ridge Development, LLC.
Project Engineer:	Ken Bright Associates, PLLC.
Township:	Greenwood
Tax Parcel:	9650-41-2026-00
Tax Maps:	9650.03
Zoning:	Residential Agricultural (RA)
Total Lots:	101
Open Space:	18.95 acres
Acreage:	132 +/- acres
Minimum Lot Size:	40,000sf or 0.92 of an acre
Smallest Lot:	40,000sf or 0.92 of an acre
Largest Lot:	77,691sf or 1.79 acres
Street:	Public streets with a 50ft right-of-way width, NCDOT
Water:	Public water, TriRiver Water
Sewer:	Private individual on-site septic systems
Fire District:	Lemon Springs Fire District, per GIS
Schools:	J. Glenn Edwards Elementary |SanLee Middle | Southern Lee High School

Request

Copper Ridge Development, LLC is seeking approval of a preliminary plat to create a 101-lot major residential subdivision for single-family detached homes. Development known as River Falls Subdivision is intended to be served by public water and private septic systems. A soil report, prepared by Hal Own & Associates, Inc., is included as an attachment for your review, detailing the extent of suitable soils for private, on-site septic systems on the parent tract. The development also features a centralized internal mail kiosk location for USPS delivery and pickup, which may also serve as a school bus stop. The proposal also includes over 7,385 linear feet of new roads, intended to be maintained by NCDOT.

Zoning District Information

Current Zoning: The subject property is zoned Residential Agricultural (RA), which is established to provide areas for low-density single-family uses low intensity agricultural operations as well as agri-business and supportive industrial and commercial uses. Industrial operations are not permitted unless they clearly support an agricultural use. RA zoning protects and preserves valuable agricultural areas, implements agricultural protection zoning, establishes performance standards for rural businesses, preserves rural areas, preserves pasture land and agriculture, sets maximum permissible densities or new zoning districts, defines specific areas for rural commercial uses, and identifies areas appropriate for agricultural preservation.

RA Zoning District Standards:

- The minimum lot width is 100ft.
- The minimum lot size of 40,000sf.
- The maximum building height is 40ft.
- The minimum building setbacks for a principal structure or house is as follows:
    - Front: 30 feet, as measured from the right-of-way line of the public street
    - Rear: 30 feet, measured from the rear property line
    - Side(s): 15 feet, measured from the side property lines
- For cul-de-sac lots, the standards are:
    - Minimum street frontage of 35ft;
    - Minimum lot width of 50ft at the building line;
    - A lot area equal to or greater than the minimum lot area.

Adjoining Zoning

North:	Residential Agricultural (RA)
South:	Residential Agricultural (RA)
East:	Residential Agricultural (RA)
West:	Residential Agricultural (RA)

Overlay Districts

The subject property does not appear to be located within any overlay districts, such as a Watershed Conservation Overlay District, according to GIS.

There is 100-year floodplain with non-encroachment area along the northeastern and southeastern property lines associated with Upper Little River and Upper Little River Tributary 1. Most of the floodplain is included in the common open space (OS-1); however, lots 36, 50, 51, 64, and 65 do have floodplain along the rear property lines. Any/all land disturbing activities and development in the floodplain must comply with the local floodplain regulations.

The following is a general note included with all rezoning requests: Sanford, Lee County, and Broadway do not have local grading permits and rely on the NC Department of Environmental Quality to regulate land disturbing activities. For questions or concerns regarding land disturbing activities, contact the NC Division of Energy, Mineral, and Land Resources Sediment Program at 1612 Mail Service Center, Raleigh, NC 27699-1612 or call 919-707-9220 or visit the NCDEQ website at http://deq.nc.gov.

Utilities

The subject property has been evaluated by licensed soil scientist(s) in order to determine the suitability of soils for individual private septic systems and the Preliminary Soil Investigation report is included within the agenda packet for your reference. Future residential development on these lots would be served by individual private septic systems that must be approved per the North Carolina General Statues requirements, either by the Lee County Environmental Health Department or a licensed soil scientist, at the time that the developer or individual lot owner proposes to construct a house. The potable water source for this subdivision is public water from TriRiver Water via a water main line extension from Sheriff Watson Road and River Falls Road.

Transportation

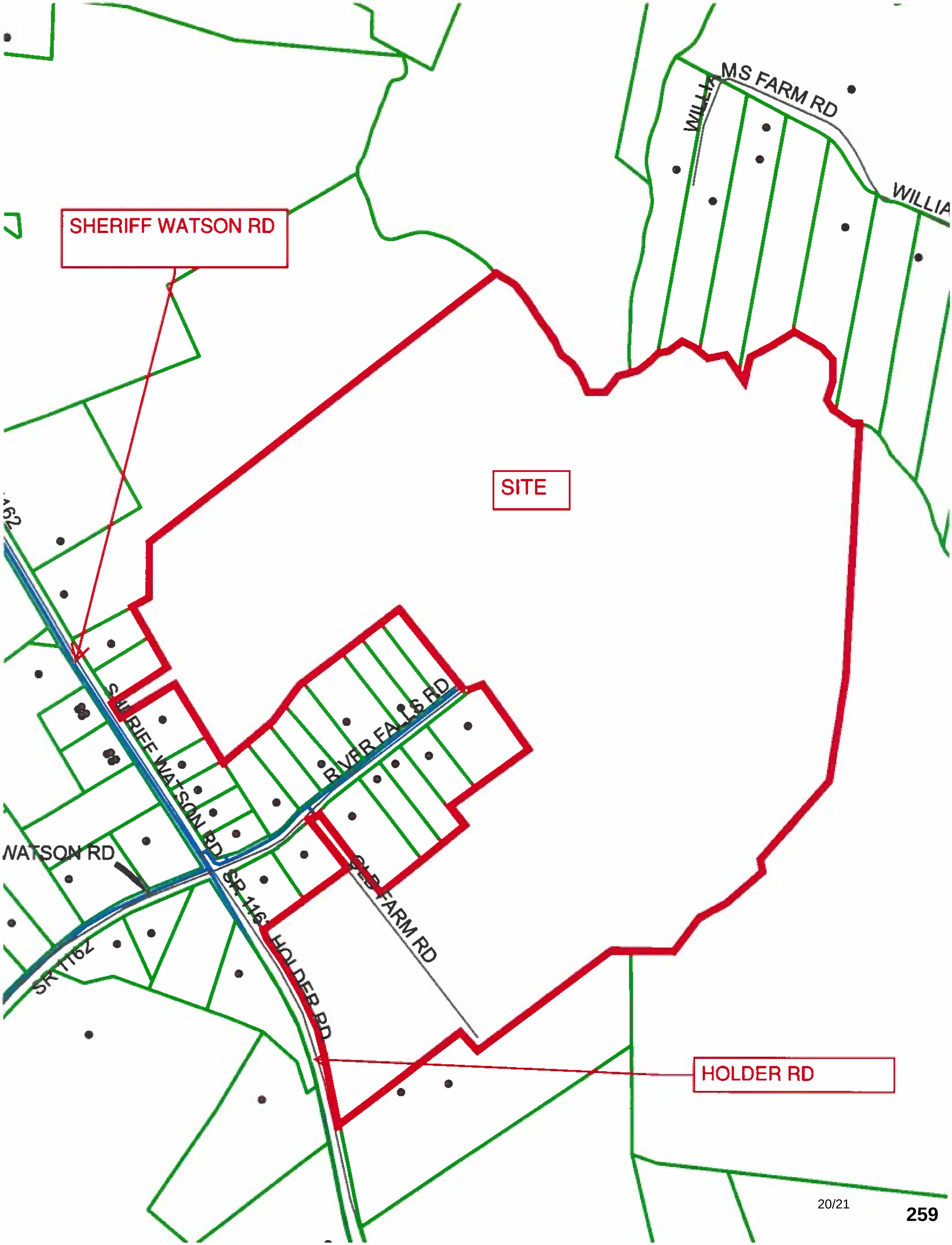
Sheriff Watson Road (SR 1162) is a NCDOT maintained public roadway with a 60ft right-of-way width. The developer must obtain a driveway permit from NCDOT and construct the new, internal roads to NCDOT standards and turn them over to NCDOT for public maintenance. It appears that no improvements to Sheriff Watson Road are required for the development of this proposed subdivision. The existing section of River Falls Road will be a NCDOT public road once the NCDOT density, etc. standards are met and it is turned over to NCDOT for maintenance.

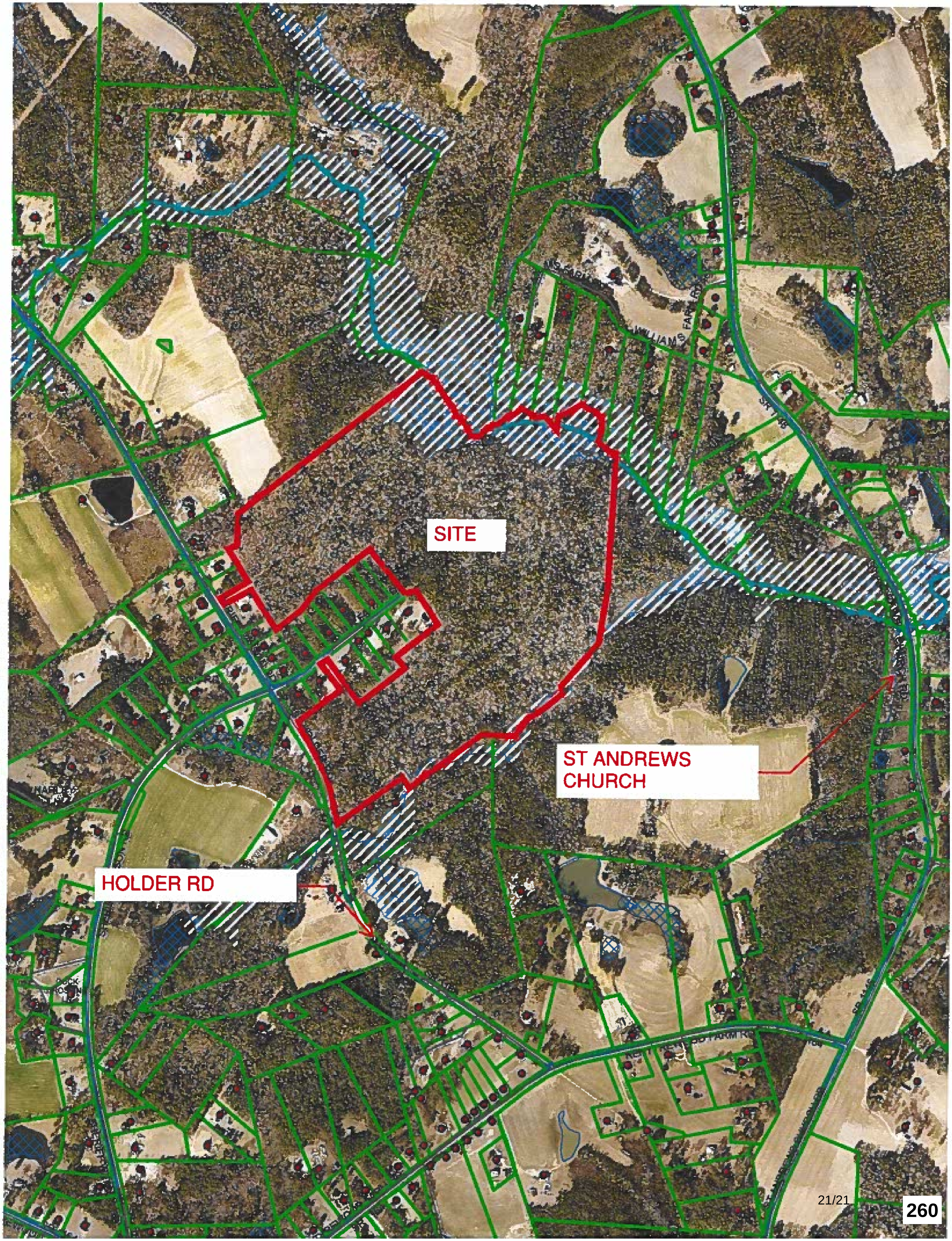
2011 Lee County Comprehensive Transportation Plan: This plan illustrates Sheriff Watson Road as an existing minor thoroughfare with no improvements noted.

NCDOT Average Annual Daily Traffic Count (AADT): There is a 2023 NCDOT AADT of 250 vehicles per day near the intersection of Sheriff Watson Road and Holder Road.

Other Conditions/ Requirements/Notes:

1.) The preliminary plat shall be valid for three years if approved by the Lee County Commissioners.
2.) NCDEQ approval will be required if the developer disturbs and acre or greater.
3.) Public water must be installed by the developer and accepted for maintenance by TriRiver Water prior to recording the final plat.
4.) NCDOT approval will be required for all driveway connections to NCDOT maintained public roads.
5.) Public streets must be constructed prior to recording the final plat. The developer is responsible for dedicating the public streets to NCDOT for maintenance once all requirements (density, construction method, etc.) are met.
6.) A Floodplain Development Permit must be approved by the Sanford/Lee County Planning/Zoning Department for any/all land disturbing activities and/or development in the floodplain at the time of the proposed development of the specific lot(s).


SHERIFF WATSON RD
SITE
HOLDER RD
MS FARM RD
RIVER FALLS RD
SHERIFF WATSON RD
WATSON RD
OLD FARM RD
HOLDER RD
SR 1162


SITE
ST ANDREWS CHURCH
HOLDER RD

ITEM #: VI.B

LEE COUNTY AGENDA ABSTRACT
BOARD OF COMMISSIONERS - REGULAR

MEETING DATE: April 7, 2025

SUBJECT: FY 2026-2030 Capital Improvements Plan (CIP)

DEPARTMENT: Administration

CONTACT PERSON: Ben McQueary,

TYPE: Information

REQUEST	Hear the Recommended FY 2026-2030 Capital Improvements Plan, and consider scheduling a work session ahead of the CIP public hearing.
BUDGET IMPACT	N/A
ATTACHMENTS	
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Hear the Recommended FY 2026-2030 Capital Improvements Plan and consider scheduling a work session ahead of the CIP public hearing.

SUMMARY

County Manager Lisa Minter and Budget & Management Analyst Ben McQueary have prepared the County's Recommended Capital Improvements Plan for FY 2026-2030 and will deliver it to the Board. The CIP book will be distributed at the April 7, 2025 meeting. The Board may consider holding a work session ahead of the CIP public hearing to discuss further details related to the projects included in the recommended CIP.