

**COLUMBUS COUNTY BOARD OF COMMISSIONERS**

**Monday, June 3, 2024**

**5:30 P.M. – Closed Session**

**6:30 P.M. – Regular Session**

The Honorable Columbus County Commissioners met on the above stated date and time at the Columbus County Commissioners Chamber, 127 West Webster Street, Whiteville, North Carolina 28472, for the purpose of conducting a Regular Session.

**COMMISSIONERS PRESENT:**

Ricky Bullard, **Chairman**  
Giles E. Byrd, **Vice Chairman**  
Lavern Coleman,  
Scott Floyd  
Barbara Featherson  
Brent Watts  
Chris Smith

**APPOINTEES PRESENT:**

Eddie Madden, Jr., **County Manager**  
Amanda B. Prince, **Attorney**  
Jana Nealey, **Clerk to the Board**

**APPOINTEES ABSENT:**

**Agenda Item #1: MEETING CALLED to ORDER:**

**At 5:45 P.M. Chairman Ricky Bullard called the regular session meeting to order.**

**RECESS REGULAR SESSION and enter into CLOSED SESSION in ACCORDANCE with N.C.G.S. § 143-318.11(A)(3) ATTORNEY-CLIENT PRIVILEGE, N.C.G.S. § 143- 318.11(A)(4) ECONOMIC DEVELOPMENT, and N.C.G.S. § 143-318.11(A)(6) PERSONNEL**

**MOTION:**

Commissioner Smith made a motion to recess regular session and enter into closed session, seconded by Commissioner Featherson. The motion unanimously passed.

**Agenda Item #2: CLOSED SESSION in ACCORDANCE with N.C.G.S. § 143-318.11(A)(3) ATTORNEY-CLIENT PRIVILEGE, N.C.G.S. § 143-318.11(A)(4) ECONOMIC DEVELOPMENT, and N.C.G.S. § 143-318.11(A)(6) PERSONNEL**

**RECESS CLOSED SESSION and enter into REGULAR SESSION**

**MOTION:**

Commissioner Smith made a motion to recess closed session and enter into regular session, seconded by Commissioner Floyd. The motion unanimously passed.

**GENERAL ACCOUNT:**

Attorney Amanda Prince gave the general account as follows:

The board discussed (1) matter of Attorney-Client Privilege, (3) matters regarding Economic Development, (2) matters of possible future litigation (1) matter of pending litigation, and (1) matter of Personnel. No action was taken by the board.

**MOTION:**

Vice Chairman Byrd made a motion to approve the General Account, seconded by Commissioner Smith. The motion unanimously passed.

**Chairman Bullard recessed regular session until 6:30 P.M.**

**Regular Session resumes at 6:30 P.M.**

**Agenda Items # 3 and #4: INVOCATION and PLEDGE of ALLEGIANCE:**

The invocation was delivered by Commissioner Chris Smith. Everyone in attendance stood and pledged Allegiance to the Flag of the United States of America which was led by Commissioner Brent Watts.

**6:30 PM or as soon as can be heard, Public Hearing-FY 24/25 Budget/Budget Ordinance - The purpose of the public hearing is to receive oral and written comments from the public regarding the proposed Budget Ordinance.**

**County Manager Eddie Madden commented:**

**We presented the proposed budget for FY 24/25 to this Board and we also submitted that document to the Local Government Commission (LGC) as required, and we have had the opportunity to get feedback from the departments and the public. We have met with all of the board members to go over the budget and we have gotten favorable responses from them and the LGC as well. The proposed budget is balanced with no tax increase; I stress no tax increase.**

**MOTION:**

Vice Chairman Byrd made a motion to close the public hearing, seconded by Commissioner Smith. The motion unanimously passed.

**Agenda Item# 5: APPROVAL OF AGENDA:**

**MOTION:**

Vice Chairman Byrd made a motion to approve the Agenda, seconded by Commissioner Featherson. The motion unanimously passed.

**Agenda Item #6: PUBLIC INPUT**

No Public Input

**Agenda Item #7: PROCLAMTION – RECOGNITION of SERENITY “JELLY” HARVEY:**

The Governing Body requested adoption of the proclamation recognizing Whiteville High School Athlete Serenity “Jelly” Harvey for her accomplishments at the 2A State Track & Field Championships in the 100, 200, and 400-meter.

**MOTION:**

Vice Chairman Byrd made a motion to approve seconded by Commissioner Floyd. The motion unanimously passed



*Columbus County*  
*Proclamation*



**Recognizing Serenity “Jelly” Harvey**

Whereas, Whiteville High School has a proud tradition of excellence in athletics, fostering the development of outstanding student-athletes who exemplify the spirit of dedication, perseverance, and sportsmanship;

Whereas, Serenity "Jelly" Harvey, a student-athlete at Whiteville High School, has demonstrated exceptional talent, hard work, and determination in the sport of track and field;

Whereas, Serenity "Jelly" Harvey competed in the 2A State Track & Field Championships held at A&T University in Greensboro, NC, showcasing her remarkable skills and athleticism;

Whereas, Serenity "Jelly" Harvey achieved an extraordinary feat by winning three gold medals in the 100-meter, 200-meter, and 400-meter events, a testament to her outstanding performance and dedication to her sport;

Whereas, Serenity "Jelly" Harvey's achievements have brought great pride and honor to Whiteville High School, her family, and Columbus County;

Now, Therefore, We, The Columbus County Board of Commissioners, do hereby recognize and commend Serenity "Jelly" Harvey for her exceptional accomplishments in track and field, and

extend our heartfelt congratulations on her outstanding achievements at the 2A State Track & Field Championships;

APPROVED and ADOPTED this the 3<sup>rd</sup> day of June, 2024.

Columbus County Commissioners

**Agenda Item #8: ADMINISTRATION – EMPLOYEE SPOTLIGHT:**

County Manager Eddie Madden recognized Yvonne Armstrong from Health Services.

Yvonne has been an employee at Columbus County Health Department for five (5) years. She is very resourceful always-finding ways to get things done even in demanding times. Great work ethic with efficient approach to tasks consistently meeting deadlines and delivering with high quality work. She has attention to detail and commitment to delivering accurate information. She has a great collaborative ability to work with all types of team members making her an excellent team player. Her tech-savvy know how ensures efficient and secured workflow in today's digit arena.

Yvonne is a professional always conducting herself with high decorum and respected by all of her fellow employees.

But most of all she has a customer focused style that prioritizes our customer needs ensuring their needs are not only met but exceeded. Yvonne is not only an asset to the Health Department but also to Columbus County!

**Agenda Item #9: ADMINISTRATION – ADOPTION of the FY 24/25 OPERATING BUDGET and BUDGET ORDINANCE:**

County Manager Eddie Madden requested adoption of the FY 24/25 Operating Budget and Budget Ordinance.

**MOTION:**

Commissioner Coleman made a motion to approve, seconded by Vice Chairman Byrd. The motion unanimously passed.

**BUDGET ORDINANCE FISCAL YEAR 2024-2025  
COLUMBUS COUNTY, NORTH CAROLINA**

**BE IT ORDAINED** by the Board of Commissioners of Columbus County:

**SECTION I.** The following amounts are hereby appropriated in the General Fund for the operation of the Columbus County government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025, the same being adopted by department within each fund as listed in the following summary and schedule:

<b>General Government</b>	
Governing Body	267,268
Administration	592,009
Personnel	313,937
Finance/Non-Departmental	2,529,560
Tax Administration	1,965,934
Legal	441,718
Elections	638,810
Register of Deeds	556,607
Management Information Systems	607,619
Central Garage	222,875
Facility Services	2,657,882
Total: \$10,794,219	
<b>Public Safety</b>	
Sheriff Office - Patrol	10,076,225
Sheriff's Department Grants	133,389
Detention Center	5,524,485
Animal Protective Services	708,398
EMS Medical Director	31,000
Emergency Services	742,717
Fire Marshal	210,216
Fire & Rescue	2,767,440
911 Operations	1,121,113
Medical Examiner	30,000
Inspections	585,139
Total: \$21,344,983	
<b>Economic and Physical Development</b>	
Airport	705,069
Economic Development/Planning	387,004
Cooperative Extension	708,855
Soil Conservation	351,593
Total: \$2,152,521	
<b>Human Services</b>	
Health Department	5,835,759
Social Services	13,592,216
Veterans Services	178,450
Department of Aging	2,988,977
Total: \$22,595,402	
<b>Cultural and Recreational</b>	
Library	1,578,087
Parks and Recreation	548,110
Total: \$2,126,197	
<b>Education (See Details under Section 30 of this ordinance):</b>	
Public Schools	14,522,820
Community College	2,430,373
Total: \$16,953,193	

<b>Special Appropriations</b>	
	<b>\$479,892</b>
<b>Debt Service</b>	
	<b>1,594,441</b>
<b>Transfer to Other Funds</b>	
	<b>615,357</b>
<b>TOTAL APPROPRIATION – GENERAL FUND</b>	
	<b>\$79,318,820</b>

**SECTION 2:** It is estimated that the following General Fund revenues will be available for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Ad Valorem Taxes	\$44,826,509
Sales and Use Taxes	14,255,878
Fees and Charges	4,289,538
Intergovernmental Revenue- Federal, State, Other	12,667,936
Miscellaneous Revenues	886,604
Investments	800,000
Fund Balance –Revenue Replacement	902,528
Transfers from Other Funds	689,827
<b>TOTAL ESTIMATED REVENUE – GENERAL FUND</b>	<b>\$79,318,820</b>

**SECTION 3:** The following amount is hereby appropriated in the Debt Service Fund (#30) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Debt Service	<b>\$4,750,651</b>
<b>TOTAL APPROPRIATION – DEBT SERVICE FUND</b>	<b>\$4,750,651</b>

**SECTION 4:** It is estimated that the following revenues will be available in the Debt Service Fund (#30) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Sales Tax	\$2,302,022
Transfer from General Fund	1,594,441
Transfer from Water Fund	854,188
<b>TOTAL DEBT SERVICE FUND REVENUES</b>	<b>\$4,750,651</b>

**SECTION 5:** The following amounts are hereby appropriated in the Fire Districts Fund (#28) for the operation of fire departments for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL APPROPRIATION - FIRE DISTRICTS</b>	<b>\$2,072,807</b>
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**SECTION 6:** It is estimated that the following revenues will be available in the Fire Districts Fund (#28) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Special Fire Tax	<b>\$2,072,807</b>
<b>TOTAL ESTIMATED REVENUE – FIRE DISTRICTS</b>	<b>\$2,072,807</b>

**SECTION 7:** The following amounts are hereby appropriated in the Rescue Fund (#26) for the operation of the rescue departments for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL APPROPRIATION ALL RESCUE UNITS</b>	<b>\$859,754</b>
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**SECTION 8:** It is estimated that the following revenues will be available in the Rescue Fund (#26) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL ESTIMATED REVENUE – RESCUE FUND</b>	<b><u>\$859,754</u></b>
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**SECTION 9:** The following amounts are hereby appropriated in the NC 911 Fund (#44) for the emergency telephone system for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

NC 911 Board Expenditures	<u>\$358,268</u>
<b>TOTAL APPROPRIATIONS – NC 911 FUND</b>	<b><u>\$358,268</u></b>

**SECTION 10:** It is estimated that the following revenues will be available in the NC 911 Fund (#44) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

NC 911 Board Revenues	<u>\$358,268</u>
<b>TOTAL ESTIMATED REVENUE – NC 911 FUND</b>	<b><u>\$358,268</u></b>

**SECTION 11:** The following amounts are hereby appropriated in the Economic Development Incubator Fund (#67) for the operation of County Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Incubator Expenditures	<u>\$84,000</u>
<b>TOTAL APPROPRIATIONS – EDC INCUBATORS</b>	<b><u>\$84,000</u></b>

**SECTION 12:** It is estimated that the following revenues will be available in the Economic Development Incubator Fund (#67) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Incubator Revenues	<u>\$84,000</u>
<b>TOTAL ESTIMATED REVENUE – EDC INCUBATORS</b>	<b><u>\$84,000</u></b>

**SECTION 13:** The following amounts are hereby appropriated in the Transportation Fund (#68) for the operation of County Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transportation expenditures	<u>\$1,660,355</u>
<b>TOTAL APPROPRIATIONS – TRANSPORTATION</b>	<b><u>\$1,660,355</u></b>

**SECTION 14:** It is estimated that the following revenues will be available in the Transportation (#68) Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

NC DOT funds	\$1,030,095
NC Partnership for Children	3,000
Interagency transportation revenues	81,000
CCIT – Gasoline reimbursement	120,000
Appropriated Fund Balance	65,075
Miscellaneous Revenue	4,500
Transfer from General Fund	<u>356,685</u>
<b>TOTAL ESTIMATED REVENUE – TRANSPORTATION</b>	<b><u>\$1,660,355</u></b>

**SECTION 15:** The following amounts are hereby appropriated in the Tax Revaluation Fund (#20) for the operation of County Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Tax Revaluation	<u>\$ 20,000</u>
<b>TOTAL APPROPRIATIONS – TAX REVALUATION</b>	<b><u>\$ 20,000</u></b>

**SECTION 16:** It is estimated that the following revenues will be available in the Tax Revaluation Fund (#20) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer from General Fund	\$ 20,000
<b>TOTAL ESTIMATED REVENUE – TAX REVALUATION</b>	<b><u>\$ 20,000</u></b>

**SECTION 17:** The following amounts are hereby appropriated in the Fines & Forfeitures Fund (#12) for redistribution to the County and City Schools by ADM for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL APPROPRIATIONS – FINES &amp; FORFEITURES</b>	<b><u>\$150,000</u></b>
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**SECTION 18:** It is estimated that the following revenues will be available in the Fines & Forfeitures Fund (#12) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL ESTIMATED REVENUE–FINES &amp; FORFEITURES</b>	<b><u>\$150,000</u></b>
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**SECTION 19:** The following amounts are hereby appropriated in the HUD Fund (#50) for the operation of County Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL APPROPRIATIONS – HUD</b>	<b><u>\$2,295,193</u></b>
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**SECTION 20:** It is estimated that the following revenues will be available in the HUD Fund (#50) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>TOTAL ESTIMATED REVENUE – HUD</b>	<b><u>\$2,295,193</u></b>
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**SECTION 21:** The following amounts are hereby appropriated in the various Columbus County Water Districts for the operation of County Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Water District 1 (#60) Operations	\$890,600
Water District 2 (#61) Operations	1,068,833
Water District 2 (#61) Transfer to Debt Service Fund	415,928
Water District 3 (#62) Operations	546,212
Water District 3 (#62) Transfer to Debt Service Fund	274,512
Water District 4 (#63) Operations	965,242
Water District 5 (#64) Operations	642,895
Water District 5 (#64) Transfer to Debt Service Fund	239,676
<b>TOTAL APPROPRIATIONS – WATER FUNDS</b>	<b><u>\$5,043,898</u></b>

**SECTION 22:** It is estimated that the following revenues will be available in the Columbus County Water Districts Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

District 1 – Water sales (#60)	\$765,500
District 1 – Other fees (#60)	125,000
District 2 – Water sales (#61)	1,304,461
District 2 – Other fees (#61)	180,300
District 3 – Water sales (#62)	640,000
District 3 – Other fees (#62)	86,450
District 3 – Appropriated Retained Earnings	94,274
District 4 – Water sales (#63)	849,242
District 4 – Other fees (#63)	116,000
District 5 – Water sales (#64)	806,571
District 5 – Other fees (#64)	78,000
<b>TOTAL ESTIMATED REVENUE – WATER FUNDS</b>	<b><u>\$5,043,898</u></b>



**SECTION 23:** The following amounts are hereby appropriated in the Solid Waste Fund (#69) for the operation of County Government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Solid Waste Fund expenses	<u>\$7,026,329</u>
<b>TOTAL APPROPRIATIONS – SOLID WASTE</b>	<b><u>\$7,026,329</u></b>

**SECTION 24:** It is estimated that the following revenues will be available in the Solid Waste Fund (#69) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Landfill User Fees	\$4,876,029
Tipping Fees	1,350,500
Miscellaneous Fees	799,800
<b>TOTAL ESTIMATED REVENUES – SOLID WASTE</b>	<b><u>\$7,026,329</u></b>

**SECTION 25:** The following amounts are hereby appropriated in the Municipal Tax Fund (#27) for distribution to the following municipalities for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Municipal Tax	<u>\$6,029,839</u>
<b>TOTAL APPROPRIATIONS – MUNICIPAL TAX</b>	<b><u>\$6,029,839</u></b>

**SECTION 26:** It is estimated that the following revenues will be available in the Municipal Tax Fund (#27) for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Municipal Tax	<u>\$6,029,839</u>
<b>TOTAL ESTIMATED REVENUES – MUNICIPAL TAX</b>	<b><u>\$6,029,839</u></b>

**SECTION 27: Property Tax Levy** There is hereby levied for the Fiscal Year 2024-2025 a tax rate of **\$0.805** per \$100 of assessed valuation all of which is levied in the General Fund. Discounts will be allowed for early payment of taxes. The rate is based on an estimated collection rate of 97.78 percent and an estimated total valuation of property for the purpose of taxation of \$4,650,820,897.

There are hereby levied taxes at the rates indicated below per \$100 valuation of property located within the Fire Districts indicated below for the purpose of providing revenue for said Fire Districts.

<u>Fire District</u>	<u>Levied Tax Rate</u>
Evergreen Fire District	0.08
St. James Fire District	0.06
North Whiteville Fire District	0.08
Nakina Fire District	0.08
Old Dock Fire District	0.08
Hallsboro Fire District	0.06
Roseland Fire District	0.08
Yam City Fire District	0.10
Acme Delco Fire District	0.12
Klondyke Fire District	0.07
Coles Service Fire District	0.10
Cerro Gordo Fire District	0.10
Williams Township Fire District	0.06
White Marsh-Welch Fire District	0.08
Brunswick Fire District	0.07
Bolton Fire District	0.10
Buckhead Fire District	0.06
Remit to District	0.08

**SECTION 28:** The mileage reimbursement rate is per the IRS standard mileage rate.

**SECTION 29:** The Budget Officer is hereby authorized to transfer appropriations as budget amendments as contained herein under the following conditions (after review by Finance):

- a. Transfers within departments: The Finance Director may authorize the transfer of line items appropriations between activities, objects and line items (excluding payroll line items) within departments, as adopted herein.
- b. Transfers between departments less than \$20,000: Transfers of appropriations between departments of the same function, as designated above, in a fund shall be approved by the Board of Commissioners or may be approved by the County Manager if Inter-departmental transfers do not exceed \$20,000 each.
- c. Transfers between funds: The Budget Officer may not transfer any amount between funds without action of the Board of Commissioners. If budget amendment total is greater than \$50,000, the requesting department shall present their request at the Board of Commissioners meeting.

**SECTION 30:** The Budget Officer may make cash advances between funds for periods not to exceed 60 days without reporting to the Board of Commissioners. Any advance that extends beyond 60 days must be approved by the Board. All advances that will be outstanding at the end of the fiscal year must be approved by the Board.

**SECTION 31:** The hiring for new positions should be no earlier than July 21, 2024, and the effective date of the COLA should be no earlier than November 21, 2024, and may be further delayed at the County Manager's discretion. See Appendix A for the number of approved positions for departmental employees. See Appendix B for the salary schedule effective July 21, 2024.

**SECTION 32:** In accordance with the School Budget and Fiscal Control Act contained in G. S. 115-429 and G. S. 115C-430 of the General Statutes, the Board of Education appropriation is allocated as follows for the fiscal year beginning July 1, 2024 and ending June 30, 2024:


Current Expenses (Expended in the General Fund)	
Columbus County Schools	\$6,747,858
Whiteville City Schools	\$2,615,317
Southeastern Community College	\$2,030,373
Capital Outlay (Expended in the General Fund):	
Columbus County Schools	\$1,893,958
Whiteville City Schools	\$ 818,665
Southeastern Community College	\$ 400,000
Debt Service (Transferred from General Fund to expense in the Debt Service Fund):	
Columbus County Schools	\$1,719,999
Whiteville City Schools	\$ 582,023
ABC Profit Distributions	
Columbus County Schools	\$ 104,499
Whiteville City Schools	\$ 40,501
Grand Total Education Spending	<b>\$16,953,193</b>

**SECTION 33:** Copies of this Budget Ordinance shall be furnished to the Clerk to the Board of Commissioners and to the Budget Officer and Finance Director to be kept on file by them for their direction in the disbursement of funds.

**SECTION 34:** There is hereby established, for the Fiscal Year 2024-2025, various fees and charges as set forth in the attached Columbus County Fee Schedule, effective July 1, 2024 that is hereby incorporated into this Budget Ordinance.

This Ordinance shall become effective on July 1, 2024.  
**Adopted this the 3<sup>rd</sup> day of June 2024.**

  
 Ricky Bullard, Chairman  
 Columbus County Board of Commissioners

  
 Jana Nealey, Clerk to the Board

**Agenda Item #10: ADMINISTRATION – ACCEPTANCE of the CDBG NEIGHBORHOOD REVITALIZATION GRANT AWARD (FUNDING APPROVAL), GRANT AGREEMENT, and GRANT PROJECT ORDINANCE:**

County Manager Gail Edwards requested acceptance of the CDBG Neighborhood Revitalization Grant Award in the amount of \$950,000, approval of the grant agreement, and Grant Project Ordinance.

**MOTION:**

Commissioner Watts made a motion to approve, seconded by Commissioner Featherson. The motion unanimously passed.



**NC DEPARTMENT  
of COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT

## Community Development Block Grant Neighborhood Revitalization Program

### Funding Approval

1. Name and Address of Recipient	2. Grant Number and Funding Approval Date
County of Columbus	Grant Number: 220-4116
127 West Webster Street	Date of Original Funding Approval: 3/28/2024
Whiteville, North Carolina 28742	Date of Amended Funding Approval:
3. Approved Projects	Approved Amount
CI 2023 CDBG NR	\$950,000.00
Total Grant Award	\$950,000.00

#### 4. Funding Approval Conditions

The following conditions must be removed in writing by the Rural Economic Development Division in order for all funds to be released for the approved project(s) listed in item (3) above:

A. Administration Contracts/Inter-local agreements Condition:

No funds may be obligated or expended in any project activity except the administration activity until the recipient has submitted either a copy of the contract awarded for administration of this grant or a statement signed by the CEO stating that the contract will be administered internally.

B. Use of Experienced CDBG Administrator:

No funds may be obligated or expended for the administration activity until the recipient has submitted a statement signed by the CEO stating that they will be using an experienced CDBG administrator or local government staff. This person

should be one who has administered more than one (1) CDBG project. Please note that if issues result from the CDBG administrator, the local government will be subject to 4 NCAC 19L.

C. Environmental Condition:

No funds may be obligated or expended in any project activity except for the administration activity in the C-1 project until the recipient has complied with the Environmental Review Procedures for the N.C. CDBG Program and the CDBG regulations contained in 4 NCAC 19L.1004.

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County of Columbus

Page I

22-c-4116

D. Performance Based Contract Condition:

No funds may be obligated or expended in any project activity except for the administration activity until the recipient has returned to REDD one copy of the properly completed Performance Based Contract signed by the CEO.

E. Citizen Participation and Compliance Condition:

No funds may be obligated or expended in any project activity except for the administration activity until REDD is provided with the following documentation of compliance with citizen participation requirements in the application process [4NCA 19L.1002(b)]: publisher's affidavit of notice for and minutes signed by the city clerk for the second required public hearings.

5. Signature of Authorized Official



Name

Valerie D. Moore Fegans  
Valerie D. Moore Fegans

3/28/2024

Date

CDBG Director

Title

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6. Signature of Authorized Local Official

Community Development Block Grant Neighborhood Revitalization  
Program

Grant Agreement

Community Development Block Grant Neighborhood Revitalization (CDBG-NR) Program

This grant agreement for the Community Development Block Grant Neighborhood Revitalization (CDBG-NR) Program is entered into between the North Carolina Department of Commerce (DOC), Rural Economic Development Division and County of Columbus, on this 28<sup>th</sup> day of March 2024.

Upon execution of this grant agreement, the North Carolina Department of Commerce (DOC) agrees to provide to the County of Columbus, (the "Recipient" and collectively with DOC, the "Parties"), Community Development Block Grant (CDBG) assistance under Title I of the Housing and Community Development Act of 1974, (P.L. 93-383), as amended, authorized (and subject to Recipient's compliance with) the DOC funding approval, the North Carolina Community Development Block Grant administrative rules, other applicable laws, rules, regulations, and all other requirements of DOC now or hereafter in effect.

The grant agreement is effective on the date the grant agreement and funding approval are signed by the Recipient. The grant agreement consists of the program guidelines and the approved application, including the certifications, maps, schedules and other submissions in the application, any subsequent amendments to this document or the approved application and funding approval and the following general terms and conditions:

1. Definitions. Except to the extent modified or supplemented by the agreement, any term defined in the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L, shall have the same meaning when used herein.
  - (a) Agreement means this grant agreement, as described above and any amendments or supplements thereto.

- (b) Recipient means County of Columbus, the entity designated as a recipient for grant assistance in the grant agreement and funding approval.
  - (c) Certifications mean the certifications submitted with the grant application pursuant to the requirements of Paragraph (e) of Rule .0407 of the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L.
  - (d) "Assistance" or "Grant" means the grant funds provided under this Agreement from funds allocated to the State of North Carolina from the Federal Treasury through the CDBG and supporting laws, rules, requirements, and regulations, in the amount of \$250,000 except as modified.
  - (e) Program means the community development program, project, or other activities, including the administration thereof, for which assistance is being provided under this Agreement and which is described in the Recipient's approved application, as may be modified.
  - (f) The date for receiving the grant means the date of the REDD Director's signature on the Grant Agreement and Funding Approval.
2. Timely Execution. Due to the need to expedite the use and expenditure of CDBG funds, Recipient's failure to execute and return a copy of the Agreement within 60 days of the date of the Rural Economic Development Division (REDD) CDBG Director's signature on the Grant Agreement and Funding Approval may be deemed by DOC to determine the funds are available for reallocation to other subrecipients.
  3. Obligations of the Recipient. The recipient shall perform the Program as specified in the application approved by DOC as may be amended with DOC approval. The Recipient hereby certifies that it will comply with all applicable federal and state laws, regulations, rules and Executive Orders, pursuant to Paragraph (e) of Rule .0407 of the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L... The Recipient shall also comply with all other lawful requirements of DOC, all applicable requirements of the General Statutes of the State of North Carolina specifically N. C. G. S. 87-1-87-15.9 and any other applicable laws, rules, regulations, requirements, and Executive Orders currently or hereafter in force. Recipient is prohibited from any fraud, waste, and abuse of CDBG funds by any person or entity. The rules contained in 4 N.C.A.C. 19L (as well as

applicable federal rules and regulations) are part of the Agreement, except where specifically modified by applicable law, rule, regulation, DOC, the CDBG HUD Program Requirements and any subsequent amendments, regulations, or clarifications to any of the foregoing.

Additionally, Recipient agrees to ensure compliance with respect to the Program and the Grant (and any of its proceeds) with all applicable federal and state laws, rules, regulations and requirements, including but not limited to the following (as each may be modified or amended): (1) the CDBG HUD Program Requirements; (2) Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq), (3) existing CDBG laws, rules, regulations and requirements, as may be amended, including those set forth in 24 C.F.R., Part 570; (4) North Carolina laws, rules, regulations and requirements; (5) DOC guidance and requirements regarding CDBG now or hereafter in effect, including but not limited to: DOC's CDBG Guidelines and Application Instructions, and DOC bulletins or other guidance documents; and (6) Recipient's own approved CDBG application to DOC, as may be amended with DOC approval.

4. Obligations of Recipient with Respect to Certain Third-Party Relationships.

Recipient is responsible to DOC for ensuring compliance with the provisions of this Agreement and all applicable laws, rules, regulations, and requirements, even when the recipient designates a third party or parties to undertake all or any part of the Program. The Recipient shall comply with all lawful requirements of DOC necessary to ensure that the program is carried out in accordance with the Recipient's certifications including but not limited to the certification of assumption of environmental responsibilities under Rule . 1004 of the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L. If the Recipient contracts with or designates a third party to undertake all or part of the Program, the Recipient's contract with the third party must require the third party to comply with this Agreement, all applicable laws, rules, regulations, and requirements, including but not limited to the procurement standards set forth in 4 N.C. Administrative Code 19L .0908 as may be applicable.

Recipient shall likewise ensure that all subrecipient contracts regarding Grant funds or relating to the Program include all required contractual elements in order to be in compliance with all Federal, State and local laws, including but not limited to the provisions contained in 24 C.F.R. § 570.503, 24 C.F.R. § 85.37, and other provisions described throughout this

Agreement, where applicable. In any event, the Recipient is liable to DOC and HUD for any improper expenditures, damage, loss or harm resulting from the failure of

any person or entity to comply with any applicable law, rule, regulation or requirement regarding the Grant funds and/or the Program, including but not limited to an act or omission by a subrecipient or other third party. The Recipient agrees to periodically and rigorously monitor and audit its subrecipients and other third parties to ensure compliance with all applicable requirements.

Any subcontracts or subrecipient agreements entered by the Recipient with Grant funds shall be subject to all terms and conditions of this Agreement. Payment of all subcontractors and subrecipients shall be the sole responsibility of the Recipient, and DOC shall not be obligated to pay for any work performed by any subcontractor or subrecipient. The Recipient shall be responsible for the performance of all subcontractors and subrecipients and shall not be relieved of any of the duties and responsibilities of this Agreement as a result of entering into subcontracts or subrecipient agreements.

5. Changes to Agreement. Recipient agrees that DOC may supplement or modify this Agreement as may be necessary to implement additional or modified Federal or State guidance regarding implementation of the CDBG program.
  
6. Conflict of Interest. Recipient agrees to comply with all applicable conflict-of-interest provisions, including but not limited to those found at 4 N.C.A.C. 19 L .0908 and .0914, N.C. Gen. stat. § 14-234, 24 C.F.R. § 85.36, 24 C.F.R. § 570.489 (g) and (h), and 24 C.F.R. § 570.61 1, where applicable, copies of which may be obtained from DOC.

Except for eligible administrative or personnel costs, the general rule is that no persons described in the following sentence who exercise or have exercised any functions or responsibilities with respect to grant activities assisted under this Agreement or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a Grant-assisted activity, or have an interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

The conflict-of-interest summary in the sentence above generally applies to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the state, or of a unit of general local government, or of any designated



public agencies, or Recipient or applicable third parties which are receiving CDBG grant funds.

Recipient agrees to include these same prohibitions in all such contracts or subcontracts with any sub recipients or other third parties relating to the Program.

In any event, the Assistance provided under this Agreement shall not be used in the payment of any bonus or commission for the purpose of obtaining DOC approval of the application for such assistance, or DOC approval of applications for additional assistance, or any other approval or concurrence of DOC required under this Agreement, or the North Carolina Community Development Block Grant Administrative Rules, with respect thereto; provided, however, that reasonable fees or bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not prohibited if otherwise eligible as program costs and allowed by applicable law.

Additionally, certain limited exceptions to the conflict-of-interest rules listed in 24 C.F.R. § 570.489 may be granted in writing by HUD and/or DOC upon written request and the provision of information specified in 24 C.F.R. § 570.489(h)(ii)(4).

7. Reimbursement to DOC for Improper Expenditures. The Recipient will reimburse DOC for any amount of Grant assistance improperly expended, either deliberately or non-deliberately, by any person or entity. Additionally, a contract for administrative services shall include a clause holding the administrator organization responsible for reimbursement to the Recipient for any improperly expended grant funds that had to be returned to DOC.
8. Recordkeeping Requirements. Recipient will maintain any and all records and comply with all responsibilities as may be required under typical CDBG recordkeeping (for example, records and responsibilities set forth in 4 N.C.A.C. 19L.091 1 ("Recordkeeping"), 24 C.F.R. 570.490 ("Recordkeeping Requirements"), 24 C.F.R. § 570.506 ("Records to be maintained") and 24 C.F.R. § 85.42 ("Retention and Access Requirements for Records") as each may be modified by HUD or DOC) as well as records and responsibilities related to CDBG or specifically to CDBG funds. Recipient agrees to comply with any additional record-keeping requirements now or hereinafter set forth by DOC, HUD or any other federal or state entity.

9. Access to Records. The Recipient shall provide any duly authorized representative of  
DOC, the State of North Carolina, the federal Department of Housing and Urban Development (HUD), and the Comptroller General, the Inspector General and other authorized parties at all reasonable times access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the grant for a period of five years following the completion of all close-out procedures. All original files shall be maintained at the Local Government offices for access purposes.
  
10. Release of Personal, Financial and Identifying Information. To ensure and document compliance with CDBG income requirements as well as other matters, Recipient shall obtain and retain personal, income-related, financial, tax and/or related information from individuals and families that are benefitting from Grant or Program funds. Additionally, Recipient is obligated to provide access to any and all information relating to the Program to DOC, HUD or some other appropriate federal or state monitoring entity, upon DOC's request. This obligation includes, but is not limited to, the personal, financial, and identifying information of individuals assisted by the Program. As such, Recipient shall obtain any releases or waivers from all individuals or entities necessary to ensure that this information can be properly and legally provided to appropriate federal and state entities, including DOC and HUD, without issue or objection by the individual or entity.
  
11. Project Savings. The Recipient is obligated to contribute 100 percent of its pledged cash contribution to the CDBG project even if the project experiences a savings after authorized activities are completed. Any project savings accrue to the CDBG program. Substitution of in-kind contributions for cash is not allowed.
  
12. Expenditure of Non-CDBG Funds. The recipient must ensure that non-CDBG funds are expended along with CDBG funds, following the implementation schedule described in the approved application and modified by the Performance Contract (or otherwise with DOC approval), and shall report on non-CDBG expenditures with each Annual Performance Report, consistent with Section. 1 100 PERFORMANCE of the program regulations (4NCAC 19L) as well as any other applicable reporting requirements.
  
13. Method of Payment. The Department of Commerce uses the Office of State Controller (OSC) to make CDBG payments to units of local government.

14. Fair Housing. Recipients of CDBG funds are required to comply with fair housing and nondiscrimination laws and regulations. Recipients should consult Section. 1001 of the CDBG administrative rules for further information on equal opportunity requirements. Recipients are required to submit a fair housing plan for its jurisdiction. Recipients with 10,000 persons or more will be required to complete an Analysis to Impediments to Fair Housing Choice Study. For each grant year that a CDBG project is active, a Recipient must describe the actions it will take in the areas of enforcement, education and removal of barriers and impediments to affirmatively further fair housing. Guidance for developing a Fair Housing Plan can be found on the DOC website at [www.commerce.nc.gov](http://www.commerce.nc.gov) .
15. Equal Employment and Procurement Opportunity. A Recipient must describe the actions it will take annually while the grant is open in the areas of enforcement, education and removal of barriers and impediments that affirmatively further equal access in employment and procurement. This includes a description of steps to be taken in the areas of advertisement, compliance, and complaint tracking.
16. Local Economic Benefit (Section 3 Regulation). For each year that a CDBG is active, the Recipient must describe a strategy whereby opportunities in employment and procurement arising out of a CDBG assisted project are identified and made available to low-income residents within the CDBG assisted area to the greatest extent feasible. This strategy must include (1) identification of training and technical assistance resources to prepare low-income residents for employment and procurement opportunities, (2) attempts to reach the numerical targets for new hires set forth in the Section 3 regulation, which applies to Recipients receiving \$200,000 or more in non-administrative line items expended for construction contracts and (3) education of low-income residents within the CDBG assisted area about the components and opportunities of the program.

In addition, Recipients will be required to coordinate additional activities as it relates to Section 3 with the DOC CDBG Compliance Office.

17. Section 504 and ADA. Recipients must complete the Section 504 Survey and Transition Plan. This plan will not satisfy all the requirements of the Americans with Disabilities Act, but it will meet the minimum requirements for a CDBG assisted project.
18. Environmental Review. Recipients of CDBG funds are required to complete the document entitled "Environmental Review Procedures for the CDBG Program." Once the Environmental Review Record (ERR) is received, REDD will review for completeness. Recipients cannot conduct any program activities until REDD issues an environmental clearance.

19. Language Access Plan (LAP). Recipients of Federal financial assistance have an obligation to reduce language barriers that can preclude meaningful access by Limited English Proficient (LEP) persons to important government programs, services, and activities. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and its implementing regulations require that Recipients take responsible steps to ensure meaningful access by LEP persons. Recipients will be required to submit a language access plan using the approved template from REDD. The plan will address the LAP policy, translation of required vital documents, and requirements for citizen participation.
20. Federal Funding Accountability and Transparency Act (FATA): The Recipient must also comply with provision of FATA, which includes requirements on executive compensation, and 2 C.F.R., Pmt 170 Reporting Sub award and Executive Compensation Information.
21. Procurement Standards. Where applicable, Recipient shall follow the procurement standards established in the "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments" (24 C.F.R., Palt 85) and HUD implementing regulations contained in 24 C.F.R. § 570.489(g), which explicitly prohibit cost plus a percentage of cost and percentage of construction cost methods of contracting. 4 N.C.A.C. 19L.0908.
  - a. Any Recipient or Sub recipient shall follow other applicable procurement standards set forth in 4 N.C.A.C. 19L.0908, and the relevant laws cited therein, including but not limited to, laws related to conflicts of interest (N.C.G.S. § 14-234), public building contracts (N.C.G.S. § 148-128 to 135), and payment and performance bonds (N.C.G.S. § 44A-25 through 35); acquisition and relocation (4 N.C.A.C. 19L.1003); property management standards (4 N.C.A.C. 19L.0909); equal opportunity (4 N.C.A.C. 19L.1001); and labor standards (4 N.C.A.C. 19L.1006).
  - b. Recipient shall likewise follow all other applicable federal and state procurement rules, guidelines, and procedures, including those set forth in Office of Management and 2 C.F.R. Part 200 ("Cost Principles for State and Local Governments").

In any event, per 24 C.F.R. 570.489(g), all purchase orders and contracts shall include any clauses required by Federal statutes, executive orders and implementing regulations.

Additionally, Recipient acknowledges and agrees that, in its conduct under this Agreement and in connection with any and all expenditures of Grant funds made by it, Recipient, its officers, agents and employees shall be and are subject to the

provisions of the North Carolina General Statutes and the North Carolina Administrative Code relating to and governing procurement, public contracts, suspension and debarment. Recipient further acknowledges and agrees that, in the event that it grants any of the Grant funds awarded hereunder to one or more sub recipients or other applicable entities, Recipient shall, by contract, ensure that the provisions of all applicable laws relating to, and governing procurement, public contracts, suspension and debarment are made applicable to and binding upon any and all sub recipients and/or other applicable entities.

22. Labor Standards. Recipient shall follow all applicable laws, rules and regulations concerning the payment of wages, contract work hours, safety, health standards, and equal opportunity for CDBG programs, including but not limited to the rules set forth in 4 N.C.A.C 19L.1006, 24 C.F.R. § 570.603 and the following (as may be applicable to CDBG-projects):
- a. Davis-Bacon Act (40 U.S.C.A. 276a). Among other provisions, this act requires that prevailing local wage levels be paid to laborers and mechanics employed on certain construction work assisted with CDBG funds.
  - b. Contract Work Hours and Safety Standards Act (40 U.S.C.A. 327 through 333). Under this act, among other provisions, laborers and mechanics employed by contractors and subcontractors on construction work assisted with CDBG funds must receive overtime compensation at a rate not less than one and one-half the basic rate of pay for all hours worked in excess of forty hours in any workweek. Violators shall be liable for the unpaid wages and in addition for liquidated damages computed in respect to each laborer or mechanic employed in violation of the act.
  - c. Fair Labor Standards Act (29 U.S.C. 201 et seq.), requiring among other things that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week.
  - d. Federal anti-kickback laws (18 U.S.C. 874 and 40 U.S.C. 276), which, among other things, outlaws and prescribes criminal penalties for "kickbacks" of wages in federally financed or assisted construction activities. Weekly statements of compliance and weekly payrolls must be provided by all contractors and subcontractors.

Recipient agrees to maintain records regarding compliance with the laws and regulations cited in 4 N.C.A.C. 19L.1006 (including the citations listed above) in accordance with 4 N.C.A.C. 19L.0911.

All contracts between Recipient and third parties shall contain labor standards provisions as required in 4 N.C.A.C. 19L.1006.

23. Architectural Barriers. Per 4 N.C.A.C.19L.1007, 24 C.F.R. 570.487 and 570.614 and other applicable law, all applicable buildings or facilities designed, constructed, or altered with CDBG Grant funds shall be made accessible and useable to the physically handicapped as may be required by applicable laws, rules, regulations, or requirements. Additionally, Recipient must comply with the following (as may be applicable to CDBG projects):
  - a. Architectural Barriers Act of 1968 (P.L. 90-480). This act requires Recipient to ensure that certain buildings constructed or altered with CDBG funds are readily accessible to the physically handicapped.
  - b. Minimum Guidelines and Requirements for Accessible Design 36 C.F.R. Part 1 190. These regulations establish guidelines for implementing the federal acts described in 4 N.C.A.C. 19L.1007(1)(a). The regulations provide technical standards which must be met by Recipient.
  - c. Americans with Disabilities Act ["ADA"] and the ADA Accessibility Guidelines for Buildings and Facilities or the Uniform Federal Accessibility Standards.
  - d. North Carolina Building Code. These provisions describe minimum standards Recipient must meet in constructing or altering building and facilities, to make them accessible to and useable by the physically handicapped.
24. Change of Use of Real Property. Recipient agrees not to change the use or planned use of any property acquired with CDBG funds from that for which the acquisition or improvement was made, in accordance with this Agreement and applicable law, rule, regulation or requirement, unless (i) the DOC grants explicit written approval and (ii) the requirements of 24 C.F.R. § 570.489(j), 24 C.F.R. § 570.505 and other applicable requirements are followed, as modified (or as may be modified) by HUD or DOC.
25. Obligation of Recipient with Regard to Vacant Units. The recipient shall ensure that all vacant units being rehabilitated will be occupied by a low or moderate income person by the time close-out occurs.
26. Utility Assessments or Fees: Assessments or fees to recover the CDBG funded portion of a utility project may be charged to properties not owned and occupied by low- and moderate-income persons. Such assessments are program income and, as such, must be used for eligible CDBG activities that meet a CDBG national objective.
27. False or Misleading Information. Recipient is advised that providing false, fictitious, or misleading information with respect to CDBG funds may result in criminal, civil, or administrative prosecution under 18 U.S.C. § 1001, 18 U.S.C. §

1343, 31 U.S.C. § 3729, 31 U.S.C. § 3801, or another applicable statute. Recipient shall promptly refer to DOC and HUD's Office of the Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving CDBG funds.

28. Disputes with DOC. If Recipient has any disagreement or dispute with any action or inaction by DOC, Recipient shall inform DOC by letter addressed to Valerie Fegans, CDBG Director, Department of Commerce — Rural Economic Development Division, 4346 Mail Service Center, Raleigh, NC 27699-4346. The Rural Economic Development Division ["REDD"] will endeavor to respond in writing to said letter within 30 days from receipt. Recipient shall not be entitled to a hearing under Chapter 150B for matters described in N.C. Gen. Stat. § 150B(c)(8), added by N.C. Senate Bill 960, including matters related to "contracts, disputes, protests, and/or claims arising out of or relating to the implementation of the [CDBG]." This includes actions arising out of or related to this Agreement or the Program.

29. Disputes or Complaints by Sub recipients or Other Entities. Recipient is responsible for developing, implementing, and utilizing its own dispute resolution procedures with respect to disputes and/or complaints between and among Recipient, a Sub recipient, a contractor and/or any other person or entity (other than DOC). This includes (but is not limited to) procedures relating to procurement disputes or protests discussed in 24 C.F.R. 85.36. In the event of a dispute between and among Recipient, any Sub recipient, contractor and/or any other persons or entities (not including DOC), Recipient shall make every effort to resolve the dispute pursuant to its own dispute resolution procedures and shall issue a final decision on the matter as soon as is reasonably practicable. Recipient's dispute resolution procedure shall provide that, in the event that any party to such a dispute or complaint is dissatisfied with the final decision or other resolution provided by Recipient, the dissatisfied party shall appeal to the

North Carolina Superior Court in an appropriate County for a trial de novo, to the extent that jurisdiction is proper pursuant to N.C. Gen. Stat. § 7A-240 and other applicable law.

30. Schedules

- (a) Schedule for Release of Conditions and Completion Activities. The Recipient must satisfy all Funding Approval Conditions to release CDBG funds within 3 months (6/28/2024) from the date the Grant Agreement and Funding Approval were signed by the REDD Director. The recipient must draw down all CDBG funds, expend all local non-CDBG funds and complete all project activities in

conformance with the activities' implementation schedule in the application as modified by the Performance Based Contract.

- (b) The Recipient must obligate all funds within 27 months (9/28/2026) from the date the Grant Agreement and Funding Approval are signed by REDD Director.
- (c) All funds are to be expended within 30 months (12/28/2026) from the date the Grant Agreement and Funding Approval are signed by REDD Director. Any remaining funds will be de-obligated.
- (d) All closeout documents must be returned to REDD by (3/28/2027).
- (e) Schedule for Submission of Compliance Documents. The Recipient must submit the following compliance documents within the specified number of months from the date the Grant Agreement and the Funding Approval were signed by the REDD Director:
  - Environmental — 4 months (7/28/2024)
  - Equal Employment and Procurement Plan — 4 months (7/28/2024)
  - Fair Housing Plan - 4 months (7/28/2024)
  - Section 3 Plan — 4 months (7/28/2024)
  - Section 504 Plan - 4 months (7/28/2024)
  - Language Access Plan — 4 months (7/28/2024)
  - Analysis of Impediments- 4 months (7/28/2024)
  - Request for Release of Funds — 5 months (8/28/2024)
- (f) Timely Drawdown of Funds. Recipient is expected make timely drawdowns so that funds are expended in a timely manner.

### 31. Performance Measures

The CPD Performance Measurement System is HUD's response to the standards set by the Government Performance and Results Act (GPRA) of 1993. This act holds all Federal agencies accountable for establishing goals and objectives and measuring achievements.

- (a) The recipient must ensure that all activities in the funded project(s) meet the appropriate objectives, outcomes, and indicators established by HUD and selected by DOC. CDBG funds cannot be used to pay for any activity that does not meet the above requirement.
- (b) The recipient must also assist DOC, when requested, in collecting indicators and any other data necessary to fulfill the requirements of the CPD



Performance Measures System, which includes data for the Integrated Disbursement and Information System ODIS).

Upon execution of this agreement by DOC and the Recipient, the Recipient hereby accepts the assistance on the terms of this grant agreement effective on the date indicated below, and further certifies that the official signing this document has been duly authorized by the recipient's governing body to execute this Grant Agreement.

**GRANT PROJECT ORDINANCE  
2023 CDBG-NR PROGRAM  
COUNTY OF COLUMBUS**

Be it ordained by the Columbus County Board of Commissioners that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1. The project authorized is the Neighborhood Revitalization project described in the work statement contained in the grant agreement #22-C-4116 between this unit and the Department of Commerce, Rural Economic Development Division. This project is more familiarly known as the Columbus County 2023 Community Development-Neighborhood Revitalization Project.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant documents, the rules and regulations of the Department of Commerce, Rural Economic Development Division and the budget contained herein.

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

58-3503-432330	CDBG-NC Grant	\$950,000.00
	<b>TOTAL</b>	<b>\$950,000.00</b>

Section 4. The following amounts are appropriated for the project:

58-4958-549957	Rehabilitation/Reconstruction	\$855,000.00
58-4958-548001	Administration	\$95,000.00
	<b>TOTAL</b>	<b>\$950,000.00</b>

Section 5. The finance officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement and federal and state regulations.

Section 6. Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The finance officer is directed to report annually on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The budget officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to this board.

Section 9. Copies of this grant project ordinance shall be made available to the project manager, budget officer and the finance officer for direction in carrying out this project.

Adopted this 3<sup>rd</sup> day of June, 2024.

  
Ricky Bullard, Chairman  
Name, Title

**Agenda Item #11: TRANSPORTATION – APPROVAL of VEHICLE LEASE AGREEMENT with TRANSDEV for FY 24/25:**

Transportation Director Joy Jacobs requested approval of the vehicle lease agreement with Transdev for FY 24/25.

**MOTION:**

Vice Chairman Byrd made a motion to approve seconded by Commissioner Floyd. The motion unanimously passed.

Rev. 4/11

## VEHICLE LEASE AGREEMENT

This Vehicle Lease Agreement, hereinafter referred to as “Agreement,” is made and entered into this 1st day of July, 2024, between Columbus County, hereinafter referred to as “Lessor,” and Transdev Services Inc, hereinafter referred to as “Lessee.” This

Agreement is a subcontract of the agreement(s) between the North Carolina Department of Transportation (NCDOT) and the Lessor. All other provisions contained in the agreement(s) between the North Carolina Department of Transportation and the Lessor, the Federal Transit Administration (FTA) Master Agreement (16) dated October 1, 2009, the State Management Plan for Federal and State Transportation Programs, and any subsequent amendments or revisions thereto, are herein incorporated by reference.

## **WITNESSTH:**

### Article I

Leased Vehicles: The Lessor hereby leases to the Lessee the vehicle(s) described in Exhibit 1 attached herewith and made a part hereof (hereinafter referred to as vehicle(s) upon the conditions and covenants set forth below). The vehicles shall be operated by the Lessee to serve the best interest and welfare of the Lessor and the public. The vehicles shall be maintained and operated in a manner that will provide the maximum amount of safety and protection to the Lessee's employees and passengers. The Lessee shall adhere to all drivers' license requirements set forth by the State and Federal governments. (Commercial Driver's License is required for all vehicles with a capacity of 16 or more passengers, including the driver). The Lessee will be responsible for all fees incurred for the registration (license tag) of the vehicle; form MVR 330. Transfer of Registration, will need to be completed and filed with the N.C. Division of Motor Vehicles (NCDMV). The Lessee shall utilize the Lessor's equipment in accordance with the procedures and guidelines set forth in FTA Circulars 5010.1D, dated November 1, 2008 and 9040.1F, dated April 1, 2007, or any subsequent revisions or amendments thereto, the Lessor description set forth in the Lessor's application and the Transportation Development Plan (TDP), Community Transportation Service Plan (CTSP) or Community Transportation Improvement Plan (CTIP) for County. The Lessee shall not sublease the Lessor's equipment to another entity without the expressed written consent of the Lessor and the NCDOT/ Integrated Mobility Division (IMD).

### Article II

Terms of Lease and Commencement Date: The term of this Agreement shall be for 12 months, commencing on July 1, 2024, the date that the vehicle(s) are placed in service by the Lessee, and continuing until June 30, 2025, or until this Agreement is canceled or terminated in writing by either the Lessor or Lessee, or by mutual consent, with 30 days advance notice. If the Lessor is leasing vehicles to a private operator (the lessee), the term of this Agreement shall run concurrent with the service agreement. The maximum term of any lease agreement shall not exceed five (5) years. In the event of breach or noncompliance with this Agreement, the Lessor may terminate this Agreement by giving the Lessee advance written notice. (See Article VII - Federal Requirements)

### Article III

Consideration: In consideration for leasing the vehicle(s), the Lessee agrees to pay the Lessor \$1.00 per vehicle for the term of the Agreement, and the Lessee further agrees to bear all costs of maintenance, operation, and repair of leased vehicle(s) described in Exhibit 1. The Lessee agrees to hold Lessor harmless for any damages arising out of the use, maintenance, or operations of the leased vehicle by the Lessee or any third party for any purpose whatsoever, with the Lessee's responsibilities more fully described hereinafter.

### Article IV

Routine Maintenance and Operation Expenses: The Lessee assumes the full and sole responsibility for maintaining the Lessor's equipment at a high level of cleanliness, safety, and mechanical soundness. The Lessee agrees to pay all charges for gasoline, oil, parts, services used or supplied for the vehicle during the term of this Agreement and shall indemnify the Lessor against all liability on such account. Lessor shall not be required to furnish any services, parts/materials, facilities or personnel to make any repairs to or maintain the vehicle(s); this is clearly and entirely the responsibility of the Lessee. The Lessee shall have a Preventive Maintenance Program/Schedule that, at a minimum, meets manufacturer guidelines and recommendations for maintaining vehicles. The Lessee must document and track all vehicle maintenance activities in a Preventive Maintenance Record format. The Preventive Maintenance Guidelines published by the Integrated Mobility Division or any subsequent Maintenance Program/Record issued by the division is available electronically upon request. This Maintenance program shall be tracked in AssetWorks, a software program required by NCDOT. The Lessor may require periodic reports on operation or maintenance activities.

The Lessor, the Integrated Mobility Division, the Federal Transit Administration, or any agent thereof, shall have the right to conduct periodic maintenance inspections for the purpose of confirming the existence, condition, and the proper maintenance of the leased equipment.

### Article V

Liability and Insurance: The Lessee assumes all liability regarding the provision of passenger service while utilizing the leased vehicle(s) and agrees to indemnify the Lessor for any losses incurred by the Lessee, or its management, or Board of Directors because of tortious conduct occurring in the course of the operation of leased vehicle(s). The Lessee will cover its activities and vehicle(s) with insurance sufficient to protect the Lessee, their management and Board of Directors, the Lessor, the Integrated Mobility Division, and the Federal Transit Administration from any loss whatsoever, in regard to vehicle(s).

The Lessee shall provide a copy of the insurance policy to the Lessor. On an annual basis, proof of adequate insurance shall be provided to the Lessor, the Integrated

Mobility Division or any agent thereof.

Liability Insurance: North Carolina law requires continuous liability coverage to be in effect on the vehicle(s) during the entire time it is registered and the license plate is in your possession. The insurance must be provided by a company that is licensed to do business in the state of North Carolina. The law is designed to compensate accident victims for property losses and personal injuries and is designed for the Lessee's protection.

Fire and Other Casualty Insurance: The Lessee, at its own cost and expense, shall keep the vehicle(s) insured against loss or damage by fire or other risk now or hereinafter embraced by the term “*comprehensive and collision coverage*.” The coverage shall be sufficient to create and assure a fund to be used to replace or repair the vehicle(s) in the event that damage or destruction necessitates the same. The Lessee shall be responsible for protecting the vehicle(s), based on the current market value, by maintaining adequate insurance throughout the Agreement period for the equipment. Failure of the Lessee to provide adequate insurance shall be considered a breach of this Agreement and, after notification by the Lessor, may result in termination of this Agreement.

The Lessee agrees to notify the Lessor immediately when any vehicle is withdrawn from service due to casualty loss. Fair market value shall be deemed to be equal to the damages paid by the Lessee's insurance carrier or from a self-insured reserve account. Lessor has no obligation for any loss in regard to the vehicle(s).

In no event shall salvage value be considered as fair market value for project equipment.

#### Article VI

Training: The Lessee assures that its vehicle operators are properly trained on vehicle operation and the correct use of special equipment, such as, but not limited to, wheelchair lift equipment and wheelchair tie-down mechanisms and restraints. The Lessor will provide proof of such training upon request.

#### Article VII

Leasing to a Private Operator: If the Lessee is a private operator under contract by a service agreement with the Lessor, all references in the service agreement, dated, are hereby incorporated by reference as is this Agreement incorporated by reference into the service agreement. The monetary consideration, indicated in Article III, may be waived.

#### Article VIII

### FEDERAL/STATE REQUIREMENTS AND SPECIAL CONDITIONS

Because the project activities performed by grant recipients, subrecipients, or extended through to a lower tier contract or agreement must be carried out in accordance with the Master Agreement, the applicable Federal and State requirements and conditions must be included in this Agreement. The Lessee is responsible under federal law to comply with these requirements including, but not limited to, the following:

**Federal Changes** - The Lessee understands that any State or Federal laws, regulations, policies, and related administrative practices applicable to this Agreement may be modified, amended or promulgated from time to time during the term of this Agreement. The Lessee agrees and shall comply with the most recent of such Federal requirements that will govern

this Agreement at any particular time, unless the Federal Government determines otherwise. Likewise, new Federal laws, regulations, policies and administrative practices may be established after this Agreement is executed and may apply to this Agreement. The Lessee's failure to so comply shall constitute a material breach of this Agreement. The following identifies, but is not limited to, the federal requirements that shall apply to this Agreement.

**Conflict of Interest** - No employee, officer, board member, or agent of the Lessee shall participate in the selection, award, or administration of a contract supported by State and/or Federal Transit Administration (FTA) funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer, board member, or agent, any member of his or her immediate family, his or her partner, or an organization that employs, or is about to employ any of the above, has a financial or other interest in the firm selected for award.

**Lobbying** - Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, PL 104-65 (2 U.S.C. §1601, et seq.). Lessee agrees that it will not use any funds for Lobbying, 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall comply with Federal statutory provisions or the extent applicable prohibiting the use of Federal assistance funds for activities designed to influence Congress to a State legislature on legislation or appropriations, except through proper official channels. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

**Debarment and Suspensions** - This Agreement is a covered transaction for purposes of 2 CFR Part 1200, which adopts and supplements the provisions of U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)," 2 CFR Part 180. As such, the Lessor is required to verify that none of the third party contractors, (Lessee), its principals, as defined at 2 CFR 180.995, or affiliates, as defined at 2 CFR 180.905, are excluded or disqualified as defined at 2 CFR 180.940, 180.935 and 180.945.

The Lessee is required to comply with 2 CFR 180, Subpart C and must include the requirement to comply with 2 CFR 180, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting this Agreement, the Lessee certifies as follows:

The certification in this clause is a material representation of fact relied upon by the Lessor. If it is later determined that the Lessee knowingly rendered an erroneous certification, in addition to remedies available to the Lessor, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Lessee agrees to comply with the requirements of 2 CFR 180, Subpart C while this Agreement is valid and throughout the period of this Agreement. The Lessee further agrees to include a provision requiring such compliance in its lower tier covered transactions.

The Lessor will be reviewing all third party contractors (Lessees) under the **System for Award Management** System at [www.sam.gov](http://www.sam.gov) before entering into any contracts.

**No Federal Government Obligations to Third Parties** - The Lessee acknowledges and agrees that, notwithstanding any concurrence by Federal and/or State Government in or

approval of the solicitation or award of the underlying agreement, absent the express written consent by Federal and/or State Government, Federal and State Governments are not parties to this Agreement and shall not be subject to any obligations or liabilities to the Lessee, or any other party (whether or not a party to that agreement) pertaining to any matter resulting from the underlying agreement.



## Civil Rights:

- (1) **Nondiscrimination** - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 § 6101 et seq., section 202 of the Americans with Disabilities Act of 1990, 42 § 12101, and Federal transit law at 49 U.S.C. § 5332, the Lessee agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Lessee agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(a) The third party Lessee and all lower tiers shall comply with all provisions of FTA Circular 4701.1A, "Title VI and Title VI Dependent Guidelines for Federal Transit Administration recipients", May 13, 2007.

- (2) **Equal Employment Opportunity** - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Lessee agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Lessee agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Lessee agrees to comply with any implementing requirements FTA may issue.

(b) Equal Employment Opportunity Requirements for Construction Activities. For activities determined by the U.S. Department of Labor (U.S. DOL) to qualify as "construction," the Lessee agrees to comply and assures the compliance of each sublessee at any tier of the Project, with all applicable equal employment opportunity requirements of U.S. DOL regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order No. 11246 Relating to Equal Employment

Opportunity," 42 U.S.C. § 2000(e) note, and also with any Federal laws, regulations, and directives affecting construction undertaken as part of the Project.

- (3) **Nondiscrimination on the Basis of Age** – The Lessee agrees to comply with all applicable requirements of the Age Discrimination Act of 1975, as amended, 42 U.S.C. §§ 6101 *et seq.*, and with implementing U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance, 45 C.F.R. Part 90, which prohibit discrimination against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA) 29 U.S.C. §§ 621 through 634 and with implementing U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. Part 1625.
- (4) **Access for Individuals with Disabilities** - The Lessee agrees to comply with 49 U.S.C. § 5301(d), which states the Federal policy that elderly individuals and individuals with disabilities have the same right as other individuals to use public transportation services and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement transportation accessibility rights for elderly individuals and individuals with disabilities. The Lessee also agrees to comply with all applicable provisions of section 504 of the Rehabilitation Act of 1973, as amended, with 29 U.S.C. § 794, which prohibits discrimination on the basis of disability; with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 *et seq.*, which requires that accessible facilities and services be made available to individuals with disabilities; and with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §§ 4151 *et seq.*, which requires that buildings and public accommodations be accessible to individuals with disabilities. In addition, the Lessee agrees to comply with applicable Federal regulations and directives and any subsequent amendments thereto, except to the extent the Federal Government determines otherwise in writing, as follows:
  - (1) U.S. DOT regulations "Transportation Services for Individuals with Disabilities (ADA)" 49 C.F.R. Part 37;
  - (2) U.S. DOT regulations "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. Part 27;
  - (3) Joint U.S. Architectural and Transportation Barriers Compliance Board (U.S. ATBCB) U.S. DOT regulations, "Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 C.F.R. Part 1192 and 49 C.F.R. Part 38;
  - (4) U.S. DOJ regulations "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. Part 35;

(5) U.S. DOJ regulations "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities." 28 C.F.R. Part 36;

(6) U.S. GSA regulations "Accommodations for the Physically Handicapped," 41 C.F.R. Subpart 101-19;

(7) U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630;

(8) U.S. Federal Communications Commission regulations "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 49 C.F.R. Part 64, Subpart F;

(9) U.S. Architectural and Transportation Barriers Compliance Board regulations, "Electronic and Information Technology Accessibility Standards." 36 C.F.R. Part 1194;

(10) FTA regulations, "Transportation of Elderly and Handicapped Persons," 49 C.F.R. part 609; and

(11) Federal civil rights and nondiscrimination directives implementing the foregoing regulations.

- (5) **Access to Services for Persons with Limited English Proficiency.** The Lessee agrees to comply with Executive Order No. 13166, "Improving Access to Services for Persons with Limited English Proficiency," 42 U.S.C. § 2000d-1 note, and U.S. DOT Notice, "DOT Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficiency (LEP) Persons," 70 *Fed. Reg.* 74087, December 14, 2005.
- (6) **Environmental Justice.** The Lessee agrees to comply with the policies of Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," 42 U.S.C. § 4321 note.
- (7) **Drug or Alcohol Abuse-Confidentiality and Other Civil Rights Protections.** To the extent applicable, the Lessee agrees to comply with the confidentiality and other civil rights protections of the Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. §§ 1101 *et seq.*, with the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended, 42 U.S.C. §§ 4541 *et seq.*, and with the Public Health Service Act of 1912, as amended, 42 U.S.C. §§ 201 *et seq.*, and any amendments to these laws.
- (8) **Other Nondiscrimination Statutes.** The Lessee agrees to comply with all applicable requirements of any other nondiscrimination statute(s) that may apply to this Contract.

- (9) The Lessee also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

#### **Clean Air Act –**

(a) The Lessee agrees to comply with all applicable standards, orders, or regulations issued pursuant to Section 306 of the Clean Air Act as amended, 42 U.S.C. § 7414 as amended and other applicable provisions of the Clean Air Act, as amended, 42 U.S.C. §§ 7401 through 7671q. The Lessee agrees to report each violation to the Lessor and understands and agrees that the Lessor will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

(b) The Lessee also agrees to comply with the applicable requirements of section 176(c) of the Clean Air Act, 42 U.S.C. § 7506(c), consistent with the joint FHWA/FTA document, "Interim Guidance for Implementing Key SAFETEA-LU Provisions on Planning, Environment, and Air Quality for Joint FHWA/FTA Authorities," dated September 2, 2005, and any subsequent applicable Federal directives that may be issued; with U.S. EPA regulations, "Conformity to State or Federal Implementation Plans of Transportation Plans, Programs, and Projects Developed, Funded or Approved Under Title 23 U.S.C. or the Federal Transit Act," 40 C.F.R. Part 51, Subpart T; and "Determining Conformity of Federal Actions to State or Federal Implementation Plans," 40 C.F.R. Part 93, and any subsequent Federal conformity regulations that may be promulgated. To support the requisite air quality conformity finding for the Project, the Lessee agrees to implement each air quality mitigation or control measure incorporated in the Project. The Lessee further agrees that any Project identified in an applicable State Implementation Plan (SIP) as a Transportation Control Measure will be wholly consistent with the design concept and scope of the Project described in the SIP.

(c) The Lessee also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal Assistance provided by FTA.

#### **Clean Water –**

(a) The Lessee agrees to comply with all applicable standards, orders, or regulations issued pursuant to Section 508 of the Clean Water Act, as amended, 33 U.S.C. § 1368, and other applicable requirements of the Clean Water Act, as amended, 33 U.S.C. §§ 1251 through 1377, The Lessee agrees to report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

(b) The Lessee also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

**Environmental Protection** - The Lessee agrees to comply with all applicable requirements of the National Environmental Policy Act of 1969, as amended 42 U.S.C. subsection 4321 et seq. in accordance with Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," 59 Fed. Reg. 7629, Feb. 16, 1994, FTA statutory requirements on environmental matters at 49 U.S.C. section 5324(b); Council on Environmental Quality regulations on compliance with the National Environmental Policy Act of 1969, as amended, 40 C.F.R. Part 1500 et

seq. and joint FHWA FTA regulations, "environmental Impact and Related procedures," 23 C.F.R. Part 771 and 49 C.F.R. Part 622; and when promulgated, FHWA/FTA joint regulations, "NEPA and Related Procedures for Transportation Decision-making, Protection of Public Parks, Wildlife and Waterfowl Refuges, and Historic Sites," 23 C.F.R. Part 1420 and 49 C.F.R. Part 623. As a result of enactment of 23 U.S.C. §§ 139 and 326 as well as amendments to 23 U.S.C. § 138, environmental decision-making requirements imposed on FTA projects to be implemented consistent with the joint FHWA/FTA final guidance, "SAFETEA-LU Environmental Review Process (Public Law 109-59), "71 Fed. Reg. 66576 et seq. November 15, 2006 and any subsequent applicable Federal directives that may be issued, except to the extent that FTA determines otherwise in writing.

**Energy Conservation** - The Lessee agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. Sect. 6321 et seq.

**Recycled Products** - To the extent possible the contractor agrees to comply with U. S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guidelines for Products Containing Recovered Materials," 40 CFR Part 247, which implements section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended, 42 U.S.C. 6962. The contractor agrees to provide competitive preference for products and services that conserve natural resources, protect the environment and are energy efficient, except to the extent that the Federal Government determines otherwise in writing. These items include, but may not be limited to:

***Paper and paper products***, excluding building and construction paper grades.

***Vehicular products:***

- (a) Lubricating oils containing re-refined oil, including engine lubricating oils, hydraulic fluids, and gear oils, excluding marine and aviation oils.
- (b) Tires, excluding airplane tires.
- (c) Reclaimed engine coolants, excluding coolants used in non- vehicular applications.
- (d) Rebuilt vehicular parts.

***Transportation products:***

- (a) Traffic barricades and traffic cones used in controlling or restricting vehicular traffic.
- (b) Parking stops made from concrete or containing recovered plastic or rubber.
- (c) Channelizers containing recovered plastic or rubber.
- (d) Delineators containing recovered plastic, rubber, or steel.
- (e) Flexible delineators containing recovered plastic.

***Miscellaneous products:***

- (a) Pallets containing recovered wood, plastic, or paperboard.
- (b) Sorbents containing recovered materials for use in oil and solvent clean-ups and as animal bedding.
- (c) Industrial drums containing recovered steel, plastic, or paper.
- (d) Awards and plaques containing recovered glass, wood, paper, or plastic.
- (e) Mats containing recovered rubber and/or plastic.

- (f) (1) Non-road signs containing recovered plastic or aluminum and road signs containing recovered aluminum.
- (2) Sign supports and posts containing recovered plastic or steel.
- (g) Manual-grade strapping containing recovered steel or plastic.
- (h) Bike racks containing recovered steel or plastic.
- (i) Blasting grit containing recovered steel, coal and metal slag, bottom ash, glass, plastic, fused alumina oxide, or walnut shells.

***Park and recreation products:***

- (a) Playground surfaces and running tracks containing recovered rubber or plastic.
- (b) Plastic fencing containing recovered plastic for use in controlling snow or sand drifting and as a warning/safety barrier in construction or other applications.
- (c) Park benches and picnic tables containing recovered steel, aluminum, plastic, or concrete.
- (d) Playground equipment containing recovered plastic, steel, or aluminum.

***Landscaping products:***

- (a) Hydraulic mulch products containing recovered paper or recovered wood used for hydroseeding and as an over-spray for straw mulch in landscaping, erosion control, and soil reclamation.
- (b) Compost made from yard trimmings, leaves, grass clippings, and/ or food waste for use in landscaping, seeding of grass or other plants on roadsides and embankments, as a nutritious mulch under trees and shrubs, and in erosion control and soil reclamation.
- (c) Garden and soaker hoses containing recovered plastic or rubber.
- (d) Lawn and garden edging containing recovered plastic or rubber.
- (e) Plastic lumber landscaping timbers and posts containing recovered materials.

***Non-paper office products:***

- (a) Office recycling containers and office waste receptacles.
- (b) Plastic desktop accessories.
- (c) Toner cartridges.
- (d) Plastic-covered binders containing recovered plastic; chipboard and pressboard binders containing recovered paper; and solid plastic binders containing recovered plastic.
- (e) Plastic trash bags.
- (f) Printer ribbons.
- (g) Plastic envelopes.
- (h) Plastic clipboards containing recovered plastic.
- (i) Plastic file folders containing recovered plastic.
- (j) Plastic clip portfolios containing recovered plastic.
- (k) Plastic presentation folders containing recovered plastic.
- (l) Office furniture containing recovered steel, aluminum, wood, agricultural fiber, or plastic.

**Termination or Cancellation of Agreement** - Termination or cancellation of this

Agreement, in whole or in part, may be initiated by either the Lessor or the Lessee if it is in the best interest of that party. A notice of termination shall be delivered to the Lessee or Lessor, specifying the extent to which performance of work under this Agreement is terminated, and the date upon which such termination becomes effective. A 30-day notice of termination shall be required. If this Agreement is terminated, the Lessor shall be liable only for payments under the payment provisions of the contract for services rendered before the effective date of termination.

**Breach of Contract** - If the Lessee fails to provide the services within the specified terms of this Agreement, or fails to perform within the provisions of this Agreement, this Agreement may be terminated by reason of default or breach. A written notice of default or breach of agreement shall be presented to the Lessee within three (3) working days of such failure, advising the Lessee that this Agreement may be terminated in thirty (30) days.

If it is determined that the Lessee had an excusable reason for not providing service, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Lessee, the Lessor may allow the Lessee to continue the service, or treat the termination as a termination for convenience.

The Lessor may allow the Lessee a specified period of time in which to correct the deficiency; the notice of termination will state the time period in which the correction is permitted and other appropriate conditions. If the Lessee fails to remedy to the Lessor's satisfaction the breach or default or any of the terms, covenants, or conditions of this Agreement within the specified time period, the Lessor shall have the right to terminate this Agreement without any further obligation to Lessee. Any such termination for default shall not in any way operate to preclude the Lessor from also pursuing all available remedies against Lessee and its sureties for said breach or default.

### **Resolution of Disputes -**

Disputes - Disputes arising in the performance of this Agreement which are not resolved through discussions by the parties shall be decided in writing by the authorized representative of the Lessor. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the Lessee mails or otherwise furnishes a written appeal to the authorized representative of the Lessor. In connection with any such appeal, the Lessee shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the authorized representative of the Lessor shall be binding upon the Lessee and the Lessee shall abide by the decision.

Performance during Dispute - Unless otherwise directed by the Lessor, the Lessee shall continue performance under this Agreement while matters in dispute are being resolved.

Claims for Damages - Any claim resulting from injury or damage to person or property because of any act or omission of the Lessee or of any of his employees, agents or others for whose acts he is legally liable, should be made in writing to the Lessee. The Lessee is responsible for settlement of all such claims.

Remedies - Unless this Agreement provides otherwise, all claims, counterclaims, disputes and other matters in question between the Lessor and the Lessee arising out of or relating to this Agreement or its breach will be decided by arbitration if the parties mutually agree, or

in a court of competent jurisdiction within the County in which the Lessor is located.

**Rights and Remedies** -The duties and obligations imposed by this Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Lessor or Lessee shall constitute a waiver of any right or duty afforded any of them under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

**Nonconstruction Employee Protection Requirements** - Section 102 of the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C Sections 327 through 333 are mandated under DOL regulation 29 C.F.R. Section 5.5.

- (1) *Overtime requirements* - No Lessee contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) *Violation; liability for unpaid wages; liquidated damages* - In the event of any violation of the clause set forth in paragraph (1) of this section the Lessee responsible therefore shall be liable for the unpaid wages. In addition, such Lessee shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$ 10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) *Withholding for unpaid wages and liquidated damages* - The Lessor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Lessee under any such contract or any other Federal contract with the same prime Lessee, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Lessee, such sums as may be determined to be necessary to satisfy any liabilities of such Lessee for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) *Payrolls and basic records* - (i) Payrolls and basic records relating thereto shall be maintained by the Lessee during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the



Housing Act of 1949, in the construction or development of the Lessor). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Lessee shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Lessees employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

#### **False or Fraudulent Statements and Claims -**

(1) The Lessee acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. §§ 3801 *et seq.* and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Lessee certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Lessee further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Lessee to the extent the Federal Government deems appropriate.

(2) The Lessee also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, certification, or agreement with or to the Federal Government involving a project authorized by 49 U.S.C. chapter 53 or any other Federal law, the Federal Government reserves the right to impose on the Lessee the penalties of 49 U.S.C. 5323(l), 18 U.S.C. § 1001 or other applicable Federal law to the extent the Federal Government deems appropriate.

**Reporting, Record Retention, and Access -** The following access to records requirements apply to this Agreement:

1. In accordance with the "Common Rule" 49 C.F.R. Parts 18 and 19, Reports and Records, the Lessee agrees to provide the Lessor, the NCDOT, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Lessee which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts and transcriptions.

2. The Lessee agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
3. The Lessee agrees to maintain all books, records, accounts and reports required under this Agreement for a period of not less than three years after the date of termination or expiration of this Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case the Lessee agrees to maintain same until the Lessor, the NCDOT, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

**Privacy** - To the extent that the Lessee, or its sub-lessees, if any, or any to their respective employees administer any system of records on behalf of the Federal Government, the Lessee agrees to comply with, and assure the compliance of its sub-lessees or employees, if any, with the information restrictions and other applicable requirements of the Privacy Act of 1974, as amended, 5 U.S.C. Sect. 552, (the Privacy Act).

The Lessee shall obtain the express consent of the Department and the Federal Government before the Lessee, and any sub-lessee, or any of their respective employees operate a system of records on behalf of the Federal Government. Failure to do so may result in termination of the Agreement and civil and criminal penalties for violation of the Privacy Act.

**Charter Service Operations** - The Lessee agrees to comply with 49 U.S.C. 5323(d) and 49 CFR Part 604, amended at 73 *Fed. Reg.* 2325 *et seq.*, January 14, 2008, and amended at 73 *Fed. Reg.* 44927 *et seq.*, August 1, 2008, and 73 *Fed. Reg.* 46554 *et seq.*, August 11, 2008. This provides that lessees and sub-lessees of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities except under special circumstances.

**School Bus Operations** - Pursuant to 49 U.S.C. 5323(f) and 49 CFR Part 605, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally funded equipment, vehicles, or facilities.

**Drug and Alcohol Testing** - In accordance with the FTA Drug and Alcohol Regulation, 49 CFR 655, revised October 1, 2005, that implemented 49 U.S.C. § 5331, and any subsequent revisions or amendments thereto, the Lessor shall require the Lessee to have a drug and alcohol testing program for safety sensitive employees. Testing will include pre-employment, random, reasonable suspicion, post-accident, and return-to-duty testing.

Safety sensitive employees are employees that perform the following functions:

- ☐ operating a revenue vehicle including when not in revenue service
- ☐ operating a non-revenue vehicle when required to be operated by a holder of a Commercial Driver's License (CDL)

- controlling dispatch or movement of a revenue service vehicle
- maintaining, repairing, overhauling, and rebuilding a revenue service vehicle or equipment used in revenue service (Note: a sub-lessee that provides maintenance services to an operations contractor (lessee) is subject to FTA's drug and alcohol testing regulations)

This program takes effect immediately upon the execution of the contract.

**Federal Motor Carrier Safety Administration** - The Lessee will comply with the applicable provisions of the following promulgated U.S. FMCSA regulations.

Financial Responsibility.

1. To extent that the Lessee is engaged in interstate commerce and not within a defined commercial zone, the Lessee agrees to comply with U.S. FMCSA regulations, "Minimum Level of Financial Responsibility for Motor Carriers", 49 U.S.C. Part 387, Dealing with economic registration and insurance requirements.
  - a) The amount of insurance required of Federal assistance recipients (5307, 5310 and 5311) is reduced to the highest amount of any state in which the transit provider operates.
2. To extent that the Lessee is engaged in interstate commerce and not within a defined commercial zone, and the grant recipient is not a unit of government (defined as Federal Government, a state, any political subdivision of a state or any agency established under a compact between states), the Lessee agrees to comply with U.S. FMCSA regulations, Subpart B, "Federal Motor Carrier Safety Regulation", at 49 CFR Parts 390 through 396.

Driver Qualifications.

1. The Lessee agree to comply with U.S. FMCSA's regulations, "Commercial Driver's License Standards, Requirements, and Penalties", 49 CFR Part 383.

Substance Abuse Rules for Motor Carriers

1. The Lessee or third party agree to comply with U.S. FMCSA's regulations, "Drug and Alcohol Use and Testing Requirements" 49 CFR Part 382, which apply to transit providers that operate a commercial motor vehicle that has a gross vehicle weight rating over 26,000 pounds or is designed to transport sixteen (16) or more passengers, including the driver.

**Hold Harmless** - Except as prohibited or otherwise limited by State law, the Lessee agrees to indemnify, save, and hold harmless the Lessor of this Agreement, the North Carolina Department of Transportation, the Federal Transit Administration and its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any negligent or willful acts or omissions by the Lessee, or the officers, agents, employees of the Lessee, or the failure to perform or comply with any

of the provisions of this Agreement.

**Transit Employee Protective Agreements** - The Transit Employee Protective Provisions apply to each contract for transit operations performed by employees of a Lessee recognized by FTA to be a transit operator. (Because transit operations involve many activities apart from directly driving or operating transit vehicles, FTA determines which activities constitute transit "operations" for purposes of this clause.) These provisions are applicable to all contracts and subcontracts at every tier.

Transit Employee Protective Provisions.

(1) The Lessee agrees to comply with applicable transit employee protective requirements as follows:

(a) General Transit Employee Protective Requirements - To the extent that FTA determines that transit operations are involved, the Lessee agrees to carry out the transit operations work on the underlying contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this contract and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the letter of certification from the U.S. DOL to FTA applicable to the FTA Recipient's project from which Federal assistance is provided to support work on the underlying contract. The Lessee agrees to carry out that work in compliance with the conditions stated in that U.S. DOL letter. The requirements of this subsection (1), however, do not apply to any contract financed with Federal assistance provided by FTA either for projects for elderly individuals and individuals with disabilities authorized by 49 U.S.C. § 5310(a)(2), or for projects for nonurbanized areas authorized by 49 U.S.C. § 5311. Alternate provisions for those projects are set forth in subsections (b) and (c) of this clause.

(b) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5310(a)(2) for Elderly Individuals and Individuals with Disabilities - If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5310(a)(2), and if the U.S. Secretary of Transportation has determined or determines in the future that the employee protective requirements of 49 U.S.C. § 5333(b) are necessary or appropriate for the state and the public body subrecipient for which work is performed on the underlying contract, the Lessee agrees to carry out the Project in compliance with the terms and conditions determined by the U.S. Secretary of Labor to meet the requirements of 49 U.S.C. § 5333(b), U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the U.S. DOL's letter of certification to FTA, the date of which is set forth Grant Agreement or Cooperative Agreement with the state. The Lessee agrees to perform transit operations in connection with the underlying contract in compliance with the conditions stated in that U.S. DOL letter.

(c) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5311 in Nonurbanized Areas - If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5311, the Lessee agrees to comply with the terms and conditions of the Special Warranty for the

Nonurbanized Area Program agreed to by the U.S. Secretaries of Transportation and Labor, dated May 31, 1979, and the procedures implemented by U.S. DOL or any revision thereto.

(2) The Lessee also agrees to include the any applicable requirements in each sublease involving transit operations financed in whole or in part with Federal assistance provided by FTA.

### **Safe Operation of Motor Vehicles**

a. Seat Belt Use. Pursuant to Executive Order No. 13043, April 16, 1997, 23 U. S. C. § 402, the Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned, rented, or personally-operated vehicles and include this provision in any third party subcontracts, leases or similar documents in connection with this project.

b. Distracted Driving, Including Texting While Driving. Consistent with Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 U.S.C. Section 402 note, and DOT Order 3902.10, "Text Messaging While Driving," December 30, 2009, FTA encourages each third party contractor to promote policies and initiatives for its employees and other personnel that adopt and promote safety policies to decrease crashes by distracted drivers, including policies to ban text messaging while driving, and to include this provision in any third party subcontract leases or similar documents in connection with this project.

c. Safety. The Contractor is encouraged to:

(1) Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving— Company-owned or rented vehicles; Privately-owned vehicles when on official Project related business or when performing any work for or on behalf of the Project; or any vehicle, on or off duty, and using an electronic device.

(2) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

d. Definitions

(1) "Driving" means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic, a traffic light, stop sign, or otherwise. "Driving" does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

(2) "Text Messaging" means reading from or entering data into any handheld or other electronic device, including for the purpose of short message service texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data

communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless the practice is prohibited by State or local law.

**Sensitive Security Information** - Each third party contractor must protect, and take measures to ensure that its subcontractors at each tier protect, "sensitive security information" made available during the administration of a third party contract or subcontract. This is to ensure compliance with 49 U.S.C. Section 40119(b) and implementing DOT regulations, "Protection of Sensitive Security Information," 49 CFR Part 15, and with 49 U.S.C. Section 114(r) and implementing Department of Homeland Security regulations, "Protection of Sensitive Security Information," 49 CFR Part 1520.

### **North Carolina State Ethic's Requirement**

Pursuant to Governor Perdue's Executive Order # 24, this section should be included in the terms and conditions of all contracts let by the Governor's Cabinet Agencies and the Office of the Governor:

- 1) "By Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor ( i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:

- (1) have a contract with a governmental agency; or
- (2) have performed under such a contract within the past year; or
- (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Executive Order 24 also encouraged and invited other State Agencies to implement the requirements and prohibitions of the Executive Order to their agencies. Vendors and contractors should contact other State Agencies to determine if those agencies have adopted Executive Order 24."

To be added near the signature portion of all contracts let by the Governor's Cabinet Agencies and the Office of the Governor:

"N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or

promised by any employees of your organization.”

**Incorporation of Federal Transit Administration (FTA) Terms** - The preceding provisions include, in part, certain Standard Terms and Conditions required by the Lessor (NCDOT/PTD), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by the Lessor, as set forth in FTA Circular 4220.1F, dated November 1, 2008, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Lessee shall not perform any act, fail to perform any act, or refuse to comply with any Lessor requests which would cause the Lessor to be in violation of the FTA terms and conditions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in its respective names, by its duly authorized officers.

LESSOR

LESSEE

COLUMBUS COUNTY

Transdev Services, Inc

By: \_\_\_\_\_  
 Printed Name: Ricky Bullard  
 Title: Chairman, Columbus County  
 Commissioners  
 Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
 Columbus County Attorney

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

\_\_\_\_\_  
 Columbus County Finance Officer





## EXHIBIT I

The vehicle(s) referred to in the preceding Agreement to which this exhibit is attached are described as follows:

### Description of Vehicles

Model Year	Model	VIN Number	Vehicle Type
2020	MVAN	2C4RDGBG0LR175776	Minivan
2017	MVAN	2C4RDGBG2HR597684	Minivan
2019	STARLITE	1FDEE3FS2KDC59758	20ft LTV Lift
2020	U4XE	1FDVU4X86LKB17597	Lift Conversion Van
2017	E-350	1FDEE3FS9HDC31979	20 Ft LTV
2019	S4XE	1FTRS4XM8KKA77143	Lift Conversion Van
2022	X2CG	1FDAX2CG1NKA69808	Lift Conversion Van
2019	S4XE	1FTRS4XM4KKA53793	20ft LTV
2015	MINIVAN	2C4RDGCGXFR719509	Minivan
2024	Starlite	1FDEE3FN2RDD33636	20 Ft LTV
2018	Elkhart	1FDEE3FS6JDC18600	20 Ft Lift
2019	Starcraft	1FDEE3FS7KDV21507	20 Ft Lift
2021	Starcraft	1FDEE3FNXMDC20591	20 Ft Lift
2021	Starcraft	1FDEE3FN1MDC20592	20 Ft Lift
2021	E-250 Allstar	1FDEE3FN9MDC09825	22 Ft Lift
2022	K1CF	1FDZK1C85NKA69413	Lift Conversion Van
2022	K1CF	1FDZK1C8XNKA70024	Lift Conversion Van
2024	Starcraft	1FDEE3FN0RDD45896	20 Ft LTV w/lift

THE VEHICLE(S) CANNOT BE LEASED TO A SUB-LESSEE WITHOUT WRITTEN AUTHORIZATION FROM THE LESSOR AND THE INTEGRATED MOBILITY DIVISION.


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**Agenda Item #12: SOLID WASTE – APPROVAL of the QUOTE from FLEETFENIUS to PURCHASE CONTAINERS for RECYCLING CENTERS:**

Public Utilities / Solid Waste Director Harold Nobles requested approval of the quote from FleetGenius for \$56,003 to purchase containers for use at the Columbus County Recycling Centers and at the Columbus County Transfer Station. This purchase was pre-budgeted

**MOTION:**

Vice Chairman Coleman made a motion to reject the plats, seconded by Commissioner Floyd. The motion unanimously passed.

 <b>FleetGenius of NC, Inc</b> 1808 Norwood Street SW Lenoir NC 28645 United States		<b>QUOTATION</b> Quote No.: QNC767 Date: 4/30/2024 Valid Until: 5/30/2024 Customer No.: Columbus County Customer Ref. No.: Page No.: Page 1 of 2	
<b>BILL TO</b> C01323 Columbus County Columbus County 205 Lee Ave Whiteville North Carolina United States		<b>SHIP TO</b> William Schalk Columbus County 107 Landfill Rd. Whiteville NC 28472 United States	
		<b>TOTAL</b> \$56,003.19	
Sales Employee: Pat Lundergan Contact Name: Terms: Net 30		Ship Via: FleetGenius Transport FOB:	
<b>Item No.</b>	<b>Description</b>	<b>Unit Price</b>	<b>Quantity</b>
TL-000000008	Roll Off 30 cu yd Rect (22 ft x 60" sides)	\$5,067.00	10
	Color TBD		
Pat Lundergan We Appreciate Your Interest In FleetGenius, And For This Opportunity To Do Business. Pat Lundergan Mid-Atlantic Sales Manager FleetGenius & Pinnacle Compactors (800) 221-4153 (Toll Free) (828) 726-7247 (Mobile) (828) 726-3010 (Fax) plundergan@fleetgenius.com www.fleetgenius.com *Lead Time: Approx (3.5) Weeks After Receipt Of Order - Subject To Change At Time Of Order *Prices Quoted Are Good For 30 Days From The Date Of The Quote *Customer Is Responsible And Liable For Offloading Equipment Upon Delivery Unless Alternate Methods Have Been Arranged Prior To Delivery We Appreciate Your Interest In FleetGenius, And For This Opportunity To Do Business			

 <b>FleetGenius of NC, Inc</b> 1808 Norwood Street SW Lenoir NC 28645 United States		<b>QUOTATION</b> Quote No.: QNC767 Date: 4/30/2024 Valid Until: 5/30/2024 Customer No.: Columbus County Customer Ref. No.: Page No.: Page 2 of 2	
<b>Order Terms and Conditions:</b> Order Confirmation - quotes are confirmed into orders based on customer verbal or written confirmation. ALL INFORMATION CONTAINED IN A CONFIRMED QUOTE WILL BE CONSIDERED CORRECT AND ACCURATE AT THE TIME OF THE ORDER Purchase Orders are required for order confirmation. Prices will be subject to change based on any subsequent alteration to quantity, product design or specification, logistics, or delivery schedule. Payment Terms - method and payment terms are confirmed at time of order. New and COD accounts will be subject to a 30% (nonrefundable) deposit, also 70% final payment due upon delivery. All credit card payments will be subject to a convenience fee of 4% (excluding parts orders) SHIPMENT AND F.O.B. POINT - All shipments will be made after completion of manufacture unless otherwise agreed to in writing. In the event the equipment delivery is delayed or postponed by the Purchaser the Purchaser will be invoiced immediately for the equipment (less freight), and such invoice shall be due and payable according to these terms. Storage shall be at the risk of the Purchaser and FleetGenius shall be liable only for the ordinary care of the property. Unless stated in writing, all prices quoted or otherwise listed are F.O.B. point of manufacture. Shipping Damages - Any Damages must be noted at the time of delivery to the freight company delivering the product. Customer is Responsible for Offloading Equipment and is liable for any damages incurred. All Products are invoiced upon completion when the sales order has met its due date. Payment must be received by the invoice due date. Any unpaid balances will be subject to a late fee of the maximum allowable rate, in accordance with any applicable statutory regulations. Warranty - standard FG warranty applies to all new products sold. Warranty date begins on the date the product is received.			
		Subtotal \$50,670.00 Discount Shipping \$1,792.00 Tax Total \$3,541.19 <b>Total \$56,003.19</b>	
Remarks: 2 FG TL - 896 per load			

### **Agenda Item #13: FINANCE – APPROVAL of the UPDATED MAULDIN & JENKINS FY 23 CONTRACT:**

Director Lacie Jacobs requested approval of the updated Mauldin & Jenkins contract to include an additional \$30,000 to provide supplementary assistance in order to streamline the audit process.

**MOTION:**

Commissioner Coleman made a motion to approve, seconded by Commissioner Smith. The motion unanimously passed.



April 30, 2024

Board of County Commissioners  
Columbus County, North Carolina  
127 W. Webster Street  
Whiteville, NC 28472

Attn: Edwin H. Madden, Jr., County Manager and Lacie Jacobs, Finance Director

We are pleased to confirm our understanding of the services we are to provide the Columbus County, North Carolina (the County) for the year ended June 30, 2023.

**ARTICLE I AUDIT SCOPE AND OBJECTIVES**

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the County of Columbus, North Carolina as of and for the year then ended. These statements will include the budgetary comparison information for the General Fund. We will obtain and place reliance on the report of other auditors for the Columbus Tourism Authority and the

Columbus Regional Healthcare System, discretely presented component units of the County. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the County's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis (MD&A).

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2. Schedule of the County's Proportionate Share of the Net Pension Liability for the Local Governmental Employees' Retirement System (LGERS).
3. Schedule of County Contributions to LGERS.
4. Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) for the Register of Deeds' Supplemental Pension Fund (RODSPF).
5. Schedule of County Contributions to RODSPF.
6. Schedule of Changes in the Total Pension Liability for the Law Enforcement Officers' Special Separation Allowance (LEOSSA).
7. Schedule of Total Pension Liability as a Percentage of Covered Payroll – LEOSSA.
8. Schedule of Changes in the Total OPEB Liability and Related Ratios.

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

1. Schedule of expenditures of federal and state awards.
2. Combining and individual fund statements and schedules.
3. Other financial information including:
  - a. Schedule of Ad Valorem Taxes Receivable.
  - b. Schedule of Analysis of Current Tax Levy.

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

The objectives also include reporting on -

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of North Carolina Single Audit Implementation Act (State Single Audit Act).

## **ARTICLE IIAUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND SINGLE AUDIT**

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

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

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

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We plan to obtain and place reliance on the report of other auditors for the Columbus Tourism Authority and the Columbus Regional Healthcare System, discretely presented component units of the County, assuming that our communications with the other auditors and review of their audit report and the financial statements of the Columbus Tourism Authority and the Columbus Regional Healthcare System provide sufficient and appropriate audit evidence on which to base our overall opinion on the aggregate discretely presented component units.

According to GAAS, significant risks include the risk of management's override of internal controls. Accordingly, we have considered this item as a significant risk. Furthermore, we have identified the following additional risk of material misstatement as part of our audit planning:

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

1. Management's override of internal controls.

### **ARTICLE IIIAUDIT PROCEDURES—INTERNAL CONTROL**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting

misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

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

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

## **ARTICLE IV AUDIT PROCEDURES—COMPLIANCE**

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

The Uniform Guidance and State Single Audit Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina* for the types of compliance requirements that could have a direct and material effect on each of the County's major programs. For federal and/or state programs that are included in the Federal or State Compliance Supplements, our compliance and internal control procedures will relate to the compliance requirements that the Federal or State Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the County's



compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and State Single Audit Act.

## **ARTICLE VOTHER SERVICES**

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

## **ARTICLE VIRESponsibilities of Management for the Financial Statements and Single Audit**

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

You are also responsible for making drafts of financial statements, schedule of expenditures of federal and state awards, all financial records and related information available to us and for the

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

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance and State Single Audit Act, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal and state awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and to prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review subsequent to the start of fieldwork.

With regard to an exempt offering document with which Mauldin & Jenkins is not involved, you agree to clearly indicate in the exempt offering document that Mauldin & Jenkins is not involved with the contents of such offering document. In the event that Mauldin & Jenkins is requested to be involved with an exempt offering document, you agree that the aforementioned auditor's report or reference to Mauldin & Jenkins will not be included without our prior permission or consent. Furthermore, any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received, and COVID-19 related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal and state awards no later than the date the schedule of expenditures of federal and state awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and state awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

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

changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

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

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

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

You acknowledge the Columbus County, North Carolina will not utilize Mauldin & Jenkins, LLC to store documents, data, or records on behalf of the County in accordance with the "Hosting Services" (see ET section 1.295.143) interpretation of the AICPA Code of Professional Conduct. The County is solely responsible for maintaining its own data and records. In that regard, SuraLink is used solely as a method of transferring data to Mauldin & Jenkins, LLC and is not intended for the storage of the County's information. All information you will provide through SuraLink is a copy and you will maintain original documents and data as part of your records.

## **ARTICLE VII ENGAGEMENT ADMINISTRATION, FEES, AND OTHER**

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete our engagement, resulting in an increase in fees over our original estimate.

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

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

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

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a regulatory body. If we are aware

that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately May 1, 2024 and to issue our reports no later than July 31, 2024. LeAnn Bagasala is the engagement director and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be \$130,000 for the year ended June 30, 2023, which includes consideration for the performance of Single Audit procedures on up to five (5) major federal and/or state programs and the required reporting thereon. Should the County require federal and/or State single audit procedures on additional programs (depending on the composition of the County's federal and/or State funding), additional fees will apply for each major program. Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

## **ARTICLE VIII REPORTING**

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Commissioners for the Columbus County. We will make reference to other auditor's report on the Columbus Tourism Authority and the Columbus Regional Healthcare System in our report on your financial statements. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs to our auditor's report, or if necessary, withdraw from this engagement. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

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

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

LGC-205

**CONTRACT TO AUDIT ACCOUNTS**

Rev. 11/2023

The of and	Governing Board County Commissioners	
	Primary Government Unit Columbus County	
	Discretely Presented Component Unit (DPCU) (if applicable) n/a	
<i>Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)</i>		
and	Auditor Name Mauldin & Jenkins, LLC	
	Auditor Address 4208 Six Forks Road, Suite 1000, Raleigh, NC 27609	
<i>Hereinafter referred to as Auditor</i>		
for	Fiscal Year Ending 06/30/23	Date Audit Will Be Submitted to LGC 10/31/23
	<i>Must be within four months of FYE</i>	

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (nonmajor government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial

statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then

Page 1

the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

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

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the



accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

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

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits,

agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds

expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

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

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

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

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review

requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/ or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.
15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.
17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.
19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.
20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

Page 4

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.
24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.
25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

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

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:
- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
  - b) the status of the prior year audit findings;
  - c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
  - d) notification to the governing body that the governing body shall develop a "Response to the

Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

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

Page 5

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).
31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-localgovernment-finance-division/local-government-commission/submitting-your-audit>
32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.
33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

## FEES FOR AUDIT SERVICES

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

Financial statements were prepared by: ☐ Auditor ☐ Governmental Unit ☐ Third Party

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

**Name:**

**Title and Unit / Company:**

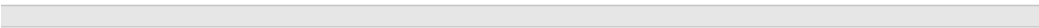
**Email Address:**

**OR Not Applicable**

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

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.
3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.
4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

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



LGC-205

**CONTRACT TO AUDIT ACCOUNTS**

Rev. 11/2023

<b>Additional Fees Not Included Above (if applicable):</b>	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
<b>TOTAL AMOUNT NOT TO EXCEED</b>	\$



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**CONTRACT TO AUDIT ACCOUNTS**
**SIGNATURE PAGE****AUDIT FIRM**

Audit Firm*	
Authorized Firm Representative (typed or printed)*	Signature* 
Date*	Email Address*

**GOVERNMENTAL UNIT**

Governmental Unit*	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)*	Signature*
Date	Email Address*
Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

**GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE**

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

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

Sum Obligated by This Transaction:	\$
Primary Governmental Unit Finance Officer* (typed or printed)	Signature*
Date of Pre-Audit Certificate*	Email Address*

Page 8

**CONTRACT TO AUDIT ACCOUNTS****SIGNATURE PAGE – DPCU**


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LGC-205

Rev. 11/2023

**DISCRETELY PRESENTED COMPONENT UNIT**

DPCU*	
Date DPCU Governing Board Approved Audit Contract* (Enter date in box to right)	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*
Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

**DPCU – PRE-AUDIT CERTIFICATE**

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

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

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

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

**Agenda Item #14: FINANCE – APPROVAL of BUDGET AMENDMENTS and CAPITAL PROJECT ORDINANCES:**

Finance Director Lacie Jacobs requested approval of the following budget amendments and project ordinances:

- a. Fund 12 – Fines & Forfeitures- Budget Amendment
- b. Fund 10 – AMR Project Closeout - Budget Amendment
- c. Sheriff – Vehicles - Budget Amendment
- d. Transportation- Gasoline -
- e. Insurance Check for Central Garage - Budget Amendment
- f. Central Garage – Project Ordinance
- g. Airport – Terminal Building – SCIF (budgeting interest)- Project Ordinance
- h. Hurricane Ian – Project Ordinance
- i. Whiteville High School Project Ordinance - Closeout
- j. West Columbus PreK-8 Project Ordinance - Closeout

**MOTION:**

Vice Chairman Byrd made a motion to approve, seconded by Commissioner Floyd. The motion unanimously passed.

## BUDGET AMENDMENT

FY 23/24

Name of Department: FINANCE

Agency Head Signature: \_\_\_\_\_

Date Prepare / Submitted to Admin:  Date Received in Admin:

[illegible]

Budget Code			REVENUES	Requested
Fund	Dept	Category	Classification	Increase or (Decrease)
12	3501	400101	FUND BALANCE APPROPRIATED	\$4,005
			Total Net Revenue	\$0

☐ This budget revision has been approved by the Columbus County Finance Office:

☐ This budget revision has been approved by the Columbus County County Manager:

XXX This budget revision has been approved by the Board of Columbus County Commissioners on:

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Explanation of Increase or Decrease:**  
AMOUNT NOT PAID OUT TO SCHOOLS DUE TO A MISPOSTING IN FY 2022/2023. CORRECTED AND NEED TO PAY TO SCHOOLS IN FY 2023/2024.

BUDGET AMENDMENT				FY 23/24
Name of Department:				FINANCE
Agency Head Signature:				
Date Prepare / Submitted to Admin:		May 13, 2024		Date Received in Admin:
Budget Code	EXPENDITURES		Requested	
Fund Dept Category	Classification		Increase or (Decrease)	
10 9800 598055	TRANSFER TO WATER DISTRICTS CAPITAL PROJECTS		\$18,015	
10 4130 519102	PROFESSIONAL SERVICES - CPA		\$10,973	
		Total Net Expense	\$28,988	
Budget Code	REVENUES		Requested	
Fund Dept Category	Classification		Increase or (Decrease)	
10 3680 498048	TRANSFER FROM WD II AMR		\$28,988	
		Total Net Revenue	\$28,988	
<hr/>				
<input type="checkbox"/> This budget revision has been approved by the Columbus County Finance Officer: <input type="checkbox"/> This budget revision has been approved by the Columbus County County Manager: <input checked="" type="checkbox"/> This budget revision has been approved by the Board of Columbus County Commissioners on:				
Signature _____				Date _____
<b>Explanation of Increase or Decrease:</b> TO TRANSFER FUNDS TO CLOSE OUT WATER DISTRICTS AMR PROJECTS - DIFFERENCE TO GO TOWARDS AUDIT FINAL PAYMENT				

**BUDGET AMENDMENT**  
Columbus County, NC

Name of Department: Sheriff's Office

Name of Capital Project (if applicable): \_\_\_\_\_

Agency Head Signature: W. A. Regan

Date Prepared: May 28, 2024 SHERIFF Date Received in Admin: \_\_\_\_\_

EXPENDITURE			
Budget Code Fund Dept Object	Classification Line Item	Requested Increase or (Decrease)	
10 4310 535300	M/R Vehicles	34,000	
10 4310 519001	Contracted Services	1,000	
10 4310 552000	Capital Outlay	4,000	
10 4310 525001	Dept Supplies	9,000	
Total Net Expenditures		48,000	

REVENUE			
Budget Code Fund Dept Object	Classification Line Item	Requested Increase or (Decrease)	
10 3431 485000	Misc Revenue	48,000	
Total Net Revenue		0	

his budget revision has been approved by the Board of Columbus County Commissioners on: XXXXXXXX

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

**Explanation of Increase or Decrease:**  
Move funds from Misc Revenue (insurance proceeds) to Capital Outlay, M/R Vehicles, Dept. Supplies, and Contracted Services. Capital Outlay is to purchase replacement vehicles for patrol. M/R vehicles is to cover costs associated with repairing vehicles. Contracted Services is to cover invoices. Dept. supplies to cover taxes and registration fees for vehicle replacements for sheriff's office.

**BUDGET AMENDMENT**  
Columbus County, NC

Name of Department: Transportation

Name of Capital Project (if applicable): \_\_\_\_\_

Agency Head Signature: [Signature]

Date Prepared: May 23, 2024 Date Received in Admin: \_\_\_\_\_

EXPENDITURE			
Budget Code Fund Dept Object	Classification Line Item	Requested Increase or (Decrease)	
60 4520 525105	Gasoline Purchases	16,000	
Total Net Expenditures		16,000	

REVENUE			
Budget Code Fund Dept Object	Classification Line Item	Requested Increase or (Decrease)	
60 3452 440084	Gasoline Reimbursement	16,000	
Total Net Revenue		16,000	

This budget revision has been approved by the Board of Columbus County Commissioners on: \_\_\_\_\_

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

**Explanation of Increase or Decrease:**  
Gasoline budget was underestimated for the year. The gasoline is 100% reimbursed by our vendor - Transdev, so no additional money will come from the county.



80-3365-498001	Transfer from General Fund		\$ 161,247.00
Total Estimated Reveunes - Central Garage Storm Damaged Building Replacement			\$ 161,247.00
Project Appropriations			
80-4203-550000	Capital Outlay		\$ 161,247.00
Total Project Appropriations - Central Garage Storm Damaged Building Replacement			\$ 161,247.00

**Description:** The bayed building located in EMS's Central Garage area in the North Complex was severally damaged during a storm. The insurance proceeds for the replacement of the building have been received. The amendment creates a budget for the replacement of the building.

**Section 2:** The project undertaken pursuant to this ordinance is in accordance with the Recommended Budget and any changes made during the County Commissioners' budget work sessions.

**Section 3:** The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy all applicable regulations. The terms of any financing agreement also shall be met.

**Section 4:** The County desires to expend its own funds for the purpose of paying certain costs of various projects, for which expenditures the County reasonably expects to reimburse itself from the proceeds of debt to be incurred by the County.

**Section 5:** All expenditures relating to obtaining any bond referendum and or installment purchase will be reimbursed from bond proceeds and installment purchase proceeds in accordance with the requirements of the United States Treasury Regulations Section 1.150 -2.

**Section 6:** This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations to expressly declare the official intent of the County to reimburse itself from the proceeds of debt to be hereinafter incurred by the County for certain expenditures paid by the County on or after the date which is sixty (60) days prior to the date hereof.



**Section 7:** The County intends to seek Federal, State, and/or other grant funding to reduce the amount of loan proceeds. The adoption of this ordinance authorizes the County Manager and/or his representative to apply for and accept such funding if awarded.

**Section 8:** This project ordinance shall be entered in the minutes of the Board of Commissioners of Columbus County. Within five days hereof, copies of this ordinance shall be filed with the finance office in Columbus County, and with the Clerk to the Board of Commissioners of Columbus County. Copies of the Capital Project Ordinance shall be made available to the Budget Officer, the Project Manager, and the Finance Officer for direction in carrying out this project.

This Capital Project shall become effective on May 20, 2024.

ADOPTED, this 20th day of May, 2024

COLUMBUS COUNTY, NORTH CAROLINA  
Ordinance making amendments to the Columbus County Airport –  
New Terminal Building and Apron Expansion  
SCIF Project Fund  
for the Fiscal Year beginning July 1, 2023

BE IT ORDAINED by the Board of Commissioners of Columbus County, North Carolina as follows:

**Section 1:** The following amounts are hereby made to the Columbus County Airport – New Terminal Building and Apron Expansion SCIF Capital Project pursuant to G.S. 159 -13.2 for the fiscal year beginning July 1, 2023.

Source of Revenue		
	Original Revenues	Change in Revenues
51-3457-431019 - State Budget Appropriations	\$7,000,000	--
51-3457-449100 - Interest	\$0	+\$250,000
Total:		\$7,250,000

Current Project Appropriations		Proposed Project Appropriations	
51-4537-548002 Administrative Expenses Terminal & Apron Expansion	\$0.00	51-4537-548002 Administrative Expenses Terminal & Apron Expansion	\$10,000
51-4537-524000 Construction and Project Improvement Terminal & Apron Expansion	\$6,339,329	51-4537-524000 Construction and Project Improvement Terminal & Apron Expansion	\$6,389,329
51-4537-518012 Preliminary Engineering, Testing Terminal & Apron Expansion	\$23,650	51-4537-518012 Preliminary Engineering, Testing Terminal & Apron Expansion	\$23,650
51-4537-519034 Engineering Services, Basic Fees Terminal & Apron Expansion	\$441,377	51-4537-519034 Engineering Services, Basic Fees Terminal & Apron Expansion	\$441,377
51-4537-519036 Project Inspection, Quality Assurance, Testing, Other Terminal & Apron Expansion	\$163,305	51-4537-519036 Project Inspection, Quality Assurance, Testing, Other Terminal & Apron Expansion	\$163,305
51-4537-999910 Contingency Terminal & Apron Expansion	\$32,339	51-4537-999910 Contingency Terminal & Apron Expansion	\$222,339
Total Current Project Appropriations	\$7,000,000	Total Proposed Project Appropriations	\$7,250,000

**Budgeting interest to various expenses**

**Section 2:** The project undertaken pursuant to this ordinance is in accordance with the Recommended Budget and any changes made during the County Commissioners' budget work sessions.

**Section 3:** The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy all applicable regulations. The terms of any financing agreement also shall be met.

**Section 4:** The County desires to expend its own funds for the purpose of paying certain costs of various projects, for which expenditures the County reasonably expects to reimburse itself from the proceeds of debt to be incurred by the County.

**Section 5:** All expenditures relating to obtaining any bond referendum and or installment purchase will be reimbursed from bond proceeds and installment purchase proceeds in accordance with the requirements of the United States Treasury Regulations Section 1.150 -2.

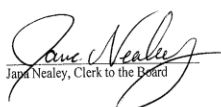
**Section 6:** This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations to expressly declare the official intent of the County to reimburse itself from the proceeds of debt to be hereinafter incurred by the County for certain expenditures paid by the County on or after the date which is sixty (60) days prior to the date hereof.

**Section 7:** The County intends to seek Federal, State, and/or other grant funding to reduce the amount of loan proceeds. The adoption of this ordinance authorizes the County Manager and/or his representative to apply for and accept such funding if awarded.

**Section 8:** This project ordinance shall be entered in the minutes of the Board of Commissioners of Columbus County. Within five days hereof, copies of this ordinance shall be filed with the finance office in Columbus County, and with the Clerk to the Board of Commissioners of Columbus County. Copies of the Capital Project Ordinance shall be made available to the Budget Officer, the Project Manager, and the Finance Officer for direction in carrying out this project.

This Capital Project shall become effective on June 3, 2024.  
ADOPTED, this 3<sup>rd</sup> day of June 2024.

  
Ricky Bullard, Chairman  
Columbus County Board of Commissioners

  
Jada Nealey, Clerk to the Board

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**COLUMBUS COUNTY, NORTH CAROLINA**  
**Ordinance making appropriations to the Hurricane**  
**Ian Project Fund**  
**for the Fiscal Year beginning July 1, 2023**

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BE IT ORDAINED by the Board of Commissioners of Columbus County, North Carolina as follows:

**Section 1:** The following amounts are hereby made to the Central Garage Storm Damaged Building Replacement Capital Project pursuant to G.S. 159 -13.2 for the fiscal year beginning July 1, 2023.

Source of Revenue			
13-3336-423000	Federal Share		\$25,965.00
13-3336-433000	State Share		\$ 8,656.00
Total Estimated Revenues - Hurricane Ian			<u>\$34,621.00</u>
Project Appropriations			
13-4357-512100	Salaries and Wages		\$27,572.00
13-4357-518100	FICA		\$ 6,033.00
13-4357-518400	401(K) Contribution		\$ 556.00
13-4357-526001	Departmental Supplies		\$ 460.00
Total Project Appropriations - Hurricane Ian			<u>\$34,621.00</u>

**Description: Creating a budget for Hurricane Ian expenses.**

**Section 2:** The project undertaken pursuant to this ordinance is in accordance with the Recommended Budget and any changes made during the County Commissioners' budget work sessions.

**Section 3:** The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy all applicable regulations. The terms of any financing agreement also shall be met.

**Section 4:** The County desires to expend its own funds for the purpose of paying certain costs of various projects, for which expenditures the County reasonably expects to reimburse itself from the proceeds of debt to be incurred by the County.

**Section 5:** All expenditures relating to obtaining any bond referendum and or installment purchase will be reimbursed from bond proceeds and installment purchase proceeds in accordance with the requirements of the United States Treasury Regulations Section 1.150 -2.

**Section 6:** This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations to expressly declare the official intent of the County to reimburse itself from the proceeds of debt to be hereinafter incurred by the County for certain expenditures paid by the County on or after the date which is sixty (60) days prior to the date hereof.

**Section 7:** The County intends to seek Federal, State, and/or other grant funding to reduce the amount of loan proceeds. The adoption of this ordinance authorizes the County Manager and/or his representative to apply for and accept such funding if awarded.

**Section 8:** This project ordinance shall be entered in the minutes of the Board of Commissioners of Columbus County. Within five days hereof, copies of this ordinance shall be filed with the finance office in Columbus County, and with the Clerk to the Board of Commissioners of Columbus County. Copies of the Capital Project Ordinance shall be made available to the Budget Officer, the Project Manager, and the Finance Officer for direction in carrying out this project.

This Capital Project shall become effective on June 3, 2024.  
ADOPTED, this 3rd day of June, 2024

\_\_\_\_\_  
Ricky Bullard, Chairman  
Columbus County Board of Commissioners

**COLUMBUS COUNTY, NORTH CAROLINA**  
**Ordinance making amendments to the**  
**Whiteville High School Capital Project Fund**  
**for the Fiscal Year beginning July 1, 2023**

BE IT ORDAINED by the Board of Commissioners of Columbus County, North Carolina as follows:

**Section 1:** The following amounts are hereby made to the Whiteville High School Capital Project Fund as of June 3, 2024 pursuant to G.S. 159 -13.2 for the fiscal year beginning July 1, 2023.

	Current Revenue	Changes	Proposed Revenue
42-3591-449120 – Loan Proceeds	\$14,609,000	-	\$14,609,000
42-3591-449130 – Needs Based Lottery Funds	\$4,327,500	-	\$4,327,500
42-3591-489199 – County Appropriation	\$3,000,000	-	\$3,000,000
42-3591-432304 – Article 44 Sales Tax Transfer from General Fund	\$333,000	-	\$333,000
42-3591-491000 –	\$0	+\$93,778	\$93,778

Investment Earnings			
Total:			\$22,363,278

	Current Appropriations	Changes	Proposed Appropriations
42-5911-519902 – Eng/Architect Fees	\$1,202,279	+\$129,914	\$1,332,193
42-5911-548002 – Administrative Costs	\$155,000	+\$44,935	\$199,935
42-5911-519903 – Appraisal and Survey	\$100,000	(\$48,530)	\$51,470
42-5911-519940 – Permitting Fees	\$32,400	(\$29,250)	\$3,150
42-5911-524000 – Construction	\$19,310,988	+\$666,868	\$19,977,856
42-5911-551010 – Furniture/Fixtures and Equipment	\$10,000	(\$10,000)	\$0
42-5911-549956 – Contingency	\$1,458,833	(\$1,458,833)	\$0
42-5911-820000 – Interest Payment	\$0	+\$408,622	\$408,622
42-5911-598000 – Transfer to General Fund	\$0	+\$390,053	\$390,052
Total:			\$22,363,278

**Section 2:** The project undertaken pursuant to this ordinance is in accordance with the Recommended Budget and any changes made during the County Commissioners' budget work sessions.

**Section 3:** The Finance Director is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to satisfy all applicable regulations. The terms of any financing agreement also shall be met.

**Section 4:** The County desires to expend its own funds for the purpose of paying certain costs of various projects, for which expenditures the County reasonably expects to reimburse itself from the proceeds of debt to be incurred by the County.

**Section 5:** All expenditures relating to obtaining any bond referendum and or installment purchase will be reimbursed from bond proceeds and installment purchase proceeds in accordance with the requirements of the United States Treasury Regulations Section 1.150 -2.

**Section 6:** This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations to expressly declare the official intent of the County to reimburse itself from the proceeds of debt to be hereinafter incurred by the County for certain expenditures paid by the County on or after the date which is sixty (60) days prior to the date hereof.

**Section 7:** The County intends to seek Federal, State, and/or other grant funding to reduce the amount of loan proceeds. The adoption of this ordinance authorizes the County Manager and/or his

representative to apply for and accept such funding if awarded.

**Section 8:** This project ordinance shall be entered in the minutes of the Board of Commissioners of Columbus County. Within five days hereof, copies of this ordinance shall be filed with the finance office in Columbus County, and with the Clerk to the Board of Commissioners of Columbus County. Copies of the Project Ordinance shall be made available to the Budget Officer, the Project Manager, and the Finance Officer for direction in carrying out this project

This Project shall become effective on June 3, 2024.  
ADOPTED, this 3<sup>rd</sup> day of June, 2024

**COLUMBUS COUNTY, NORTH CAROLINA**  
**Ordinance making amendments to the**  
**West Columbus PreK-8 School Capital Project Fund**  
**for the Fiscal Year beginning July 1, 2023**

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BE IT ORDAINED by the Board of Commissioners of Columbus County, North Carolina as follows:

**Section 1:** The following amounts are hereby made to the West Columbus PreK-8 School Capital Project Fund as of June 3, 2024 pursuant to G.S. 159 -13.2 for the fiscal year beginning July 1, 2023.

	Current Revenue	Changes	Proposed Revenue
82-3591-449120 – Loan Proceeds	\$11,100,000	(\$143,000)	\$10,957,000
82-3591-449130 – Needs Based Lottery Funds	\$10,672,500	-	\$10,672,500
82-3591-489199 – County Appropriation	\$2,000,000	-	\$2,000,000
82-3591-489200 – Future Year Appropriation	\$2,000,000	(\$1,145,065)	\$854,935
82-3591-437025 – County BOE Contribution	\$700,000	(\$700,000)	\$0
82-3591-491000 – Investment Earnings	\$0	+\$31,501	\$31,501
10-3991-489101 – Fund Balance Appropriated	\$2,000,000	(\$2,000,000)	\$0
Total:			\$24,515,936

	Current Appropriations	Changes	Proposed Appropriations
82-5922-519902 – Eng/Architect Fees	\$1,187,273	+\$182,765	\$1,370,038
82-5922-548002 – Administrative Costs	\$145,000	(\$8,821)	\$136,179
82-5922-519903 – Appraisal and Survey	\$10,000	+\$7,675	\$17,675
82-5922-519940 – Permitting Fees	\$172,400	(\$169,900)	\$2,500

82-5922-524000 – Construction	\$22,576,796	(\$935,592)	\$21,641,204
82-5922-551010 – Furniture/Fixtures and Equipment	\$1,236,389	+\$111,951	\$1,348,340
82-5922-549956 – Contingency	\$1,144,642	(\$1,144,642)	\$0
10-9800-589013 – Transfer to Capital Projects/Grants	\$2,000,000	(\$2,000,000)	\$0
Total:			\$24,515,936

**Section 2:** The project undertaken pursuant to this ordinance is in accordance with the Recommended Budget and any changes made during the County Commissioners' budget work sessions.

**Section 3:** The Finance Director is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to satisfy all applicable regulations. The terms of any financing agreement also shall be met.

**Section 4:** The County desires to expend its own funds for the purpose of paying certain costs of various projects, for which expenditures the County reasonably expects to reimburse itself from the proceeds of debt to be incurred by the County.

**Section 5:** All expenditures relating to obtaining any bond referendum and or installment purchase will be reimbursed from bond proceeds and installment purchase proceeds in accordance with the requirements of the United States Treasury Regulations Section 1.150 -2.

**Section 6:** This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations to expressly declare the official intent of the County to reimburse itself from the proceeds of debt to be hereinafter incurred by the County for certain expenditures paid by the County on or after the date which is sixty (60) days prior to the date hereof.

**Section 7:** The County intends to seek Federal, State, and/or other grant funding to reduce the amount of loan proceeds. The adoption of this ordinance authorizes the County Manager and/or his representative to apply for and accept such funding if awarded.

**Section 8:** This project ordinance shall be entered in the minutes of the Board of Commissioners of Columbus County. Within five days hereof, copies of this ordinance shall be filed with the finance office in Columbus County, and with the Clerk to the Board of Commissioners of Columbus County. Copies of the Project Ordinance shall be made available to the Budget Officer, the Project Manager, and the Finance Officer for direction in carrying out this project.

This Project shall become effective on June 3, 2024.

ADOPTED, this 3<sup>rd</sup> day of June, 2024

**Agenda Item #15: SHERIFF'S OFFICE – APPROVAL of the HEALTH SERVICES AGREEMENT with SOUTHERN HEALTH PARTNERS for FY 24/25:**

Captain Robert Creech from the Detention Center requested approval of the Health Services agreement with Southern Health Partners for FY 24/25. The contract is \$506,280 and is approximately a \$60,000 savings from prior year health services agreement.

**MOTION:**

Commissioner Floyd made a motion to approve, seconded by Commissioner Smith. The motion unanimously passed.

**HEALTH SERVICES AGREEMENT**

THIS AGREEMENT between Columbus County, North Carolina (hereinafter referred to as "County"), and Southern Health Partners, Inc., a Delaware corporation, (hereinafter referred to as "SHP"), is entered into as of the day of Suv'1C 2024. Services under this Agreement shall commence on July 1, 2024, and shall continue through June 30, 2025, in accordance with Section No. 6.1 .

**WITNESSETH:**

WHEREAS, County is charged by law with the responsibility for obtaining and providing reasonably necessary medical care for inmates or detainees of the Columbus County Jail (hereinafter called "Jail") and,

WHEREAS, County and Sheriff desire to provide for health care to inmates in accordance with applicable law; and,

WHEREAS, the County, which provides funding as approved by the Columbus County Board of Commissioners for the Jail, desires to enter into this Agreement with SHP to promote this objective; and,

WHEREAS, SHP is in the business of providing correctional health care services under contract and desires to provide such services for County under the express terms and conditions hereof.

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter made, the parties hereto agree as follows:

**ARTICLE I: HEALTH CARE SERVICES.**

1 .1 General Engagement. County acknowledges its non-delegable duty under applicable federal and state law to obtain and provide for reasonably necessary medical care for inmates or detainees of the Jail, and further that this Agreement does not result in the assumption of a non-delegable duty by SHP. County specifically retains the duty and obligation to obtain and provide for the reasonably necessary medical care for inmates or detainees of the Jail.



County hereby contracts with SHP to provide for the delivery of medical, basic dental and basic mental health services to inmates of Jail to the extent set forth herein. This care is to be delivered to individuals under the custody and control of County at the Jail, and SHP enters into this Agreement according to the terms and provisions hereof. Basic dental services shall mean the starting point of dental services whereby SHP medical staff will triage patients based on signs/symptoms, provide pain relief medication if needed, and treat any infection prior to scheduling dental services with an outside provider. Basic mental health services shall mean the starting point of mental health services whereby SHP medical staff will continue, to the extent practicable, any prior mental health treatment plan a now-incarcerated patient had in place, or, upon identification of a mental health service need, may have an on-site provider(s) prescribe a low-level mental health medication until patient can be scheduled and seen by an outside mental health professional, if needed.

1.2 Scope of General Services. The responsibility of SHP for care of an inmate commences no earlier than the booking and physical placement of said inmate into the Jail and notification to a member of the SHP medical staff of the same and to the extent SHP medical staff is on-site. The health care services provided by SHP shall be for all persons committed to the custody of the Jail, except those identified in Section No. 1.6. SHP shall provide and/or arrange for professional medical, dental, mental health and related health care services for the inmates, regularly scheduled sick call, nursing care, regular physician care, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services management, administrative support services, and other services, all as more specifically described herein. As more fully explained in Section No. 1.4 herein, none of the services to be provided by SHP as described herein shall alter or eliminate the duty and ability of the County, through its employees, to arrange for emergency medical care at any time.

SHP shall be financially responsible for the costs of SHP physician, mid-level provider and nurse staffing, medical supplies, office supplies, and administrative services. County acknowledges that certain costs associated with providing medical care to inmates are excluded from this Agreement and shall be the financial responsibility of County, including, but not limited to, the costs of over-the-counter medications, medically-generated hazardous waste disposal, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other major chronic care, clinical lab procedures (inside and outside the Jail), x-ray procedures (inside and outside the Jail), dental services (inside and outside the Jail) and all medical and mental health services rendered outside the Jail, and further, that such costs shall not otherwise be the financial responsibility of SHP. The costs of emergency kits and restocking of emergency kit supplies and any necessary license or permit fees are excluded from this Agreement, the charges for which shall be paid by SHP on the County's behalf and thereafter invoiced to County for one-hundred percent (100%) reimbursement to SHP, payable by County within thirty days of the SHP invoice date.

SHP shall provide claims adjudication services for Columbus County's inmate medical claims. SHP shall re-price and/or negotiate inmate medical claims, in accordance with all applicable laws, and shall thereafter forward the bills to County for payment directly to the provider of care.

SHP may not provide and/or shall not pay for any services, supplies, equipment or other items not specifically contained in this Agreement. Arrangements may be made in agreement with the County for SHP to purchase items or provide services, outside of this Agreement, and by mutual agreement between the County and SHP. Any such agreements shall be in writing.

Should new legislation require substantial or new medical directives to SHP in the provision of services under this Agreement, SHP shall not be financially responsible for changes to its program, rather SHP would have the ability to seek from the County any additional monies to fund such directives.

1.3 Specialty Services. In addition to providing the general services described above, SHP by and through its licensed health care providers shall arrange and/or provide to inmates at the Jail specialty medical services to the extent such are determined to be medically necessary by SHP. In the event non-emergency specialty care is required and cannot be rendered at the Jail, SHP shall make arrangements with County for the transportation of the inmates in accordance with Section No. 1.8 of this Agreement, The County shall be responsible for the transportation and for any and all costs associated with the same.

1.4 Emergency Services. When on-site, SHP staff shall be a resource for providing on-site emergency medical care, as medically necessary, to inmates, or for arranging for emergency ambulance transportation of inmates for off-site care. The costs of emergency ambulance transportation shall either be billed directly to County by the provider or placed in the annual cost pool, at the County's election. County acknowledges that, whether or not an SHP staff member is on-site, in the event of a medical emergency, Jail staff shall retain the right and ability to contact an ambulance provider directly for the transportation of an inmate for emergency medical services outside the Jail or to arrange for the transport of an inmate for emergency medical services, and further that, in no event shall Jail staff be required to contact SHP medical staff prior to initiating life-saving measures, contacting the local 911 service or other third-party calling programs, or otherwise seeking the highest priority emergency medical attention, as reasonable and appropriate, for any inmate Jail staff believes to be in need of immediate medical care.

1.5 Injuries Incurred Prior to Incarceration: Pregnancy. SHP shall not be financially responsible for the cost of any medical treatment or health care services provided to any inmate prior to the inmate's formal booking and commitment into the Jail. Furthermore, SHP shall not be financially responsible for the cost of medical treatment or health care services provided outside the Jail to medically stabilize any inmate presented at booking with a life-threatening injury or illness or in immediate need of emergency medical care.

Once an inmate has been medically stabilized and committed to the Jail, SHP shall, upon notification by Jail staff to a member of the SHP medical staff of a medical need and to the extent SHP medical staff is on-site, in accordance with the provisions of Section No. 1.2, provide or arrange for medical treatment and health care services regardless of the nature of the illness or injury or whether or not the illness or injury occurred prior or subsequent to the individual's incarceration at

the Jail. An inmate shall be considered medically stabilized when the patient's medical condition no longer requires immediate emergency medical care or outside hospitalization so that the inmate can reasonably be housed inside the Jail. SHP's financial responsibility for such medical treatment and health care services shall be in accordance with, and as limited by, Section No. 1.2 of this Agreement.

It is expressly understood that SHP shall not be responsible for medical costs associated with the medical care of any infants born to inmates. SHP shall provide and/or arrange for health care services to inmates up to, through, and after the birth process, but health care services provided to an infant following birth, other than those services that may be delivered in the Jail prior to transport to a hospital, shall not be the financial responsibility of SHP. In any event, SHP shall not be responsible for the costs associated with performing or furnishing of abortions of any kind.

1 .6 Inmates Outside the Facilities. The health care services contracted in the Agreement are intended only for those inmates in the actual physical custody of the Jail and for inmates held under guard in outside hospitals or other medical facilities who remain in official custody of the Jail. Inmates held under guard in outside hospitals or other medical facilities are to be included in the Jail's daily population count. No other person(s), including those who are in any outside hospital who are not under guard, shall be the financial responsibility of SHP, nor shall such person(s) be included in the daily population count.

Inmates on any sort of temporary release or escape, including, but not limited to inmates temporarily released for the purpose of attending funerals or other family emergencies, inmates on escape status, inmates on pass, parole or supervised custody who do not sleep in the Jail at night, shall not be included in the daily population count, and shall not be the responsibility of SHP with respect to the payment or the furnishing of their health care services.

The costs of medical services rendered to inmates who become ill or who are injured while on such temporary release or work-release shall not then become the

financial responsibility of SHP after their return to the Jail. This relates solely to the costs associated with treatment of a particular illness or injury incurred by an inmate while on such temporary release. In all cases, SHP shall be responsible for providing medical care for any inmate who presents to medical staff on-site at the Jail to the extent such care can be reasonably provided on-site, or shall assist with arrangements to obtain outside medical care as necessary. The costs of medical services associated with a particular illness or injury incurred by an inmate while on temporary release or work-release may be the personal responsibility of the inmate, or covered by workers' compensation, medical insurance, accident insurance, or any other policy of insurance or source of payment for medical and hospital expenses. In the absence of adequate insurance coverage, or other source of payment for medical care expenses, such costs shall be the financial responsibility of the County, or shall not otherwise be the financial responsibility of SHP.

Persons in the physical custody of other police or other penal jurisdictions at the request of County, by Court order or otherwise, are likewise excluded from the Jail's population count and are not the responsibility of SHP for the furnishing or payment of health care services.

1.7 Elective Medical Care. SHP shall not be responsible for providing elective medical care to inmates, unless expressly contracted for by the County. For purposes of the Agreement, "elective medical care" means medical care which, if not provided, would not, in the opinion of SHP, cause the inmate's health to deteriorate or cause definite harm to the inmate's well-being. Any referral of inmates for elective medical care must be reviewed by County prior to provision of such services.

1.8 Transportation Services. To the extent any inmate requires off-site nonemergency health care treatment including, but not limited to, hospitalization care and specialty services, for which care and services SHP is obligated to arrange under this Agreement, County shall, upon request by SHP, its agents, employees or contractors, provide transportation as reasonably available provided that such transportation is scheduled in advance.

## ARTICLE II: PERSONNEL.

2.1 Staffing. County acknowledges that SHP shall provide an on-site staffing plan for a total of one hundred and forty (140) hours per week, consisting of a regular nursing schedule at twelve (12) hours per day, seven (7) days per week with an overlap of a Medical Team Administrator at eight (8) hours per weekday and a Qualified Mental Health Professional (either a psychiatric RN, Social Worker, or Licensed Professional Counselor) at sixteen (16) hours per week. Staffing hours worked in excess of this contracted staffing plan, not to include SHP training hours, may be billed back to the County on a monthly basis, at the actual wage and benefit rate, for staffing services performed on-site at the facility.

- a. Holidays. County acknowledges that SHP shall provide limited flexible coverage of medical staff on SHP-designated holidays.
- b. Other Absences. For all other staff absences, including but not limited to, paid time off, vacation, and sick time, SHP shall endeavor to provide replacement coverage, to the extent reasonably possible, or shall endeavor to make up any balance of unfilled time within the scheduled workweek or then-current pay period. In the event SHP is unable to provide replacement coverage or make up the balance of unfilled time, SHP shall refund the County the cost of the unfilled staffing hours on the next month's base fee billing or shall otherwise negotiate a mutually agreeable remedy with County. County acknowledges that, any computation of unfilled hours due for refund to County shall be based on the total average of hours that comprise the regular weekly staffing plan and shall not be determined on a per shift or position basis.

- C. Medication Passes. SHP staff shall prepare and pass all inmate medications when on-site. Jail staff shall be responsible for passing all inmate medications in the absence of an SHP nurse on-site.
- d. Meal breaks. It is understood and agreed that SHP employees are entitled to unpaid meal breaks when working shifts of eight (8) hours or more. SHP employees shall be allowed to leave the facility during this time, or if a break is taken on-site, are to have uninterrupted time unless called to an emergency response. Such meal breaks are to be usual and customary, and not overly excessive.

It is understood the Professional Provider may be filled by a Physician, or Mid-Level Practitioner. Either shall be duly licensed to practice medicine in the State of North Carolina, and shall be available to SHP's nursing staff for resource, consultation and direction twenty-four (24) hours per day, seven (7) days per week. Provider visits shall not be scheduled on holidays.

The scheduling of staff shifts may be flexible and adjusted by SHP in order to maintain stability of the program and consistency with staff. Any adjustments or changes to fixed schedules would be made after discussions with the Jail Administrator and other involved County officials. Professional Provider visit times and dates shall be coordinated with Jail Management, and may include the use of telehealth services. Some of the Professional Provider time may be used for phone consults with medical staff and for other administrative duties.

SHP shall make reasonable efforts to supply the staffing levels contained in this section, however, failure to continuously supply all of the required staffing due to labor

market demands or other factors outside the control of SHP, after such reasonable efforts have been made, shall not constitute a breach of this Agreement.

Should SHP experience increased staffing requirements or an increase of ten percent (10%) or more in total compensation expenses payable to its employees or independent contractors providing services at the Jail, and such increases are beyond the reasonable control of SHP, SHP and County shall negotiate in good faith an updated staffing matrix and/or a corresponding increased amount of compensation for the remainder of the then-current contract period that takes into account the additional personnel and/or additional compensation expenses incurred by SHP. Should SHP and County be unable to agree on a revised staffing matrix and/or an increased amount of compensation within thirty (30) days of SHP notifying County in writing of the need to modify the staffing matrix and/or increase compensation, either party may terminate this Agreement upon thirty (30) days' written notice to the other party.

Based on actual staffing needs as affected by medical emergencies, riots, increased or decreased inmate population, and other unforeseen circumstances, certain increases or decreases in staffing requirements may be waived as agreed to by County and SHP.

Should medical services fall behind due to situations outside of SHP control, such as those described in Section No. 4.3, below, and additional hours and/or SHP staff are required to bring services current, the County shall be billed and agrees to pay for the additional time incurred by SHP to bring services current.

2.2 Licensure, Certification and Registration of Personnel. All personnel provided or made available by SHP to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable North Carolina law. SHP shall be responsible for verifying licensure requirements and qualifications, and County shall be responsible for timely background checks and clearance checks upon request by SHP. County acknowledges that SHP compensates its staff based on several factors, including, but not limited to, experience in correctional healthcare, and further that, SHP shall not issue credits for differences in licensure.

2.3 County's Satisfaction with Health Care Personnel. SHP shall have the sole discretion and authority in all personnel hiring decisions. In no event shall the County or Sheriff retain the right to hire and fire SHP personnel. SHP shall retain control over and have the final authority concerning the staffing of its health care personnel. If County becomes dissatisfied with any health care personnel provided by SHP hereunder, or by any independent contractor, subcontractors or assignee, SHP, in recognition of the sensitive nature of correctional services, shall, following receipt of written notice from County of the grounds for such dissatisfaction and in consideration

of the reasons therefor, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to County, SHP shall remove or shall cause any independent contractor, subcontractor, or assignee to remove the individual about whom County has expressed dissatisfaction. Should removal of an individual become necessary, SHP shall be allowed reasonable time, prior to removal, to find an acceptable replacement, without penalty or any prejudice to the interests of SHP.

2.4 Use of Inmates in the Provision of Health Care Services. Inmates shall not be employed or otherwise engaged by either SHP or County in the direct rendering of any health care services.

2.5 Subcontracting and Delegation. In performing its obligations under the Agreement, it is understood that SHP is not licensed or otherwise authorized to engage in any activity that may be construed or deemed to constitute the practice of medicine, dentistry, or other professional healthcare service requiring licensure or other authorization under state law. To fulfill its contractual obligations, SHP may engage physicians or other clinicians as independent contractors, rather than employees, in order to supply the clinical services required under this Agreement. SHP shall engage contract professionals that meet the applicable professional licensing requirements and SHP shall exercise administrative supervision of such contract professionals as necessary to ensure the fulfillment of the obligations contained in this Agreement.

Contract professionals shall provide clinical services under this Agreement in a manner reasonably consistent with the independent clinical judgment that the contract professional is required to exercise. For each agent and subcontractor, including all medical professionals, physicians, dentists and nurses performing duties as agents or independent contractors of SHP under this Agreement,

SHP shall provide County proof, if requested, that there is in effect a professional liability or medical malpractice insurance policy.

2.6 Discrimination. During the performance of this Agreement, SHP, its employees, agents, subcontractors, and assignees agree as follows:

- a. None shall discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.
- b. In all solicitations or advertisements for employees, each shall state that it is an equal opportunity employer.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2.7 Training of Personnel. The duty to train the Jail staff is and always remains vested in the County. The County is solely responsible for the overall operation of the Jail, including medical care. The County maintains ultimate responsibility for training and supervising its correctional officers, according to the requirements of federal and/or state statute, regulation, and/or law, including but not limited to training and supervision related to intake screening, emergency procedures, ensuring sick calls are passed along to the medical team in a timely manner, and proper distribution of medications (when appropriate).

Upon request of the County, SHP may assist in training for Jail staff on certain topics as determined by the County. Further, SHP shall provide annual training courses in Cardiopulmonary Resuscitation (CPR) and First Aid, as requested by the County. The cost of certification shall be the responsibility of the County. Such training courses shall be scheduled by the County and SHP at a mutually agreed upon time and location. It is hereby acknowledged by the parties that any and all training provided by SHP for Jail staff would be supplemental to any training required by the State or any other governmental body for correctional officers. The County recognizes and acknowledges that the County shall be responsible for training of its own employees and agents.

SHP recognizes that certain training of SHP medical staff may need to be accomplished by the County for the purposes of inmate interaction, and as may be required by federal and/or state statute, regulation and/or law. SHP may require reimbursement of these training period hours if they are over and above the contracted on-site hours as agreed upon within the proposal and this Agreement.

SHP and County acknowledge that information contained in health training materials provided by SHP for reference by its staff or correctional officers is intended for use as guidelines and shall not be intended to establish a standard of medical care, nor shall it be relied upon as final

determination in response to a medical service need, recognizing that each medical service need shall be individually evaluated and good prudent medical judgement shall be used.

**2.8 Staffing Agency Use and Reimbursement.** SHP shall notify the Jail Administrator and/or County designee of the use of staffing agency to fill contracted hours, in lieu of permanent SHP employee coverage for the shift(s). With respect to expenses of staffing agency use, SHP shall cover such costs for the first thirty (30) days of a position opening, but shall then seek reimbursement from the County for the difference in the SHP budgeted costs and the staffing agency position cost. Such reimbursement shall be limited to only the contracted hours of the position(s) and not any overtime. Further, SHP shall provide the County on a monthly basis all recruitment

efforts made to attract applicants for the position(s), and discuss with the County any changes which may be needed to attract future applicants. Such changes may consist of but not be limited to shift time changes or higher budgeted payrates. Such reimbursements may be paid through the cost pool structure if the County has elected such option.

## **ARTICLE III REPORTS AND RECORDS**

**3.1 Medical Records.** County acknowledges that SHP's responsibility for all inmate medical records shall commence on the effective date of this Agreement, and that the responsibility for all inmate medical records prior to the effective date of this Agreement shall rest solely with the County. Nothing in this Agreement shall be interpreted to impose responsibility on SHP for inmate medical records prior to the effective date of this Agreement. County does further acknowledge, however, that SHP shall assist County with the fulfillment of requests for production of medical records for those medical services provided prior to the effective date of this Agreement, and by doing so does not assume any responsibility for such records. It is mutually understood by both parties that, during the term of this Agreement, SHP shall serve as the Records Custodian in all medical record matters, in accordance with all applicable laws.

Commencing on the effective date of this Agreement, SHP shall cause and require to be maintained a complete and accurate medical record for each inmate who has received health care services. Each medical record shall be maintained in accordance with applicable laws and County's policies and procedures. The medical records shall be kept separate from the inmate's confinement record. A complete legible copy of the applicable medical record shall be available, at all times, to County as custodian of the patient. Medical records shall be kept confidential. Subject to applicable law regarding confidentiality of such records, SHP shall comply with North Carolina law and County's policy with regard to access by inmates and Jail staff to medical records. No information contained in the medical records shall be released by SHP except as provided by County's policy, by a court order, or otherwise in accordance with the applicable law. SHP shall, at its own cost, provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. At the termination of this Agreement, all medical records shall be delivered to and remain with County. However, County shall provide SHP with reasonable ongoing access to all medical records even after the termination of this Agreement for the purposes of defending litigation.



3.2 Regular Reports by SHP to County. Upon request, SHP shall provide to County, on a date and in a form mutually acceptable to SHP and County, reports relating to services rendered under this Agreement.

3.3 Inmate Information. Subject to the applicable North Carolina law, in order to assist SHP in providing the best possible health care services to inmates, County shall provide SHP with information pertaining to inmates that SHP and County mutually identify as reasonable and necessary for SHP to adequately perform its obligations hereunder.

3.4 SHP Records Available to County with Limitations on Disclosure. SHP shall make available to County, at County's request, records, documents and other papers relating to the direct delivery of health care services to inmates hereunder. County understands that written operating policies and procedures employed by SHP in the performance of its obligations hereunder are proprietary in nature and shall remain the property of SHP and shall not be disclosed without written consent. Information concerning such may not, at any time, be used, distributed, copied or otherwise utilized by County, except in connection with the delivery of health care services hereunder, or as permitted or required by law, unless such disclosure is approved in advance writing by SHP. SHP policies and procedures are for use by SHP employees only, and are not intended to establish a standard of medical care, and such information should not be used as final determination of medical service, knowing each situation is individually evaluated, and good prudent medical judgement is to be used. Proprietary information developed by SHP shall remain the property of SHP.

3.5 County Records Available to SHP with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, County shall provide SHP, at SHP's request, County's records relating to the provision of health care services to inmates as may be reasonably requested by SHP or as are pertinent to the investigation or defense of any claim related to SHP's conduct. Consistent with applicable law, County shall make available to SHP such inmate medical records as are maintained by County, hospitals and other outside health care providers involved in the care or treatment of inmates (to the extent County has any control over those records) as SHP may reasonably request. Any such information provided by County to SHP that County considers confidential shall be kept confidential by SHP and shall not, except as may be required by law, be distributed to any third party without the prior written approval of County.

## ARTICLE IV: SECURITY

4.1 General. SHP and County understand that adequate security services are essential and necessary for the safety of the agents, employees and subcontractors of SHP as well as for the security of inmates and County's staff, consistent with the correctional setting.

The non-delegable duty to protect inmates is, and always will be, vested in the County. This Agreement does not result in the assumption of a non-delegable duty by SHP. This duty extends to the control of inmate movement.

County shall take all reasonable steps to provide sufficient security to enable SHP to safely and adequately provide the health care services described in this Agreement. It is expressly understood by County and SHP that the provision of security and safety for the SHP personnel is a continuing precondition of SHP's obligation to provide its services in

a routine, timely, and proper fashion, to the extent that if, in SHP's sole discretion, the safety and security of SHP personnel are compromised, SHP may exercise its right to immediately terminate services, in accordance with the provisions of Section No. 6.2(b) of this Agreement.

4.2 Loss of Equipment and Supplies. SHP shall be liable for loss of or damage to equipment and supplies of SHP, its agents, employees or subcontractors only in the event such loss or damage was caused by the negligence of SHP or its employees.

4.3 Officer Staffing Levels. It is understood SHP medical staff are given clearance to work and perform medical functions within the Jail. Should staffing levels of the correctional staff fall below an acceptable standard causing the SHP medical staff to be unable to complete such services in a timely manner, the County shall be responsible for the consequences of the same, for any resulting noncompliance with County, State, or Federal entity requirements or regulations, including, but not limited to, any resulting failed inspection and/or audit by County, State or Federal entity. SHP medical staff shall document and report such issues of backlogs created by inadequate officer staffing levels to the Jail Administrator. The County shall, upon notification by SHP, exercise every effort to bring officer staffing levels back up to standard within a reasonable period of time.

## ARTICLE V: OFFICE SPACE EQUIPMENT INVENTORY AND SUPPLIES

5.1 General. County agrees to provide SHP with reasonable and adequate office and medical space, facilities, equipment, local telephone and telephone line and utilities and County shall provide necessary maintenance and housekeeping of the office and medical space and facilities (including incidentals such as tissue and hand towels).

5.2 Delivery of Possession. County shall provide to SHP, beginning on the date of commencement of this Agreement, possession and control of all County medical and office equipment in place at the Jail's health care unit. At the termination of this or any subsequent Agreement, SHP shall return to County's possession and control all medical and office equipment, in working order, reasonable wear and tear excepted, which were in place at the Jail's health care unit prior to the commencement of services under this Agreement.

5.3 Maintenance and Replenishment of Equipment. Except for the equipment and instruments owned by County at the inception of this Agreement, any equipment or

instruments required by SHP during the term of this Agreement shall be purchased by SHP at its own cost. At the end of this Agreement, or upon termination, County shall be entitled to purchase SHP's equipment and instruments at an amount determined by SHP.

5.4 Infection Control — Personal Protective Equipment (PPE). SHP and County understand that adequate infection control PPE are essential and necessary for the health and safety of the agents, employees and subcontractors of SHP as well as for the health and safety of inmates and County's staff, consistent with the correctional setting. SHP shall be financially responsible for the reasonable costs associated with providing sufficient infection

control PPE for its employees and/or subcontractors in compliance with regular County, State or Federal entity requirements or regulations. In the instance of any outbreak, pandemic, jail directive/instruction, or other unusual infection control situation, additional PPE supplies and/or cost increases above SHP's usual practice and procedure shall be assessed back to the County either through a contracted cost pool structure or direct billing back to the County for reimbursement to SHP.

## ARTICLE VI: TERM AND TERMINATION OF AGREEMENT

6.1 Term. This Agreement shall commence on July 1, 2024. The initial term of this Agreement shall end on June 30, 2025, and this Agreement shall thereafter be automatically extended for additional periods of twelve months each, beginning on July 1 of each year, subject to County funding availability, unless either party provides written notice to the other of its intent to terminate, or non-renew, in accordance with the provisions of Section No. 6.2 of this Agreement. Notwithstanding any provision herein to the contrary, in the event SHP receives notice or communication from the County or Sheriff, by and through its respective staff or personnel, either in writing or otherwise, of the County's intent to solicit bids for inmate health services, this Agreement shall automatically expire at the conclusion of the then-current period, except as may be mutually agreed to and acknowledged by express written agreement between the parties to extend or renew up through and including a specified period. In no event shall this Agreement continue for a period in excess of sixty (60) days following notice or communication by the County or Sheriff to SHP of the County's intent to solicit bids, except as may be mutually agreed to and acknowledged by express written agreement between the parties to continue services under this Agreement up through and including a specified period.

6.2 Termination. This Agreement, or any extension thereof, may be terminated as otherwise provided in this Agreement or as follows:

- (a) Termination by agreement. In the event that each party mutually agrees in writing, this Agreement may be terminated on the terms and date stipulated therein.
- (b) Termination for Cause. SHP shall have the right to terminate this Agreement at any time for Cause, which may be effected immediately after establishing the facts warranting the termination, and without any further obligation to County, by giving written notice and a statement of reasons to County in the event:
  - (i) the safety and security of SHP personnel is determined by SHP, in its sole discretion, to be compromised, either as a direct, or indirect, result of County's failure to provide adequate security services, the provision of which is a continuing precondition of SHP's obligation to perform work under this Agreement, or

- (ii) County fails to compensate SHP for charges or fees due, either in whole, or in part, under this Agreement, according to the terms and provisions as stated herein.

Cause shall not, however, include any actions or circumstances constituting Cause under (i) or (ii) above if County cures such actions or circumstances within a specified period following delivery of written notice by SHP setting forth the actions or circumstances constituting Cause, during which period SHP may permit County, solely by express agreement, time to provide sufficient remedy to SHP's satisfaction. In all cases, this Agreement may be terminated immediately by SHP, without notice, if, in SHP's sole discretion, such immediate termination of services is necessary to preserve the safety and well-being of SHP personnel.

Upon such a termination for Cause, County acknowledges that, SHP shall be entitled to all compensation fees and charges due for services rendered hereunder, without penalty or liability to SHP, up through and including the last day of services, and further that, County shall be obligated to compensate SHP accordingly for such services rendered up through and including the last day of services, consistent with the terms and provisions of this Agreement. If any costs relating to the period subsequent to such termination date have been paid by County in the case of (i) above, SHP shall promptly refund to County any such prepayment.

- (c) Termination or non-renewal by Cancellation. This Agreement may be canceled or non-renewed without cause by either party upon sixty (60) days prior written notice in accordance with Section No. 9.3 of this Agreement.
- (d) Annual Appropriations and Funding. This Agreement shall be subject to the annual appropriation of funds by the Columbus County Board of Commissioners. Notwithstanding any provision herein to the contrary, in the event funds are not appropriated for this Agreement, County shall be entitled to immediately terminate this Agreement, without penalty or liability, except the payment of all contract fees due under this Agreement through and including the last day of service.

6.3 Responsibility for Inmate Health Care. Upon termination of this Agreement, all responsibility for providing health care services to all inmates shall belong to County.

## ARTICLE VII. COMPENSATION.

7.1 Base Compensation. County shall compensate SHP based on the twelvemonth annualized price of \$506,280.00 during the initial term of this Agreement, payable in monthly installments. Monthly installments during the initial term of this Agreement shall be in the amount of \$42,190.00 each. SHP shall bill County approximately thirty days prior to the month in which

services are to be rendered. County agrees to pay SHP prior to the tenth day of the month in which services are rendered. Payment by County to SHP shall be made electronically through the Automated Clearing House, or should the County elect not to make electronic payments to SHP, County agrees to pay an additional two percent (2%) per month charge. In the event this Agreement should commence or terminate on a date other than the first or last day of any calendar month, compensation to SHP shall be prorated accordingly for the shortened month.

**7.2 Increases in Inmate Population.** County and SHP agree that the annual base price is calculated based upon an average daily inmate population of up to 192. If the average daily inmate population exceeds 192 inmates for any given month, the compensation payable to SHP by County shall be increased by a per diem rate of \$1 .25 for each inmate over 192. The average daily inmate resident population shall be calculated by adding the population or head count totals taken at a consistent time each day and dividing by the number of counts taken. The excess over an average of 192, if any, shall be multiplied by the per diem rate and by the number of days in the month to arrive at the increase in compensation payable to SHP for that month. In all cases where adjustments become necessary, the invoice adjustment shall be made on the invoice for a subsequent month's services. For example, if there is an average population for any given month of 197 inmates, resulting in an excess of five (5) inmates, then SHP shall receive additional compensation of five (5) times the per diem rate times the number of days in that month. The resulting amount shall be an addition to the regular base fee and shall be billed on a subsequent monthly invoice.

This per diem is intended to cover additional cost in those instances where minor, short-term changes in the inmate population result in the higher utilization of routine supplies and services. However, the per diem is not intended to provide for any additional fixed costs, such as new fixed staffing positions that might prove necessary if the inmate population grows significantly and if the population increase is sustained. In such cases, SHP reserves the right to negotiate for an increase to its staffing complement and its contract price in order to continue to provide services to the increased number of inmates and maintain the quality of care. This would be done with the full knowledge and agreement of the Sheriff and other involved County officials, and following appropriate notification to County.

**7.3 Future Years' Compensation.** The amount of compensation (i.e., annual base price and per diem rate as defined in Section Nos. 7.1 and 7.2, respectively) to SHP shall increase at the beginning of each contract year. Annual pricing for the second year of the contract, effective July 1 , 2025, and for the third year of the contract, effective July 1, 2026, shall be adjusted to account for inflation based on the Consumer Price Index (CPI) for medical care as published by the United States Department of Labor, or by 4%, whichever is higher. SHP shall provide written notice to County of the amount of compensation increase requested for subsequent annual periods effective on or after July 1, 2027, or shall otherwise negotiate mutually agreeable terms with County prior to the beginning of each annual contract period.

**7.4 Inmates From Other Jurisdictions.** Medical care rendered within the Jail to inmates from jurisdictions outside Columbus County, and housed in the Jail pursuant to written contracts between County and such other jurisdictions shall be the responsibility of SHP, but as limited by Section No. 1.6. Medical care that cannot be rendered within the Jail shall be arranged by SHP, but SHP shall have no financial responsibility for such services to

those inmates. County shall be financially responsible for the cost of all inmate prescription medications, specialized medical equipment and supplies in the event of a refusal to pay on the part of the jurisdiction with which Columbus County has entered into such contract.

7.5 Responsibility For Work Release Inmates. SHP and County agree that SHP shall be responsible for providing on-site medical services as reasonable and appropriate to County inmates assigned to work release and/or release for community service work for government or nonprofit agencies upon an inmate's presentation to SHP medical staff at the Jail. Notwithstanding any other provisions of this Agreement to the contrary, SHP and County agree that County inmates assigned to work release, including work for Columbus County agencies, are themselves personally responsible for the costs of any medical services performed by providers other than SHP, when the illness or injury is caused by and results directly or indirectly from the work being performed, or when such illness or injury is treated while the inmate is on work release. The costs of medical services associated with a particular illness or injury incurred by an

inmate while on work-release may be covered by workers' compensation, medical insurance, accident insurance, or any other policy of insurance or source of payment for medical and hospital expenses, but such costs shall not otherwise be the financial responsibility of SHP. In all cases, SHP shall be responsible for providing medical care for any inmate who presents to medical staff on-site at the Jail, including any inmate injured or infirmed while on work release or release for community service, to the extent such care can be reasonably provided on-site, or shall assist with arrangements to obtain outside medical care as necessary.

#### **ARTICLE VIII: LIABILITY AND RISK MANAGEMENT.**

8.1 Insurance. At all times during this Agreement, SHP shall maintain professional liability insurance covering SHP for its work at County, its employees and its officers in the minimum amount of at least one million dollars (\$1,000,000.00) per occurrence and seven million dollars (\$7,000,000.00) in the aggregate. SHP shall provide County with a Certificate of Insurance evidencing such coverage and shall have County named as an additional insured. In the event of any expiration, termination or modification of coverage, SHP shall notify County in writing.

8.2 Lawsuits Against County. In the event that any lawsuit (whether frivolous or otherwise) is filed against County, its elected officials, employees and agents based on or containing any allegations concerning SHP's medical care of inmates and the performance of SHP's employees, agents, subcontractors or assignees, the parties agree that SHP, its employees, agents, subcontractors, assignees or independent contractors, as the case may be, may be joined as parties defendant in any such lawsuit and shall be responsible for their own defense and any judgments rendered against them in a court of law.

Nothing herein shall prohibit any of the parties to this Agreement from joining the remaining parties hereto as defendants in lawsuits filed by third parties.

8.3 Hold Harmless. SHP agrees to indemnify and hold harmless the County, its agents and employees from and against any and all claims, actions, lawsuits, damages, judgments or liabilities of any kind arising solely out of the aforementioned program of health care services provided by SHP. This duty to indemnify shall include all attorneys' fees and litigation costs and expenses of any kind whatsoever. County or Sheriff shall promptly notify SHP of any incident, claim, or lawsuit of which County or Sheriff becomes aware and shall fully cooperate in the defense of such claim, but SHP shall retain sole control of the defense while the action is pending, to the extent allowed by law. In no event shall this agreement to indemnify be construed to require SHP to indemnify the County, its agents and/or employees from the County's, its agents' and/or employees' own negligence and/or their own actions or inactions.

County does hereby agree to indemnify and hold harmless SHP, its agents and employees from and against any and all claims, actions, lawsuits, damages, judgments or liabilities of any kind arising solely out of the operation of the facility and the negligence and/or action or inaction of the Sheriff, the County or their employees or agents. This duty to indemnify shall include all attorneys' fees and litigation costs and expenses of any kind whatsoever. SHP shall promptly notify the County of any incident, claim, or lawsuit of which SHP becomes aware and shall fully cooperate in the defense of such claim, but the County shall retain sole control of the defense while the action is pending, to the extent allowed by law. In no event shall this agreement to indemnify be construed to require the County to indemnify SHP, its agents and/or employees from SHP's, its agents' and/or employees' own negligence and/or their own actions or inactions.

#### **ARTICLE MISCELLANEOUS.**

9.1 Independent Contractor Status. The parties acknowledge that SHP is an independent contractor engaged to provide for the delivery of health services to inmates at the Jail, as set forth in this Agreement. Nothing in this Agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, or a joint venture relationship between the parties.

9.2 Assignment. Neither party may transfer, sell or assign its rights or obligations under this Agreement to any third party without the other party's express written consent, which consent shall not be unreasonably withheld; except that SHP may transfer or assign its rights or obligations under this Agreement to any corporate affiliate of SHP, or in connection with the sale of all or substantially all of the stock assets of the business of SHP, without the express written consent of the other party.

9.3 Notice. Unless otherwise provided herein, all notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand or delivered by certified or registered first-class mail (return receipt requested, postage prepaid) or Federal Express, UPS or other reputable overnight courier service (with signed delivery confirmation), and transmitted by electronic mail transmission, including PDF (with delivery and read receipt confirmation), and addressed to the appropriate party at the following address and regularly-monitored electronic mail address of such party, or to any other person at any other address and regularly-monitored electronic mail address as may be designated in writing by the parties:

- a. County: Columbus County Board of Commissioners  
127 W. Webster Street Whiteville, NC 28472 Email:  

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- b. SHIP. Southern Health Partners, Inc.  
2030 Hamilton Place Boulevard, Suite 140  
Chattanooga, Tennessee 37421  
Attn: President  
Email: [iennifer.hairsine@southernhealthpartners.com](mailto:iennifer.hairsine@southernhealthpartners.com) and  
[lacey.lafuze@southernhealthpartners.com](mailto:lacey.lafuze@southernhealthpartners.com)

Notices shall be effective upon receipt regardless of the form used.

9.4 Governing Law and Disputes. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of North Carolina, except as specifically noted. Disputes between the Parties shall, first, be formally mediated by a third party or entity agreeable to the Parties, in which case the Parties shall engage in good faith attempts to resolve any such dispute with the Mediator before any claim or suit arising out of this Agreement may be filed in a court of competent jurisdiction.

9.5 Entire Agreement. This Agreement constitutes the entire agreement of the parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions and agreements that have been made in connection with the subject matter hereof. No modifications or amendment to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto. All prior negotiations, agreements and understandings with respect to the subject matter of this Agreement are superseded hereby.

9.6 Amendment. This Agreement may be amended or revised only in writing and signed by all parties.

9.7 Waiver of Breach. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

9.8 Other Contracts and Third-Party Beneficiaries. The parties acknowledge that SHP is neither bound by nor aware of any other existing contracts to which County is a party and which relate to the providing of medical care to inmates at the Jail. The parties agree that they have not entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of others who might otherwise be deemed to constitute third-party beneficiaries hereof.

9.9 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the Agreement which shall remain in full force and effect and enforceable in

accordance with its terms.

9.10 Liaison. The Columbus County Sheriff or his designee shall serve as the liaison with SHP.

9.11 Cooperation. On and after the date of this Agreement, each party shall, at the request of the other, make, execute and deliver or obtain and deliver all instruments and documents and shall do or cause to be done all such other things which either party may reasonably require to effectuate the provisions and intentions of this Agreement.

9.12 Time of Essence. Time is and shall be of the essence of this Agreement.

9.13 Authority. The parties signing this Agreement hereby state that they have the authority to bind the entity on whose behalf they are signing.

9.14 Binding Effect. This Agreement shall be binding upon the parties hereto, their heirs, administrators, executors, successors and assigns.

9.15 Cumulative Powers. Except as expressly limited by the terms of this Agreement, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

9.16 Non-solicitation. SHP takes pride in its staff and has a significant investment in the training and professional development of our employees and independent contractors; they are valued members of our business. As such, during the term of this Agreement or within one (1) year after this Agreement's termination, the County and its agents agree not to solicit any employee or independent contractor of SHP on behalf of the County or any other business enterprise, nor to induce any employee or independent contractor associated



with SHP to terminate or breach an employment, contractual or other relationship with the SHP. The County hereby acknowledges (1) that SHP will suffer irreparable harm if the obligations under this Agreement are breached; and, (2) the County agrees to pay a professional replacement fee of Seven Thousand Five Hundred Dollars (\$7,500.00) per employee or independent contractor to compensate SHP for the estimated cost of replacing said employee or independent contractor. The foregoing shall not apply to any SHP employee or independent contractor who may have been employed by the County directly prior to this agreement start date.


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IN WITNESS WHEREOF, the parties have executed this Agreement in their official capacities with legal authority to do so.

COLUMBUS COUNTY, NC

BY: *Ricky Bullard*  
Ricky Bullard rcl  
( )hQl6vMcn  
Date: 6-3-24

ATTEST:  
*Sam Nealey*  
Date: 6-3-24

 SOUTHERN HEALTH PARTNERS, INC.  
BY: *Jennifer Hairsine*  
Jennifer Hairsine, President and Chief Executive Officer  
Date: 6/10/2024

SOUT RN

HEALTH PART ERS, INC.

**RECESS REGULAR SESSION and enter into COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV AND V.**

**MOTION:**  
At 8:00 P.M. a Motion was made by Commissioner Watts and second by Commissioner Featherson to recess regular session and enter into Columbus County Water and Sewer Districts I, II, III, IV and V.

**Agenda Item #16: WATER and SEWER DISTRICTS II, III, and IV – APPROVAL of the FLOW METER REPLACEMENT PROJECT:**

Public Utilities Director Harold Nobles requested approval of the Flow Meter Replacement Project to be completed by Charles R. Underwood in the amount of \$68,311. This will be funded through the SCIF allocation.

**MOTION:**  
Commissioner Watts made a motion to approve, seconded by Commissioner Coleman The motion unanimously passed.



CHARLES R. UNDERWOOD  
your source for pumping solutions

Visit us @ [crupumps.com](http://crupumps.com)

2000 Boone Trail Rd.  
Sanford NC 27330

Phone: 919-775-2463  
Fax: 919-708-7232

QUOTATION

April 8, 2024

Mr. Chris Nobles  
Columbus County Public Utilities  
205 Lee Ave.  
Whiteville, NC 28472

RE: Flow Meter Replacement

Dear Mr. Nobles,

Charles R. Underwood Inc. (CRU) is pleased to provide the following quote for your consideration on the above referenced project:

Scope of Services- Sandman Well

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 6" flow meter
- Install new 6" McCrometer Ultra Mag Flow Meter w/ associated hardware
- Cut pump on to ensure proper operation
- Site clean up

Total Cost.....\$8,315

Scope of Services- Old Lake Well

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 3" flow meter
- Install new 3" McCrometer Ultra Mag flow meter w/ associated hardware
- Cut pump on to ensure proper operation

- Site clean up

Total Cost.....\$7,345

Scope of Services- Lakeland #3

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 3" flow meter
- Install new 3" McCrometer Ultra Mag flow meter w/ associated hardware
- Cut pump on to ensure proper operation
- Site clean up

Total Cost.....\$6,440

Scope of Services- Lakeland #1

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 2" flow meter
- Install new 2" McCrometer Ultra Mag flow meter w/ associated hardware
- Cut pump on to ensure proper operation
- Site clean up

Total Cost.....\$6,115

**Note:** CRU is not responsible for connection to SCADA system. Client is responsible for coordinating with desired company to connect.

Disclaimers / Conditions:

1. Only the services listed and implied above are included
2. Price does not include any applicable sales tax or freight
3. Standard (2) two-year factory warranty on all new material and labor
4. Pricing remains valid for 10 days
5. Standard payment terms are net 30 days

As always, we appreciate the opportunity to work with you on this project. If we can be of further service or if you have any questions, please contact us.

Respectfully yours,

*Brandon Hudson*

Charles R. Underwood, Inc.



Visit us @ [crupumps.com](http://crupumps.com)

2000 Boone Trail Rd.  
Sanford NC 27330

Phone: 919-775-2463  
Fax: 919-708-7232

QUOTATION

April 25, 2024

Mr. Chris Nobles  
Columbus County Public Utilities  
205 Lee Ave.  
Whiteville, NC 28472

RE: Flow Meter Replacement- 2<sup>nd</sup> Group

Dear Mr. Nobles,

Charles R. Underwood Inc. (CRU) is pleased to provide the following quote for your consideration on the above referenced project:

Scope of Services- Havnes Lennon Well

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 8" flow meter
- Install new 8" McCrometer Ultra Mag Flow Meter w/ associated hardware
- Cut pump on to ensure proper operation
- Site clean up

Total Cost.....\$9,805

Scope of Services- Industrial Park Well

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 6" flow meter
- Install new 6" McCrometer Ultra Mag flow meter w/ associated hardware
- Cut pump on to ensure proper operation

- Site clean up

Total Cost.....\$8,315

Scope of Services- Page Well

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 10" flow meter
- Install new 10" McCrometer Ultra Mag flow meter w/ associated hardware
- Cut pump on to ensure proper operation
- Site clean up

Total Cost.....\$10,988

Scope of Services- Silver Spoon Well

- Mobilize trained crew
- Lockout electrical equipment
- Disconnect and remove existing 10" flow meter
- Install new 10" McCrometer Ultra Mag flow meter w/ associated hardware
- Cut pump on to ensure proper operation
- Site clean up

Total Cost.....\$10,988

**Note:** CRU is not responsible for connection to SCADA system. Client is responsible for coordinating with desired company to connect.

Disclaimers / Conditions:

1. Only the services listed and implied above are included
2. Price does not include any applicable sales tax or freight
3. Standard (2) two-year factory warranty on all new material and labor
4. Pricing remains valid for 10 days
5. Standard payment terms are net 30 days

As always, we appreciate the opportunity to work with you on this project. If we can be of further service or if you have any questions, please contact us.

Respectfully yours,

*Brandon Hudson*

Charles R. Underwood, Inc.

**Agenda Item #17: WATER and SEWER DISTRICT IV – APPROVAL of the CAPITAL PROJECT ORDINANCE and BUDGET AMENDMENT for the US HIGHWAY 74/76 SEWER FORCE MAIN EXTENSION to ACME DELCO SCHOOL:**

Public Utilities Director Harold Nobles requested approval of the Capital Project Ordinance and Budget Amendment for the US Highway 74/76 sewer force main extension to Acme Delco School.

**MOTION:**

Vice Chairman Byrd made a motion to approve, seconded by Commissioner Smith The motion unanimously passed.

**COLUMBUS COUNTY, NORTH CAROLINA**  
**Ordinance making appropriations to the**  
**Water District IV – Force Main Capital Project Fund**  
**for the Fiscal Year beginning July 1, 2023**

**ADJOURN COMBINATION MEETING OF Columbus County Water and Sewer Districts I, II, III, IV AND V BOARD MEETING.**

**MOTION:**

Vice Chairman Coleman made a motion to approve, seconded by Commissioner Featherson. The motion unanimously passed.

**Agenda Item #18: COMMENTS:**

**A. BOARD OF COMMISSIONERS**

**Commissioner Watts commented:**

- He stated that our high schools will start their graduations next week and everyone needs to remember these kids as they enter into the real world.
- As for the budget, I know it is tight, but we got to be conservative for the tax payers of this County and I feel like this budget is doing just that.

**Commissioner Coleman commented:**

- He stated he agrees with what Commissioner Watts has stated about the budget. It's tight, but it's got to be done.
- Schools are getting out for the Summer here and we need to be vigilant with children being out on the roads.
- He appreciates the county employees and the citizens of the County for all they do.

**Commissioner Byrd commented:**

- We all know the budget was very hard to come to without a tax increase.
- The other day in a meeting with Mr. Gary Lanier, I learned that there was a development that was incorporated and recorded on the tax books back in 2008, and the tax office never picked it up. Since 2008, even though it was cut up into a Housing Development cut up into lots the tax value never changed. Which was supposed to be changed, because each lot would have been valued separately. Which would have created a lot more revenues for the County. So my point is, with all these plats that are approved by the Planning Board and Board of Commissioners someone in County Government needs to make sure that it is put on the tax books accordingly the way it supposed to be and not overlooked. Because we are spending a lot of money that we are anticipating growth is going to bring to take care of the debt. So, if we don't get it on the tax books, we can't collect the revenues. I think it's very important that our Tax Office makes sure that they stay in touch when they are recording these plats at the Register of Deeds for what they are to make sure they are assess for what they are suppose to be more so now than 20 or 30 years ago. Because we have so many young people dying early now. I really feel like the children are not getting the attention they should need to be able to know their whole family.
- Mr. Madden at a previous meet I had asked you to set up a meeting with Representative Brenden Jones to discuss Grandparents Rights. Someone called me today and said they had checked all 50 states on what they have in place for Grandparents Rights. Because we have incidents where someone dies in the family and maybe there is a conflict and one side of the other will take the little children and they never get to see the other side of the family. I think that maybe North Carolina could be a leader to set an example to get something in place for that, because it definitely needs to be.
- He addressed Jerome McMillian with phone calls he had been receiving in regards to officers using their county vehicles for personal uses. Please watch that if you can. I've received calls about officers taking their children to school in a county vehicle. That's too big of a risk to allow.

**Commissioner Featherson Commented:**

- She had no comments

**Commissioner Floyd Commented:**

- He thanked the county employees & first responders for all they do for the County.

**Commissioner Smith Commented:**

- He apologized to the schools, college and the Sheriff’s Office we did all we could do for you without raising taxes. It’s a lean budget, but I think our Finance Department got it figured out.
- He asked everyone to remember Gail Edwards’ husband’s family in their prayers. Randy’s mother passed away.
- Dr. Ray Thigpen passed away and let’s remember his family in our prayers.

**Commissioner Bullard Commented:**

- He would like to reiterate what Commissioner Smith said, Mrs. Edwards’ mother-in-law passed away and that is why she is not here tonight, so let’s remember her family in your prayers.
- Graduation is coming up this week for many of the schools and children will be getting out for the summertime.
- There have been several bad wrecks on my end of the County and I just want everyone to be mindful of your surroundings.
- He thanked the staff that worked on the budget. It’s a lean budget, but no tax increase. We tried to help everyone involved including the tax payers.

**B. COUNTY MANAGER**

**County Manager Eddie Madden commented:**

I just have one item:

- I learned earlier this evening that Mr. Dylan Bowen that is here tonight with us, that he recently received his certification as a North Carolina Economic Developer from East Carolina University. I would like to say Congratulations!

**Agenda Item #19: ADJOURNMENT:**

**MOTION:**

At 7:06 P.M., Commissioner Smith made a motion to adjourn; seconded by Commissioner Floyd The motion unanimously passed.

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JANA NEALEY, Clerk to the Board

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RICKY BULLARD, Chairman