

LEE COUNTY

NORTH CAROLINA

Committed Today for a Better Tomorrow

REGULAR MEETING
OF THE
LEE COUNTY BOARD OF COMMISSIONERS
106 HILLCREST DRIVE
SANFORD, NORTH CAROLINA 27330

December 3, 2018
5:30 P.M.

AGENDA

CALL TO ORDER – Whitney Parrish, County Attorney

INVOCATION – Commissioner Dodson

PLEDGE OF ALLEGIANCE

I. ORGANIZATION OF THE BOARD

- A. Election of a Chairman for the Upcoming Year – Whitney Parrish (Pages 1-3)
- B. Election of a Vice-Chairman for the Upcoming Year – Whitney Parrish (Page 4-5)
- C. Resolution Fixing Time, Date and Place for Regular Meetings – Whitney Parrish (Pages 6-7)
- D. Annual Examination of Official Bonds – Whitney Parrish (Pages 8-9)

**** NEWLY ELECTED CHAIRMAN WILL CONDUCT MEETING FROM THIS POINT****

II. ADDITIONAL AGENDA

III. APPROVAL OF CONSENT AGENDA (All items listed below are routine and will be approved by one motion. No separate discussion will be held except by a request of a member of the Board. Any item removed from the Consent Agenda will be considered individually as a part of the regular agenda).

- A. Minutes from the November 19, 2018 Regular Meeting. (Pages 10-17)
- B. Request to use escrow funds to purchase health clinic equipment. (Page 18)
- C. Request for approval of Resolution Designating Depositories, Establishing Accounts, and Designating Signatories for Accounts of Lee County. (Pages 19-21)

IV. PUBLIC COMMENTS

V. OLD BUSINESS

- A. Request for approval of modification to the Memorandum of Understanding for FY 18-19 between NC DHHS and Lee County. – Angelina Noel (Pages 22-39)
- B. Consideration of collateral assignment of Memorandum of Understanding for the spec building at CCEP. – Whitney Parrish (Pages 40-53)

VI. NEW BUSINESS

- A. Consideration of a transfer of property to the City of Sanford. – Whitney Parrish (Pages 54-67)

VII. MANAGERS' COMMENTS

VIII. COMMISSIONERS' COMMENTS

ADJOURN

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
I. A.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Election of a Chairman for a One-Year Term

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish, County Attorney

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Election of a Chairman for the Lee County Board of Commissioners for a one-year term.
BUDGET IMPACT	N/A
ATTACHMENTS	Selection Process of Chairman and Vice-Chairman, Ballot
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Pleasure of the Board
SUMMARY	

The first order of business at the first meeting in December each year is to elect a Chairman for a one-year term. The Board will need to decide how they wish to vote – by voice, by rising, ballot, or a show of hands.

LEE COUNTY

NORTH CAROLINA

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TO: Lee County Board of Commissioners
DATE: December 3, 2018
REF: Selection of Chairman and Vice-Chairman

North Carolina General Statute § 153A-39 provides in part as follows:

“At the first meeting in December of each year, the Board of Commissioners shall choose one of its members as Chairman for the ensuing year... The Board shall also at that time choose a Vice-Chairman to sit in the absence or disability of the Chairman.”

The regular methods of voting according to Robert’s Rules of Order are as follows:

- (1) By voice
- (2) By rising
- (3) By show of hands, or
- (4) By ballot

The Open Meetings Law prohibits voting by secret ballot by a public body. It does permit use of a written ballot under the following conditions:

- (a) Each member of the Board so voting shall sign his/her ballot.
- (b) The Minutes of the Board shall show the vote of each member.
- (c) The ballot shall be available for public inspection in the Office of the Clerk to the Board immediately following the meeting at which the vote took place and until the Minutes of that meeting are approved, at which time the ballots may be destroyed.

In the past, voting has been held by voice and by ballot.



Committed Today for a Better Tomorrow

BALLOT
LEE COUNTY BOARD OF COMMISSIONERS
2019 CHAIRMAN SELECTION

_____ Amy Dalrymple

_____ Kevin Dodson

_____ Dr. Andre Knecht

_____ Arianna Del Palazzo

_____ Robert Reives

_____ Cameron Sharpe

_____ Kirk Smith

Signature

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
I. B.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Election of a Vice-Chairman for a One-Year Term

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish, County Attorney

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Election of a Vice-Chairman for the Lee County Board of Commissioners for a one-year term.
BUDGET IMPACT	N/A
ATTACHMENTS	Sample Ballot
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Pleasure of the Board
SUMMARY	

The second order of business at the first meeting in December each year is to elect a Vice-Chairman for a one-year term to serve in the absence or disability of the Chairman.

LEE COUNTY

NORTH CAROLINA

Committed Today for a Better Tomorrow

BALLOT

LEE COUNTY BOARD OF COMMISSIONERS

2019 VICE-CHAIRMAN SELECTION

_____ Amy Dalrymple

_____ Kevin Dodson

_____ Dr. Andre Knecht

_____ Arianna Del Palazzo

_____ Robert Reives

_____ Cameron Sharpe

_____ Kirk Smith

Signature

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
I. C.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Resolution Fixing Time, Date and Place for Regular Meetings

DEPARTMENT: Administration

CONTACT PERSON: Whitney Parrish, County Attorney

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Resolution to Set Meeting Schedule for 2019
BUDGET IMPACT	N/A
ATTACHMENTS	Resolution
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Pleasure of the Board

SUMMARY

At the first meeting in December each year, the Board must consider a Resolution fixing time, date, and place for regular meetings for the coming year.

LEE COUNTY

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RESOLUTION TO SET MEETING SCHEDULE FOR 2019 FOR THE LEE COUNTY BOARD OF COMMISSIONERS

BE IT RESOLVED by the Board of Commissioners for the County of Lee as follows:

- SECTION 1:** The Board of Commissioners shall hold a regular meeting on the first and third Monday of each month. If the regular meeting day is a holiday, on which County offices are closed, the meeting shall be held on the next business day or such succeeding day as may be specified in the motion adjourning the immediate preceding regular meeting.
- SECTION 2:** Regular meetings shall be held in the Commissioners' Room, First Floor, Lee County Government Center, 106 Hillcrest Drive, Sanford, North Carolina.
- SECTION 3:** The regular meeting on the first Monday and third Monday of each month will begin at 6 p.m.
- SECTION 4:** Public hearings with the Lee County Planning Board will be held the third Monday of each month if required at 6 p.m. Other required public hearings will be held at the discretion of the Board.
- SECTION 5:** The Clerk to the Board is directed to cause a copy of this Resolution to be posted on the bulletin board in the lobby at the Lee County Government Center and Lee County Courthouse and a summary is to be published in *The Sanford Herald* at least ten (10) days before the meeting to which the Resolution is to apply.

Adopted this 3rd day of December 2018.

ATTEST:

_____, Chair
Lee County Board of Commissioners

Jennifer Gamble, Clerk to the Board

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
I. D.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Annual Examination of Official Bonds

DEPARTMENT: Administration

CONTACT PERSON: John Crumpton, County Manager

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Approval of Official Bonds
BUDGET IMPACT	N/A
ATTACHMENTS	(1) E-mail referencing bond information and schedule of coverage limits
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve bonds for the below individuals as presented.
SUMMARY	

Each year at the first meeting in December, the Board must approve official bonds for the following employees:

- Sheriff (\$25,000)
- Register of Deeds (\$50,000)
- Every other officer of the County who is required by law to give a bond for the faithful performance of his/her duties, which in our case are the following:
 - o Tax Administrator (\$100,000)
 - o Finance Director (\$100,000)
 - o Any employee who handles \$100.00 or more at any one time

Jennifer Gamble

From: Marilyn McKinney
Sent: Monday, November 26, 2018 2:28 PM
To: Jennifer Gamble
Subject: FW: [EXTERNAL]RE: [EXTERNAL]RE: Lee County Bonds

Here you go!

Thanks.

M.

Marilyn A. McKinney
Risk Management Analyst
Lee County Government
408 Summit Drive
Sanford, NC 27330
Phone: 919-718-4605 ext. 5503
Fax: 919-777-9315
Email: mmckinney@leecountync.gov
Visit us: www.leecountync.gov

From: Potts, Sharon J [mailto:Sharon.J.Potts@marsh.com]
Sent: Monday, November 26, 2018 2:08 PM
To: Marilyn McKinney <mmckinney@leecountync.gov>
Cc: Hartzberg, Elizabeth A <Elizabeth.A.Hartzberg@marsh.com>
Subject: [EXTERNAL]RE: [EXTERNAL]RE: Lee County Bonds

CAUTION: External Email. Do not click links or open attachments unless verified. Send all suspicious email as an attachment to Bad Mail

Good afternoon Marilyn,

As you requested below is the updated information on the status of your bonds.

Ohio Casualty Insurance Company currently carries a Position Schedule Bond for Lee County under Bond No. 3919152.

This bond covers the following positions with attached limits:

Finance Director - \$100,000

Register of Deeds - \$50,000

Tax Administrator - \$100,000

This bond is continuous and was originally issued on July 1, 2006 and renews annually each July 1. Renewal premium has been remitted for the 2018-2019 renewal term.

Additionally Lee County also carries a bond in the amount of \$25,000 for the Sheriff, Tracy Lynn Carter. This bond is currently being renewed.

Sharon J. Potts
Senior Vice President
Southeast Surety Practice Leader
3560 Lenox Road, Suite 2400 Atlanta, GA 30326, USA
Office: 404-995-3728 | Mobile: 404-538-8027
sharon.j.potts@marsh.com
www.marsh.com | Marsh Inc

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
III. A.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Minutes from the November 19, 2018 Regular Meeting

DEPARTMENT: Governing Body

CONTACT PERSON: Jennifer Gamble, Clerk to the Board

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Approve Minutes from the November 19, 2018 Regular Meeting
BUDGET IMPACT	N/A
ATTACHMENTS	"Draft" copy of the November 19, 2018 Minutes
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve Minutes from the November 19, 2018 Regular Meeting
SUMMARY	

A "draft" copy of the Minutes from the November 19, 2018 Regular Meeting have been prepared for approval. Attachments referenced in the Minutes are available for review in the Clerk's Office located at 408 Summit Drive, Sanford, NC. Once approved, Minutes will be recorded at the Lee County Register of Deeds Office.

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NORTH CAROLINA

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REGULAR MEETING
OF THE
LEE COUNTY BOARD OF COMMISSIONERS
106 HILLCREST DRIVE
SANFORD, NORTH CAROLINA 27330

NOVEMBER 19, 2018

The regular meeting of the Board of Commissioners for the County of Lee, State of North Carolina, convened at 4:00 P.M. in the Commissioners Room, First Floor, Lee County Government Center, 106 Hillcrest Drive, Sanford, North Carolina, on said date. Commissioners present when the meeting was called to order were Kevin C. Dodson, Larry "Doc" Oldham, Robert T. Reives, Cameron W. Sharpe, and Timothy S. Sloan. Commissioners Dalrymple and Knecht were absent at the time the meeting began. Staff in attendance included County Manager John Crumpton, Assistant County Manager/Finance Director Lisa Minter, County Attorney Whitney Parrish, and Deputy County Attorney/Clerk to the Board Jennifer Gamble.

Vice Chair Oldham called the meeting to order and the following business was transacted:

Commissioner Oldham provided an Invocation.

The Pledge of Allegiance was recited.

I. ADDITIONAL AGENDA

The Board considered additions to the *Agenda*. With no changes/additions requested, Commissioner Sloan moved to approve the *Agenda* as presented. Upon a vote, the results were as follows:

Aye: Dodson, Knecht, Oldham, Reives, Sharpe, Sloan

Nay: None

Absent: Dalrymple, Knecht

Vice Chair Oldham ruled the motion had carried unanimously.

II. APPROVAL OF CONSENT AGENDA

The Board considered changes to the *Consent Agenda*. Commissioner Reives moved to approve the *Consent Agenda* as presented, which consisted of the following items:

- A. Minutes from the November 5, 2018 Regular Meeting.
- B. Request for amendment to the March 19, 2018 Regular Meeting Minutes.
- C. Tax release and refund report for October 2018.
- D. Minutes from the October 15, 2018 Closed Session Meeting.
- E. Request for approval of final bid on Lemon Springs Road PIN 9549-17-7784-00, Lee County, North Carolina.
- F. Budget Amendment #11/19/18/06.
- G. Request for approval of Emergency Services replacement vehicle purchase of a 2019 Ford F-250 in the amount of \$31,738.00.
- H. Minutes from the November 13, 2018 Closed Session Meeting.

Upon a vote, the results were as follows:

Aye: Dodson, Knecht, Oldham, Reives, Sharpe, Sloan

Nay: None

Absent: Dalrymple, Knecht

Vice Chair Oldham ruled the motion had carried unanimously.

III. JOINT PUBLIC HEARING WITH THE LEE COUNTY PLANNING BOARD

A. Joint Public Hearing with the Lee County Planning Board for a Zoning Map Amendment (Rezoning) request for 30.25 +/- acre tract of land addressed as 3284 Farrell Road.

Amy McNeill, Zoning Administrator with Sanford Lee County Community Development stated that an application was submitted by Copper Ridge Development, LLC to rezone one 30.25 +/- acre tract of land addressed as 3284 Farrell Road from Residential Agricultural to Copper Ridge Estates Conditional Zoning District for the purpose of developing a residential single-family home subdivision. The subject property is identified as Tax Parcel 9666-44-03337-00 as depicted on Lee County Tax Map 9666.03. The minimum lot size is just under an acre. Specific conditions include not more than 24 single family homes, a Property Owners Association will be created to ensure maintenance of the common areas, and the repair areas for the community private septic system will remain wooded until otherwise needing to be cleared. The property has access to City water, but not sewer, and the property plans to utilize a large private septic system owned by the POA, which will be responsible for the operation and maintenance. The site is located in the Watershed District and this project complies with the UDO watershed regulations. This site is not in the updated overlay district around the airport that staff is currently working on. The area is located within the Deep River Small Area Plan. The 2020 land use plan identifies this area as commercial light industrial. A public information meeting was held on November 1st, 2018. The main topics discussed were lot size, all lots being served by one private septic system, property line discrepancy, the neighbors also requested what would happen to the currently property owner that has lived at this site for a long time.

Chair Dalrymple joined the meeting at 4:05 p.m.

At this time, Chair Dalrymple opened the public hearing for comments.

The following people spoke in favor of the proposed zoning map amendment:

- Van Gross, 105 Boss Wood Court, Cary, NC

The following people spoke against the zoning map amendment:

- Christine Ammons, 1973 Ammons Farm Road, Sanford, NC
- Frederick Sloan, 3429 Farrell Road, Sanford, NC

Chair Dalrymple closed the public hearing.

IV. PUBLIC COMMENTS

Pursuant to General Statute § 152A-52.1, Chair Dalrymple opened the floor for *Public Comments*. No one spoke during the public comments section of the meeting.

V. PRESENTATION OF RESOLUTIONS OF APPRECIATION – Removed

VI. OLD BUSINESS

A. Adoption of the 2019 Schedule of Values and Present use Value Schedule

In accordance with NCGS 105-317(c), the 2019 Schedule of Values and Present Use Schedule was presented to the BOC on October 15, 2018 and a public hearing was held by the Board on November 5, 2018. The next step is the adoption of the schedules followed by the publication in a local newspaper stating that the schedules have been adopted and anyone who takes exception to the schedules may file an appeal to the Property Tax Commissioner no later than December 20, 2018. Commissioner Reives moved to adopt the proposed 2019 Schedule of Values and Present Use Schedule as presented. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan

Nay: None

Absent: Knecht

Chair Dalrymple ruled the motion had carried unanimously.

B. Request for approval of Parks and Recreation Master Plan Phase I Recommendations with modifications

Phase 1 Recommendations for the Parks and Recreations Masterplan were presented to the Board at the November 5, 2018 Board of Commissioners meeting. Based on comments received during the meeting, some modifications were made to the Phase 1 Recommendations. Horton Park will focus on existing elements in the park such as the ball field, playground, parking, and basketball court. The splash pad and walking trail will be removed from Phase 1 Plans. O.T. Sloan Park tennis courts will be designed for multi-use with basketball standards which would extend over the fence. These would be half court play areas.

Tennis courts and a rectangular multipurpose field and new entrance will also be included in the plans. Temple Park recommendations will include a full court basketball court and open play area. Kiwanis Children's Park plans will include parking, tennis/pickleball courts, shelter, and restroom facilities along with multi-use courts to include half-court basketball court. Commissioner Reives moved to approve the Phase 1 Recommendations subject to the presented modifications. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan
Nay: None
Absent: Knecht

Chair Dalrymple ruled the motion had carried unanimously.

C. Consideration of a Memorandum of Understanding for placing a mural honoring Dr. Mary Margaret McLeod on a County owned building

The Suzanne Reeves Literary Club has spearheaded an effort to raise funds for a mural honoring the life and work of Dr. Mary Margaret McLeod. The club and Liz Whitmore believe the wall outside of the Department of Social Services would be an appropriate place for the mural. The mural would contain the likeness of Dr. McLeod along with representative images of the children she treated and a depiction of her famous "Fanny Cream." County Attorney Whitney Parrish presented a proposed memorandum of understanding detailing the proposed terms and conditions for installing a mural on county owned building that will be executed between the County and the Suzanne Reeves Literary Club. The club will be working with the Appearance Commission and Public Arts Subcommittee with regards to what will be placed on the building. The County will have the ultimate say as to what and where the mural will be placed on the building. Commissioner Oldham moved to approve the memorandum of understanding as presented, a copy of which is attached to these minutes and by this reference made a part hereof. Commissioner Reives requested information be posted online and through social media regarding this endeavor. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan
Nay: None
Absent: Knecht

Chair Dalrymple ruled the motion had carried unanimously.

D. Consideration of approval of the Future Land Use Plan

Planning and Community Director Marshall Downey presented a Resolution to Adopt the Future Land Use Plan. The Board has previously held public hearings on this matter. The County Manager stated that the resolution was drafted to address concerns raised at the last meeting. The resolution proposes that the plan be reviewed on an annual basis. Commissioner Sloan moved to approve the "PlanSanLee" Future Land Use Plan and Resolution to Conduct

an Annual Review of the Plan, a copy of which is attached to these minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan
Nay: None
Absent: Knecht

Chair Dalrymple ruled the motion had carried unanimously.

VII. NEW BUSINESS

A. Request for relief of late list penalty from Wyeth Holdings Corp.

Commissioner Sloan requested to be excused from voting in this matter based on a potential perceived conflict of interest. Commissioner Reives moved to excuse Commissioner Sloan from voting in this matter. Upon a vote, the results were as follows:

Aye: Dalrymple Dodson, Oldham, Reives, Sharpe, Sloan
Nay: None
Absent: Knecht

Chair Dalrymple ruled the motion had carried.

The County Manager stated that the guidelines developed by the Board have basically addressed regular late list penalties. This case is slightly different since the penalty wasn't assessed until after an audit was conducted. Mary Yow stated that previous audits were conducted in 1999 and 2010 that resulted in findings. The audit in this matter is for years 2013-2017. The penalty assessed amounted to \$108,903.98. Commissioner Sharpe moved to deny the request from Wyeth Holdings Corporation for abatement of a late list penalty. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Knecht, Oldham, Reives, Sharpe
Nay: None
Absent: Knecht
Excused: Sloan

Chair Dalrymple ruled the motion had carried.

Commissioner Sloan rejoined the meeting.

B. Request for relief of late list penalty from B&B Farms, LLC.

Tax Administrator Mary Yow presented a request from B&B Farms for abatement of a late list penalty which was assessed following an audit. The audit was from 2012-2018. The audit indicated the business was underreported. Penalty was applied in the amount of \$1,586.21. Years

2014 and 2015 were paid on time. Commissioner Reives moved to deny the request form B&B Farms, LLC for abatement of a late list penalty. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan
Nay: None
Absent: Knecht

Chair Dalrymple ruled the motion had carried unanimously.

C. Consideration of an offer to purchase property located at 2055 Long Point Trail PIN 9670-14-1084-00

County Attorney Whitney Parrish presented a parcel located in Carolina Trace. The current tax value is \$30,000. Commissioner Reives moved to declare the property surplus and to authorize the sale of property located at 2055 Long Point Trail PIN 9670-14-1084-00, Lee County, North Carolina and accept an offer to purchase property from Wayne Langston on behalf of Coast2Coast Group in the amount of \$750.00, a copy of the resolution authorizing the sale of the property is attached to these minutes and by this reference made a part hereof. Commissioner Reives moved to amend to motion to add a change to the bid process to accept sealed bids and after the initial declaration and acceptance and proceed with the upset bid process until the highest bid is received. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan
Nay: None
Absent: Knecht

Chair Dalrymple ruled the motion had carried unanimously.

D. FY 2017-2018 Financial Statement Presentation

Assistant County Manager/Finance Director Lisa Minter presented the 2017-18 Financial Statement. Allen Thompson with Thompson, Scott and Adams presented the audit opinion. Mr. Allen stated that the County received a clean report. There were no significant audit findings. Ms. Minter presented information regarding general fund revenues, property taxes, sales taxes, general fund expenditures, education expenditures, expenditures for CCCC, debt position, debt levels, single audit and grants, and capital projects. The calculation of revenue and expenditures resulted in a change in fund balance of \$732,693. There was one finding under adult Medicaid files where a participant was dropped from SSI. The cost that was found was in the time frame that it could still be allowable thus it ended up as a \$0 question cost. No action was taken.

VIII. MANAGERS' REPORTS

A. Financial Report for October 2018

Assistant County Manager/Finance Director Lisa Minter presented the Financial Report for October 2018. No action was taken.

B. County Manager's Monthly Report for November 2018

County Manager John Crumpton presented the Monthly Manager's Report for November 2018, a copy of which is attached to these minutes and by this reference made a part hereof. No action was taken.

Commissioner Reives requested that the County Manager send forth a document with information that was discussed and requested during a meeting with the Boys and Girls Club and to delay funding until the information is received. Commissioner Reives stated it is about finding a resolution for those kids as best and as quickly as we can. Commissioner Dalrymple stated that the main priority is to reinstate the service of reopening the Church Street location to serve the families that were previously served and displaced due to the closure.

County Manager John Crumpton stated that the Superintendent contacted him regarding the condition of Southern Lee's athletic fields.

IX. COMMISSIONERS' COMMENTS

ADJOURNMENT

With no further business to come before the Board, Commissioner Oldham moved to adjourn the meeting. Upon a vote, the results were as follows:

Aye: Dalrymple, Dodson, Oldham, Reives, Sharpe, Sloan

Nay: None

Absent: Knecht

The Chair ruled the motion had carried unanimously and the meeting adjourned at 5:33 p.m.

Amy M. Dalrymple, Chair
Lee County Board of Commissioners

ATTEST:

Jennifer Gamble, Clerk to the Board

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
III. B.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Use Escrow funds to purchase clinic equipment

DEPARTMENT: Health Department

CONTACT PERSON: Heath Cain

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Requesting approval from the County Commissioners to purchase equipment for the clinic
BUDGET IMPACT	Increase in FY 18-19 budget of \$14,277
ATTACHMENTS	N/A
PRIOR BOARD ACTION	None
RECOMMENDATION	The health department respectfully requests the County Commissioners to approve this request.
SUMMARY	

We are requesting to use Escrow funds to purchase the clinic equipment listed below.

- 1) Midmark Hi/Lo power Exam Table 400lb weight capacity (required by ADA) = \$8,034
- 2) Wheelchair/Bariatric scale with rails (required by ADA) = \$2,725
- 3) 13-Hercules Series Chairs, 770lbs capacity. Replacements for clinic interview and exam rooms. The chairs are \$38 each. = \$494
- 4) 9-HON Quotient Mid-Back Mesh Chairs, 300lbs capacity. Replacements for the nurses at their workstations and clinic interview rooms. The chairs are \$336 each = \$3,024

This was approved by the Board of Health November 21st, 2018.

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
III. C.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Resolution Designating Depositories, Establishing Accounts, and Designating Signatories for Accounts of Lee County

DEPARTMENT: Finance

CONTACT PERSON: Lisa G. Minter, Assistant County Manager/Finance Director

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Approve Resolution Designating Depositories, Establishing Accounts, and Designating Signatories for Accounts of Lee County
BUDGET IMPACT	N/A
ATTACHMENTS	Resolution Designating Depositories, Establishing Accounts, and Designating Signatories for Accounts of Lee County
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Approve Resolution Designating Depositories, Establishing Accounts, and Designating Signatories for Accounts of Lee County
SUMMARY	

The Resolution Designating Depositories, Establishing Accounts, and Designating Signatories for Accounts of Lee County was last adopted in June 2018. The resolution is being modified to add Deputy Finance Director Candace J. Confair as a person authorized to open deposit, savings, checking, and investment accounts in the name of the County of Lee and to endorse checks and orders for the payment of money and withdraw funds from the County of Lee accounts. This will assist us with transition when the current Assistant Finance Director retires in March 2019.

**RESOLUTION DESIGNATING DEPOSITORIES, ESTABLISHING ACCOUNTS, AND
DESIGNATING SIGNATORIES FOR ACCOUNTS OF LEE COUNTY**

NOW, THEREFORE, BE IT RESOLVED:

1. That the following depository is hereby authorized and requested to honor and to charge to the County of Lee, checks, drafts, and other orders for the payment of money drawn in the name of the County of Lee against funds of the County of Lee on deposit at the following depository of the County of Lee:

First Citizens Bank (FCB)

2. That the County Manager, Finance Officer, Assistant Finance Officer, and Deputy Finance Officer are each authorized to open deposit, savings, checking, and investment accounts in the name of the County of Lee and to endorse checks and orders for the payment of money and withdraw funds from the County of Lee accounts on deposit with each of the banks designated below, all for the benefit and use of the County of Lee.

Branch Banking & Trust Company (BB&T)
PNC Bank
Carter Bank & Trust
Capital Bank
First Bank
Wachovia
First Citizens Bank
First National Bank

3. That Lisa G. Minter is designated as Finance Officer, that Debra S. Oldham and Candace J. Confair are hereby designated as Deputy Finance Officers, all for the purposes and in accordance with the provisions of G.S. 159-25(a).

4. That the following persons are designated as officials of the County of Lee to countersign checks on behalf of the County of Lee where two signatures are required pursuant to G.S. 159-25(b), to wit: John A. Crumpton, Lisa G. Minter, Debra S. Oldham.

5. That John A. Crumpton, Lisa G. Minter, Debra S. Oldham, and Candace J. Confair are authorized and empowered to execute signature cards and such other documents as may be required by the depositories to implement this resolution.

6. That in accordance with G.S. 159-25(b), two signatures shall be required on all checks except payroll drafts and transfers between accounts.

7. That the Clerk to the Board be, and hereby is, directed to furnish to the various depositories of the County of Lee such number of copies of this resolution as the depositories may require.

8. That all resolutions heretofore adopted designating depositories for funds of the County of Lee and/or persons authorized to sign on the County of Lee's accounts are repealed effective December 4, 2018.

Adopted this 3rd day of December, 2018.

Chair

ATTEST:

Jennifer Gamble
Clerk to the Board

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
V. A.

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MEETING DATE: December 3, 2018

SUBJECT: Modification Agreement to MOU FY18-19 between NC DHHS and Lee County

DEPARTMENT: Social Services

CONTACT PERSON: Angelina Noel, Director

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Present Modification Agreement to the MOU for FY 18-19
BUDGET IMPACT	None
ATTACHMENTS	Modification Agreement to Memorandum of Understanding FY 18-19 between NC DHHS and Lee County NC DHHS Dear County Manager and Dear County Director Letter
PRIOR BOARD ACTION	None
RECOMMENDATION	Approve modification agreement to the MOU between NC DHHS and Lee County for FY18-19 and authorize the County Manager to sign the agreement.
SUMMARY	

Session Law 2017-41 requires all counties to enter into an annual written agreement with the North Carolina Department of Health and Human Services for all social services programs excluding medical assistance (Medicaid) to begin FY 18-19. The law requires the agreement to contain certain performance requirements and administrative responsibilities related to the social services programs. This MOU outlines the responsibilities of both NC Department of Health and Human Services and Lee County. It puts in place performance measures that counties must meet for all mandated programs with the exception of Medicaid.

At the June 18th, 2018 Board of Commissioners meeting, the original MOU was presented. The Board of Commissioners authorized the County Manager, Mr. Crumpton, to enter into the contract. It was signed and fully executed to begin July 1, 2018. According to NC DHHS, the modification agreement to the MOU is in response to feedback and information received from the counties following the execution of the MOU and NC DHHS' ongoing analysis of performance data. During the December 3rd, 2018 Board of Commissioners meeting, I will summarize the modifications to the agreement.



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MICHAEL BECKETTS, MSW, MS, MEd • Assistant
Secretary

November 14, 2018

Dear County Manager and County Director of Social Services:

A Modification Agreement for the Memorandum of Understanding (MOU) covering Fiscal Year 2018-2019 is attached. These modifications have been made in response to the feedback and information received from counties following the execution of the MOU's and our ongoing analysis of performance data.

Specifically, the modifications to the MOU move nine (9) additional performance measures from static to growth measures, for a total of 17 growth measures, five (5) of the measures have been updated to align with federal benchmarks, and one (1) of the measures has been removed. The attachment to this letter describes each element that has been modified.

Further, given the impact of Hurricane Florence on county and state operations, the Department is modifying the MOUs to clarify that no performance improvement or corrective action will be initiated on the basis of this MOU for Fiscal Year 2018-2019. Ongoing oversight and monitoring activities will continue as they have in prior years.

DHHS is in the process of creating reports that will allow counties to pull the data for their county's performance on all measures. Additionally, we are creating a data validation process and will work collaboratively with counties to validate the performance data.

Attached is a list of the specific changes made in this Modification Agreement. All other parts of the MOU remain in effect and unchanged.

Thank you for your continued partnership to ensure the safety, health, and well-being of the children, families and adults served by these programs. As always, please contact me if you have questions, ideas or concerns.

Please return the signed Modification Agreement to Paris Penny by email at Paris.Penny@dhhs.nc.gov no later than December 17, 2018.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Becketts".

Michael A. Becketts
Assistant Secretary for Human Services

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • OFFICE OF COMMUNICATIONS

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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Modifications to the MOU

- 1) **Section 2.1:** Clarifying language that the Department will not take any actions under Attachment X on the basis of the MOU for fiscal year 2018-2019.
- 2) **Section 12.0:** Change to the Department's point of contact
- 3) **Section 14.0:** Clarifying language that for some performance measures, a County will be assessed based on an individualized growth measure and not the standard performance measure.
- 4) **Attachment I through IX - Performance Measurements:**
 - a. The format of the performance measurements has been modified. This modification creates three columns: Standard Measure, County Performance Measure and the Rationale and Authority. The Standard Measure is the statewide measure based upon federal or state law, rule or policy identified in the Authority. The County Performance Measure will be the county-specific target. For some performance measures, this county measure will be the same as the Standard Measure for all counties. For other performance measures this county measure will be the growth measure tailored to each individual county to be determined for next fiscal year's MOU.
 - b. Included with every performance measure is an expanded rationale giving additional background and context to the required measure as well as updated and additional citations to the authority from which the measure is derived.
 - c. Specific Attachments:
 - i. Attachment I: Child Welfare – Child Protective Services (CPS)
 - The two CPS performance measures have been changed to growth measures.
 - ii. Attachment II: Child Welfare – Foster Care
 - All Foster Care performance measures have been changed to growth measures.
 - We have deleted the Foster Care performance measure which read: "The County will document permanency goals for 95% of foster youth within 60 days of a child entering custody or for whom the county has placement authority."
 - We have amended the Standard Measure from 41% to 40.5% for the Foster Care performance measure which previously read: "The County will provide leadership for ensuring that 41% of children who enter foster care in a 12-month period are discharged to permanency within 12 months of entering foster care."
 - We have amended the Standard Measure from 9% to 9.1% for the Foster Care Performance Measure which previously read: "For all children who were victims of maltreatment during a twelve-month period, no more than 9% received a subsequent finding of maltreatment."
 - iii. Attachment III: Child Support
 - Each Child Support performance measure will remain growth measures.
 - In the first four Child Support performance measures, we have included in the text of the Standard Measures what is required under federal law.
 - The fifth Child Support performance measure remains unchanged.
 - iv. Attachment IV: Energy Programs
 - These performance measures will remain the Standard Measure for each county.

- The Rationale and Authority for these performance measures has been updated.
 - v. Attachment V: Work First
 - The first two of these performance measures have been changed to growth measures.
 - The remaining two performance measures will continue as the Standard Measure for all counties. The standard measure has been changed from 100% of applications and recertifications processed in the given timeframe to 95% of applications and recertifications processed in the given timeframe.
 - vi. Attachment VI: Food and Nutrition Services
 - These performance measures will remain the Standard Measure for each county.
 - We have amended the Standard Measure from 100% to 90% for the Food and Nutrition Services performance measure which previously read: “The County will ensure that 100% of Program Integrity claims are established within 180 days of the date of discovery.”
 - vii. Attachment VII: Adult Protective Services
 - Each Adult Protective Services measure has been changed to a growth measure.
 - viii. Attachment VIII: Special Assistance
 - Each Special Assistance measure has been changed to a growth measure
 - ix. Attachment IX: Child Care Subsidy
 - This performance measure will remain the Standard Measure for each county
 - The Rationale and Authority for this performance measure has been updated
- 5) Attachment X - Corrective Action**
- a. We have inserted a clarification that the Department will not initiate any actions set forth in Attachment X during this fiscal year.

**Modification Agreement to the
 MEMORANDUM OF UNDERSTANDING (FISCAL YEAR 2018-19) BETWEEN
 THE NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
 AND
 LEE COUNTY**

The parties agree to modify the MOU as set forth below. The terms and conditions set forth in the MOU are adopted by reference and fully incorporated as if set forth herein. The terms of this Modification Agreement supersede and replace any conflicting or contrary terms of the MOU.

2.1 Default and Modification

Performance Improvement/Corrective Action: Prior to the Department exercising its authority to withhold State and/or federal funding for a failure to satisfy the mandated performance requirements or failure to comply with the terms of this MOU, the steps set forth in Attachment X will govern. For this MOU covering Fiscal Year 2018-2019, the Department will not initiate any actions set forth in Attachment X on the basis of this MOU. Nothing contained in this MOU or Attachment X shall supersede or limit the Secretary's authority to take any action otherwise set forth in N.C. Gen. Stat. § 108A-74.

12.0 Notice

The persons named below shall be the persons to whom notices provided for in this MOU shall be given. Either Party may change the person to whom notice shall be given upon written notice to the other Party. Any notice required under this MOU will only be effective if actually delivered to the parties named below. Delivery by hand, by first class mail, or by email are authorized methods to send notices.

For the Department of Health and Human Services, Division of Social Services

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Michael Becketts, Assistant Secretary NC Department of Health and Human Services 2001 Mail Services Center Raleigh, NC 27699-2001	Michael Becketts NC DHHS Doretha Dix Campus, McBryde Building Phone: 919-527-6338 E-mail: Michael.Becketts@dhhs.nc.gov

14.0 Responsibilities of the County

The County hereby agrees that its responsibilities under this MOU are as follows:

- (1) The County shall adhere to the mandated performance requirements for each social services program as identified in Attachments I through IX. For a County Performance Measure designated in Attachments I through IX as a Growth Measure, the County's performance will be assessed based on its achievement of this Growth Measure. The County will ultimately work towards achievement of the Standard Measure.

**ATTACHMENT I — MANDATED PERFORMANCE REQUIREMENTS:
 Child Welfare - CPS Assessments**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will initiate 95% of all screened-in reports within required time frames	DHHS will work with the county to identify a performance measure for FY19-20 based on the prior fiscal year's performance.	<p>Ensure that allegations of abuse, neglect and dependency are initiated timely. The timeframes for initiating an investigation of child maltreatment are defined in state law as, immediately, within 24 hours, or within 72 hours depending on the nature and severity of the alleged maltreatment.</p> <p>NC General Statutes § 7B-302; 10A NCAC 70A .0105; NCDHHS Family Services Manual: Vol. 1, Chapter VIII: Child Protective Services, Section 1408 - Investigative & Family Assessments</p>
2	For all children who were victims of maltreatment during a twelve-month period, no more than 9.1% received a subsequent finding of maltreatment	DHHS will work with the county to identify a performance measure for FY19-20 based on the prior fiscal year's performance.	<p>Ensure that children who have been substantiated as abused, neglected or dependent are protected from further harm.</p> <p>National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and IV-E of the Social Security Act and the Child and Family Services Review.</p>

**ATTACHMENT II— MANDATED PERFORMANCE REQUIREMENTS:
 Child Welfare - Foster Care**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will ensure that 95% of all foster youth have face-to-face visits by the social worker each month.	DHHS will work with the county to identify a performance measure for FY19-20 based on the prior fiscal year's performance.	Ensure the ongoing safety of children and the engagement and well-being of families. Child and Family Services Improvement Act of 2006 (Public Law 109-288, section 7) amending Section 422(b) of the Social Security Act (42 USC 622(b))
2	The County will provide leadership for ensuring that 40.5% of children who enter foster care in a 12-month period are discharged to permanency within 12 months of entering foster care.	DHHS will work with the county to identify a performance measure for FY19-20 based on the prior fiscal year's performance.	Ensure that children in out-of-home placements are able to obtain safe and permanent homes as soon as possible after removal from their home. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and IV-E of the Social Security Act and the Child and Family Services Review.
3	The County will provide leadership for ensuring that of children who enter foster care in a 12-month period who were discharged within 12 months to reunification, kinship care, or guardianship, no more than 8.3% re-enter foster care within 12 months of their discharge.	DHHS will work with the county to identify a performance measure for FY19-20 based on the prior fiscal year's performance.	Ensure that children existing foster care are in stable homes so that they do not re-enter foster care. CFSR: Safety Outcome 1: Children are, first and foremost protected from abuse and neglect. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and IV-E of the Social Security Act and the Child and Family Services Review.
4	The County will provide leadership for ensuring that of all children who enter foster care in a 12-month period in the county, the rate of placement moves per 1000 days of foster care will not exceed 4.1%.	DHHS will work with the county to identify a performance measure for FY19-20 based on the prior fiscal year's performance.	Ensure that children who are removed from their homes experience stability while they are in foster care. CFSR: Permanency Outcome 1: Children have permanency and stability in their living situations. National Standards for State Performance on Statewide Data Indicators established by the Children's Bureau to determine conformity with Title IV-B and IV-E of the Social Security Act and the Child and Family Services Review.

**ATTACHMENT III— MANDATED PERFORMANCE REQUIREMENTS:
 Child Support**

	Standard Measure	County Performance Measure	Rationale and Authority
1	80% of paternities established or acknowledged for children born out of wedlock.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	<p>Paternity establishment is an essential component in obtaining and enforcing support orders for children.</p> <p>42 USC § 652(g)(1)(A) 42 USC § 658a(b)(6)(A) NCGS 110- 129.1</p>
2	80% of child support cases have a court order establishing support obligations.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	<p>A court order creates a legal obligation for a noncustodial parent to provide financial support to their children.</p> <p>42 USC § 652(g)(1)(A) 42 USC § 658a(b)(6)(B) NCGS 110- 129.1</p>
3	80% of current child support paid.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	<p>The current collections rate is an indicator for the regular and timely payment of child support obligations.</p> <p>42 USC § 652(g)(1)(A) 42 USC § 658a(b)(6)(C) NCGS 110- 129.1</p>
4	80% of cases received a payment towards arrears.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	<p>Collection of child support has been shown to reduce child poverty rates and improve child well-being.</p> <p>42 USC § 652(g)(1)(A) 42 USC § 658a(b)(6)(D) NCGS 110- 129.1</p>

5	The county will meet its annual goal of total child support collections.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	Measuring total child support collections is an important measure of the program because it encompasses the strength of the laws, practices, and fiscal effort to determine its effectiveness. 42 USC § 652(g)(1)(A) 42 USC § 658a(b)(6)(E) NCGS 110-129.1
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**ATTACHMENT IV— MANDATED PERFORMANCE REQUIREMENTS:
 Energy Programs**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will process 95% of Crisis Intervention Program (CIP) applications within one (1) business day for applicants with no heat or cooling source.	The County will process 95% of Crisis Intervention Program (CIP) applications within one (1) business day for applicants with no heat or cooling source.	Ensure that eligible individuals in a household without a heating or cooling source receive relief as soon as possible. 42 USC §§ 8621-8630 10A NCAC 71V
2	The County will process 95% of Crisis Intervention Program (CIP) applications within two (2) business days of the application date for applicants who have a heat or cooling source.	The County will process 95% of Crisis Intervention Program (CIP) applications within two (2) business days of the application date for applicants who have a heat or cooling source.	Ensure that eligible households who are in danger of losing a heating or cooling source receive financial assistance to avert the crisis. 42 USC §§ 8621-8630 10A NCAC 71V

**ATTACHMENT V— MANDATED PERFORMANCE REQUIREMENTS:
 Work First**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will collect documentation from 50% of all Work-Eligible individuals that demonstrates completion of the required number of hours of federally countable work activities.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	Ensure that all work-eligible individuals are engaged in federally countable work activities. TANF State Plan FFY 2016 - 2019 NCGS 108A-27.2(10) NCGS 108A-27.6(1) NCGS 108A-27.13(a) NCGS 108A-27.14(a)-(b)
2	The County will collect documentation from 90% of two-parent families with Work Eligible individuals that verifies that they have completed the required number of hours of federally countable work activities.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	Ensure all work-eligible two-parent families are engaged in federally countable work activities for the required number of participation hours. TANF State Plan FFY 2016 - 2019 NCGS 108A-27.2(10) NCGS 108A-27.6(1) NCGS 108A-27.13(a) NCGS 108A-27.14(a)-(b)
3	The County will process 95% Work First applications within 45 days of receipt.	The County will process 95% Work First applications within 45 days of receipt.	Ensure that eligible families receive Work First benefits in a timely manner. TANF State Plan FFY 2016 - 2019 NCGS 108A-31
4	The County will process 95% Work First recertifications no later than the last day of the current recertification period.	The County will process 95% Work First recertifications no later than the last day of the current recertification period.	Ensure that Work First families continue to receive assistance and benefits without unnecessary interruption. TANF State Plan FFY 2016 - 2019 NCGS 108A-31

**ATTACHMENT VI— MANDATED PERFORMANCE REQUIREMENTS:
 Food and Nutrition Services**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will process 95% of expedited FNS applications within 4 calendar days from the date of application.	The County will process 95% of expedited FNS applications within 4 calendar days from the date of application.	Ensure all expedited FNS applications are processed within required timeframes. 7 CFR § 273.2 FNS Manual: Section 315 FNS Administrative Letter 1-2015
2	The County will process 95% of regular FNS applications within 25 days from the date of application.	The County will process 95% of regular FNS applications within 25 days from the date of application.	Ensure all regular FNS applications are processed within required timeframes. 7 CFR § 273.2 FNS Manual: Section 315 FNS Administrative Letter 1-2015
3	The County will ensure that 95% of FNS recertifications are processed on time, each month.	The County will ensure that 95% of FNS recertifications are processed on time, each month.	Ensure that eligible families have their recertification benefits processed in a timely manner without interruption. 7 CFR § 273.14
4	The County will ensure that 90% of Program Integrity claims are established within 180 days of the date of discovery.	The County will ensure that 90% of Program Integrity claims are established within 180 days of the date of discovery.	Ensure allegations of fraud are addressed promptly. 7 CFR § 273.18

**ATTACHMENT VII— MANDATED PERFORMANCE REQUIREMENTS:
 Adult Protective Services (APS)**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will complete 95% of APS evaluations involving allegations of abuse or neglect within 30 days of the report.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	Responding quickly to allegations of adult maltreatment is essential to case decision-making to protect the adult. State law requires that a prompt and thorough evaluation is made of all reports of adult maltreatment. NCGS 108A-103
2	The County will complete 85% of APS evaluations involving allegations of exploitation within 45 days of the report.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	Protecting a disabled adult from exploitation is critical to ensuring their safety and well-being. State law requires a prompt and thorough evaluation is made of all reports of adult exploitation. NCGS 108A-103

**ATTACHMENT VIII— MANDATED PERFORMANCE REQUIREMENTS:
 Special Assistance (SA)**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will process 85% of Special Assistance for the Aged (SAA) applications within 45 calendar days of the application date.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	<p>Ensure eligible individuals receive supplemental payments to support stable living arrangements.</p> <p>Timely application processing of SAA benefits is essential to an individual's proper care and treatment.</p> <p>10A NCAC 71P .0604</p>
2	The County will process 85% of Special Assistance for the Disabled (SAD) applications within 60 calendar days of the application date.	DHHS will work with the county to identify the County's performance measure for FY19-20 based on the County's performance for the preceding state fiscal year	<p>Ensure eligible individuals receive supplemental payments to support stable living arrangements.</p> <p>Timely application processing of SAD benefits is essential to an individual's proper care and treatment.</p> <p>10A NCAC 71P .0604</p>

**ATTACHMENT IX— MANDATED PERFORMANCE REQUIREMENTS:
 Child Care Subsidy**

	Standard Measure	County Performance Measure	Rationale and Authority
1	The County will process 95% of Child Care Subsidy applications within 30 calendar days of the application date.	The County will process 95% of Child Care Subsidy applications within 30 calendar days of the application date.	Ensure that families can place their children in quality child care without undue delay. North Carolina Child Care Development Fund State Plan

ATTACHMENT X— CORRECTIVE ACTION

For this MOU covering Fiscal Year 2018-2019, the Department will not initiate any actions set forth in Attachment X on the basis of this MOU..

1. Non-Compliance with performance requirements or terms of the MOU

- a. In the event a County Department of Social Services (County DSS)** fails to satisfy a performance requirement for three consecutive months or fails to comply with a term of this MOU, the Department will provide the County DSS with written notification identifying the relevant performance requirement or term and how the County DSS failed to satisfy it.
- b. Upon receipt of notification, the County DSS shall promptly provide the Department with written acknowledgment of receipt.
- c. If the County DSS does not agree that it failed to satisfy the performance requirement or comply with the terms of the MOU, it shall set forth, in writing, the basis for its disagreement. If the County DSS believes its failure to adhere to a mandated performance requirement or term of this MOU is due in whole or in part upon the failure of the Department to meet any of its responsibilities under this MOU or other external factors (i.e., limited court dates, continuances, etc.), the County DSS shall set forth in writing how the failure of the Department or external factors to meet its responsibility to the County DSS contributed to the inability of the County DSS to meet the mandated performance standard or other term of this MOU. This notice shall be received by the Department, along with all supporting documentation, within 10 business days of the County DSS' receipt of the Department's written notification of non-compliance.
- d. If written notice is received in accordance with subsection (c) of this section, the Department will provide the appropriate division director with the all documentation received. Following a review of all documentation, the division director will provide the county with a decision to proceed in developing the performance improvement plan or to rescind the notice of non-compliance.

2. Performance Improvement Plan

- a. The County DSS and Department shall work together to develop a performance improvement plan to address the non-compliance. The Parties will consider and address the County DSS's written disagreement with the identified non-compliance, if any, in the development of the performance improvement plan.
- b. The performance improvement plan shall include, at a minimum:
 - i. The role and responsibility of DHHS in providing support to the County DSS to address the non-compliance.
 - ii. The specific actions the County DSS will take to address the non-compliance and ensure ongoing compliance.
- c. The performance improvement plan shall be signed by the Department and the County DSS Director. A copy of the performance improvement plan will be sent to the chair of the DSS Governing Board.

3. Continued Non-Compliance

- a. In the event a County DSS continues to fail to satisfy a performance requirement or comply with the terms of the MOU for an extended period of time and is not meeting the terms of the performance improvement plan, the County DSS and the Department will enter into a corrective action plan, not to exceed a period of twelve months. An extended

period of time is defined as three consecutive months, or five months out of a twelve-month period measured beginning with the first month after which the performance improvement plan is signed.

- b. The corrective action plan shall include, at a minimum:
 - i. A strategy to ensure regular supervisory oversight of the social services program at issue;
 - ii. A detailed strategy to ensure the issue central to the non-compliance is addressed and corrected;
 - iii. A strategy to ensure program and case documentation is both sufficient and completed within time frames prescribed by law, rule or policy; and
 - iv. A plan for the continuous review of the corrective activities by both the County Director of Social Services, the County DSS Governing Board, and the Department.
- c. The corrective action plan will be signed by the Department and the County DSS Director. A copy of the corrective action plan will be sent to the Chair of the DSS Governing Board, the County Manager, and the Chair of the Board of County Commissioners.

4. Failure to Complete Corrective Action Plan/Urgent Circumstances

- a. In the event a County DSS fails to complete the corrective action plan or otherwise fails to comply with the terms of the corrective action plan, the Department may exercise its authority under the law, and this MOU, to withhold federal and/or state funding.
- b. In circumstances of continuous extended non-compliance or other urgent circumstances, the Secretary may also exercise her statutory authority to assume control of service delivery in the County pursuant to N.C.G.S. 108A-74.

****** In the event the performance requirement or term of the MOU falls outside of the authority of the County DSS, the notification of non-compliance will be sent to the County, and all subsequent steps contained herein shall be followed by the County.

Effective Date: This Modification Agreement shall become effective upon the date of execution by both parties and shall continue in effect until June 30, 2019.

Signature Warranty: Each individual signing below warrants that he or she is duly authorized by the party to sign this Modification Agreement and to bind the party to the terms and conditions of this Modification Agreement and the MOU.

Lee County

North Carolina Department of Health and Human Services

BY: _____
Name

BY: _____
Name

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

ITEM #:
V. B.

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2017

SUBJECT: Assignment of MOU for the Spec Building at CCEP

DEPARTMENT: Administration

CONTACT PERSON: John Crumpton/Whitney Parrish

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Approval of Assignment of MOU to Carter Bank & Trust, the lender to the developers of the spec building at CCEP
BUDGET IMPACT	N/A
ATTACHMENTS	The Lee County Growth Collateral Assignment of MOU and a copy of the MOU
PRIOR BOARD ACTION	On January 19, 2018 the Board held a public hearing for the approval of appropriations to lease the Spec Building from the owner for up to 24 months in the amount of up to \$325,000 per year to be split between the County and the City. On February 5, 2018, the Board approved the MOU
RECOMMENDATION	Approval of Assignment of MOU
SUMMARY	

After holding a public hearing on January 19, 2018 to appropriate funds to enter into a lease agreement with the owner of the spec building to be constructed at CCEP, the Board approved an MOU on February 5, 2018. The MOU, which is attached, is between the County, the City, CCEP, SAGA and Lee County Growth 1 LLC. As the developers of the spec building are seeking financing to start construction, the bank, Carter Bank & Trust has requested the City and the County consent to collateral assignment of our MOU. The County will still need to enter into a lease agreement with the owner of the building at a later Board meeting, and at this point the County and City are just agreeing to assign the MOU to Carter Bank & Trust.

Loan No. 323-484-1296-80/81

COLLATERAL ASSIGNMENT OF AGREEMENTS AND CONTRACTS

THIS COLLATERAL ASSIGNMENT OF AGREEMENTS AND CONTRACTS (this "Assignment") is entered into as of November [REDACTED], 2018, by **CC ENTERPRISE PARK LLC**, a North Carolina limited liability company ("CCEP"), **SANFORD-LEE COUNTY PARTNERSHIP FOR PROSPERITY**, a North Carolina non-profit corporation (d/b/a Sanford Area Growth Alliance) ("SAGA"), **SAMET PROPERTIES, LLC**, a North Carolina limited liability company ("Samet") and **LEE COUNTY GROWTH I LLC**, a North Carolina limited liability company ("Growth I", and together with CCEP, SAGA and Samet, individually and collectively, "Developer"), each with an address of c/o Lee County Growth I, LLC, P.O. Drawer 9, Sanford, North Carolina 27331 (U.S. Mail) or 603 Carthage Street, Suite 102, Sanford, North Carolina 27330 (Personal or Courier Deliveries), Attention: Kevin Scanlon, to and in favor of **CARTER BANK & TRUST**, a Virginia banking corporation ("Lender"), with an address of 1001 S. Horner Boulevard, Sanford, North Carolina 27330, Attn: G. Todd Baker.

WHEREAS, Lender has or will be making certain extensions of credit (collectively, the "Loan") to Growth I, an entity with common interests of Developer in the development of the Central Carolina Industrial Park, and such Loan has been or will be evidenced by one or more promissory notes, loan agreements, guaranties and other documents executed by Growth I and the other parties thereto and has or will be secured by, among other things, a Deed of Trust, Assignment of Rents and Security Agreement executed by Growth I in favor of a trustee for the benefit of Lender (the "Deed of Trust", and together with this Assignment and the promissory notes, loan agreements, guaranties and other documents entered into in connection with the Loan, collectively, the "Loan Documents");

WHEREAS, the Deed of Trust encumbers certain real property located in Sanford, Lee County, North Carolina, which is owned by Growth I (the "Real Property");

WHEREAS, Developer and **LEE COUNTY**, a North Carolina body politic corporation in nature (the "County") and the **CITY OF SANFORD**, a North Carolina municipal corporation (the "City", and together with the County, individually and collectively, the "Municipality"), have entered into that certain Memorandum of Understanding dated as of February 5, 2018 (collectively, the "MOU") pursuant to which the Municipality have agreed to assist in the development of the Real Property and the Central Carolina Industrial Park by executing a lease agreement on the terms and conditions provided in the MOU upon completion of construction of the building on the Real Property being financed with the proceeds of the Loan;

WHEREAS, as a condition to advancing the funds required by the Loan, Lender has required that Growth I, and any other necessary parties, assign to Lender as additional security for the Loan certain contracts, agreements and other matters as herein set forth; and

NOW, THEREFORE, to induce Lender to advance the sums to Growth I and otherwise perform as required by the Loan and in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer hereby covenants and agrees with and for the benefit of Lender as set forth below:

Section 1. Assignment. As security for the payment and performance of the Loan and the Loan Documents, Developer hereby grants a security interest in and assigns to Lender, its successors and assigns, all of its right, title and interest in and to the MOU, together with: (i) any and all extensions, renewals, substitutions and modifications thereof, and (ii) any and all proceeds and products therefrom (collectively, the "Agreements"). Developer shall obtain and deliver to Lender, in form satisfactory to Lender, the written consent to this Assignment of such Agreements, provided that failure to deliver such approval shall not render this Assignment void or ineffective. This Assignment and the rights of Lender hereunder are supplemental to and in furtherance of all rights of Lender under the other Loan Documents.

Section 2. Developer's Covenants and Agreements. Developer hereby covenants and warrants to Lender

that it has not executed any prior assignment or pledge of any such Agreements and that except as set forth herein, all of said Agreements are in full force and effect, the Agreements have not been amended or modified in any manner and there are no defaults now existing under any of the Agreements by any party obligated thereunder. Developer hereby covenants and warrants to Lender that it shall comply with all of its obligations and duties under the Agreements, that it will deliver to Lender copies of all notices given to or received by Developer with respect to the Agreements, and further that it will not, without the prior written consent of Lender:

(a) enter into or consent to any amendment, supplement or modification of, or waiver with respect to, any of the provisions of any of the Agreements;

(b) terminate, cancel or suspend, or consent or agree to take any action causing the termination, cancellation or suspension of, any of the Agreements;

(c) further assign or create any other encumbrance or hypothecation of Developer's interest in any of the Agreements; nor

(d) act or omit to act in any manner which would destroy or impair the benefit of this Assignment to Lender.

Section 3. Indemnity. Neither this Assignment nor any action or actions on the part of Lender shall constitute an assumption by Lender of any of the obligations of Developer under the Agreements, and Developer shall continue to be liable for all obligations thereunder. Developer hereby agrees to protect, defend, indemnify and hold harmless Lender from and against any and all loss, cost, liability or expense, including but not limited to attorneys' fees and expenses, resulting from any failure of Developer to perform or observe, at the time and in the manner therein provided, each of the covenants, agreements and obligations of Developer contained in the Agreements. Upon the occurrence of a default under the Agreements or an Event of Default (as defined in the Loan Documents), Lender shall have the right in its sole discretion to immediately take in its name or in the name of Developer or otherwise, such actions as Lender may at any time or from time to time reasonably determine to be necessary to perform under some or all of the Agreements, receive benefits under some or all of the Agreements and/or cure any default of Developer under the Agreements, but under no circumstances shall Lender be obligated to take such actions. Lender shall incur no liability on account of any action taken in good faith by it or on its behalf or otherwise hereunder, whether or not the same shall prove to be improper, inadequate or invalid in whole or in part; and Developer agrees to protect, defend, indemnify and hold harmless Lender from and against any and all loss, cost, liability or expense, including but not limited to attorneys' fees and expenses, in connection with any such action or actions.

Section 4. Injunctive Relief. In addition to, but not in lieu of, any other rights hereunder, Lender shall have the right to institute suit and obtain a protective or mandatory injunction against Developer to prevent a breach or default under any of the Agreements, or to enforce the observance of the agreements, covenants, terms and conditions contained herein, as well as the right to damages occasioned by any breach or default by Developer.

Section 5. Appointment of Receiver. Developer hereby covenants and agrees that Lender shall be entitled to all of the rights, remedies and benefits available by statute, at law, in equity or as a matter of practice for the enforcement and perfection of the intents and purposes hereof. Lender shall, as a matter of absolute right, be entitled, upon application to a court of applicable jurisdiction, to the appointment of a receiver to obtain and secure the rights of Lender hereunder and the benefits intended to be provided to Lender hereunder.

Section 6. Power of Attorney. Developer does hereby irrevocably constitute and appoint Lender its true and lawful attorney with full power of substitution, for it and in its name, place and stead, to, upon the occurrence of an Event of Default (as defined in the Loan Documents), execute, deliver and file such agreements, documents, notices, statements and records and to do or undertake such other acts as Lender, in its sole discretion, deems necessary or advisable to effect the terms and conditions of this Assignment, the other Loan Documents and to otherwise preserve, protect and perfect Lender's interest in the Agreements. The foregoing appointment is and the same shall be coupled with an interest in favor of Lender.

Section 7. Successors and Assigns. This Assignment and the agreements and undertaking of Developer

hereunder shall be binding upon Developer and its successors and assigns and shall inure to the benefit of Lender and its successors, nominees, assignees and any purchaser of any interest in the Loan Documents.

Section 8. Further Assurances. Developer agrees to make, execute and deliver all such further or additional agreements, documents and other undertakings as may be necessary to satisfy the intents and purposes hereof and to perfect the assignment made hereby, and Developer hereby covenants and agrees to facilitate in all reasonable ways Lender's exercise of its rights under this Assignment.

Section 9. Miscellaneous. (a) All notices, certificates, requests for information and other communications hereunder shall be deemed given when mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the addresses of the parties as set forth in this Assignment. Developer and Lender may, by written notice given hereunder, designate a different address where communications should be sent and Lender may direct, by notice to Developer, for communications to be sent electronically or in some other non-tangible medium. (b) No indulgence, waiver, election or non-election by the Lender under the Loan Documents shall affect this Agreement. (c) This Assignment shall not be modified, changed, altered or amended in any way except through written amendments signed by all of the parties hereto. (d) It is agreed that the laws of the State of North Carolina shall govern the construction and interpretation of this Assignment and the rights and obligations set forth herein. (e) The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions hereof. (f) This Assignment may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, are an original, and all taken together, are one agreement. (g) Delivery of an executed counterpart of this Assignment by facsimile, portable document format (.pdf) or other electronic means of transmission shall be equally effective as delivery of an original executed counterpart. (g) The terms and provisions of this Assignment shall terminate upon the irrevocable repayment of the Loan in full and the cancellation of record of the Deed of Trust, unless the same is earlier terminated by a termination agreement executed by Lender and delivered to Developer.

[SIGNATURES ON THE FOLLOWING PAGE]

The undersigned has executed this Assignment under seal as of the day and year first above stated.

DEVELOPER:

CC ENTERPRISE PARK LLC,
a North Carolina limited liability company

By: _____ (SEAL)
Print Name: _____
Title: _____

**SANFORD-LEE COUNTY PARTNERSHIP FOR
PROSPERITY,** a North Carolina non-profit corporation

By: _____ (SEAL)
Print Name: _____
Title: _____

SAMET PROPERTIES, LLC,
a North Carolina limited liability company

By: _____ (SEAL)
Print Name: _____
Title: _____

LEE COUNTY GROWTH I LLC,
a North Carolina limited liability company

By: _____ (SEAL)
Print Name: Kirk J. Bradley
Title: Manager

CONSENT TO COLLATERAL ASSIGNMENT OF AGREEMENTS AND CONTRACTS

THIS CONSENT TO COLLATERAL ASSIGNMENT OF AGREEMENTS AND CONTRACTS (“Agreement”) is entered into as of November [redacted], 2018, by the **LEE COUNTY**, a North Carolina body politic corporation in nature (the “County”) and the **CITY OF SANFORD**, a North Carolina municipal corporation (the “City”, and together with the County, individually and collectively, the “Municipality”), and **CC ENTERPRISE PARK LLC**, a North Carolina limited liability company (“CCEP”), **SANFORD-LEE COUNTY PARTNERSHIP FOR PROSPERITY**, a North Carolina non-profit corporation (d/b/a Sanford Area Growth Alliance) (“SAGA”), **SAMET PROPERTIES, LLC**, a North Carolina limited liability company (“Samet”) and **LEE COUNTY GROWTH I LLC**, a North Carolina limited liability company (“Growth I”, and together with CCEP, SAGA and Samet, individually and collectively, “Developer”), in favor of **CARTER BANK & TRUST**, a Virginia banking corporation (“Lender”).

WHEREAS, Lender has or will be making certain extensions of credit (collectively, the “Loan”) to Growth I, an entity with common interests of Developer in the development of the Central Carolina Industrial Park, and such Loan has been or will be evidenced by one or more promissory notes, loan agreements, guaranties and other documents executed by Growth I and other the other parties thereto and has or will be secured by, among other things, a Deed of Trust, Assignment of Rents and Security Agreement executed by the Growth I in favor Lender (the “Deed of Trust”, and together with the Collateral Assignment (defined below) and the promissory notes, loan agreements, guaranties and other documents entered into in connection with the Loan, collectively, the “Loan Documents”);

WHEREAS, the Deed of Trust encumbers certain real property located in Sanford, Lee County, North Carolina, which is owned by the Growth I (the “Real Property”);

WHEREAS, Developer and **LEE COUNTY**, a North Carolina body politic corporation in nature (the “County”) and the **CITY OF SANFORD**, a North Carolina municipal corporation (the “City”, and together with the County, individually and collectively, the “Municipality”), have entered into that certain Memorandum of Understanding dated as of February 5, 2018 (collectively, the “MOU”) pursuant to which the Municipality have agreed to assist in the development of the Real Property and the Central Carolina Industrial Park by executing a lease agreement on the terms and conditions provided in the MOU upon completion of construction of the building on the Real Property being financed with the proceeds of the Loan;

WHEREAS, Developer has or will be collaterally assigning to the Lender, as security for the Loan, its rights in and to the MOU pursuant to the terms of a Collateral Assignment of Agreements and Contracts from the Developer in favor of the Lender (the “Collateral Assignment”);

WHEREAS, as a condition precedent to making the Loan, the Lender requires that (a) the Municipality consent to the assignment made pursuant to the Collateral Assignment and (b) Developer and the Municipality agree to the terms hereof relating to the MOU; and

NOW, THEREFORE, to induce the Lender to advance the sums to the Growth I under the Loan and in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as set forth below:

Section 1. Consent to Collateral Assignment. The Municipality hereby consents to the collateral assignment of Developer’s rights in and to the MOU in favor of the Lender, notwithstanding any contrary terms in the MOU.

Section 2. Enforceability of MOU. The Municipality hereby acknowledges that the Municipality has (i) obtained all necessary approvals to execute and perform under the MOU.

Section 3. No Changes to MOU. Developer and the Municipality agree that the MOU shall not be modified in any manner without the prior written consent of the Lender (which shall not be unreasonably withheld, conditioned or delayed).

Section 4. Notice and Opportunity to Cure. Any defaults by Developer under the MOU shall constitute an immediate Event of Default under the Loan Documents (as that term is defined in the Loan Documents). Prior to exercising any of its rights under the MOU (including, without limitation, any termination or self-help rights) as a result of a default by Developer thereunder, the Municipality agrees to notify the Lender of such default and give the Lender the right and opportunity to cure such default within thirty (30) days of the Lender's receipt of such notice (or, if such default cannot reasonably be cured within such thirty (30)-day period, the Lender shall have such longer time as may be reasonably necessary to cure the default, provided that the Lender has notified the Municipality thereof and is diligently pursuing the cure of such default). It is hereby acknowledged and agreed that, the Lender shall have no duty or obligation to cure or remedy any default under the MOU and any such cure, attempted cure or any other actions taken by the Lender shall in no way constitute an assumption of any of the obligations of the Developer under the MOU.

Section 5. Foreclosure by the Lender. The Municipality covenants and agrees that the Lender's exercise of any of its rights under the Deed of Trust or the other Loan Documents shall not result in a default under the MOU for which Municipality may terminate its obligations under the MOU. Upon the Lender's (or other party taking by or through the Lender) acquisition of the Real Property pursuant to a foreclosure of, or power of sale under, the Deed of Trust or deed in lieu of foreclosure and delivery of notice to the Municipality that such party has acquired the Real Property, (i) the Municipality shall recognize the Lender (or other party taking by or through the Lender) as the Developer under the MOU and shall continue to perform as and when required under the MOU, and (ii) the Lender (or other party taking by or through the Lender) shall, from and after taking title to the Real Property assume all obligations of the Developer under the MOU from and after the date of taking title to the Real Property.

Section 6. Notices. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person, (ii) one (1) business day after having been deposited for overnight delivery with any reputable overnight courier service, or (iii) three (3) business days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the addresses set forth below:

If to the Lender:	Carter Bank & Trust 1001 S. Horner Boulevard Sanford, North Carolina 27330 Attn: G. Todd Baker
If to the Developer:	c/o Lee County Growth I LLC P.O. Drawer 9, Zip Code 27331 (U.S. Mail) 603 Carthage Street, Suite 102, (Personal or Courier Deliveries) Sanford, North Carolina 27330 Attn: Kevin Scanlon
If to the Municipality:	Lee County P.O. Box 1968 Sanford, NC 27331-1968 Attn: John Crumpton, County Manager
	<i>and to:</i>
	City of Sanford P.O. Box 3729 Sanford, NC 27331-3729 Attn: Hal Hegwer, City Manager

Any party by notice to the others in the manner provided herein may designate additional or different addresses for subsequent notices or communications.

Section 7. Miscellaneous. (a) This Agreement shall be binding upon and benefit Lender and all of the parties hereto, their heirs, successors and assigns and all of those holding title under any of them, and the pronouns herein

shall include, where appropriate, either gender or both, singular or plural. The Lender's successors and assigns shall include, without limitation, any party or parties that succeed to the Lender's interest in the Real Property by virtue of a foreclosure of the Deed of Trust, power of sale under the Deed of Trust, or by virtue of a conveyance in lieu of a foreclosure or other transfer of the Real Property. (b) No indulgence, waiver, election or non-election by the Lender under the Loan Documents shall affect this Agreement. (c) The parties hereby agree that this Agreement shall not be modified, changed, altered or amended in any way except through written amendments signed by Lender and all of the parties hereto. (d) It is agreed that the laws of the State of North Carolina shall govern the construction and interpretation of this Agreement and the rights and obligations set forth herein. (e) The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions hereof. (f) This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, are an original, and all taken together, are one agreement. (g) Delivery of an executed counterpart of this Agreement by facsimile, portable document format (.pdf) or other electronic means of transmission shall be equally effective as delivery of an original executed counterpart. (g) The terms and provisions of this Agreement shall terminate upon the irrevocable repayment of the Loan in full and the cancellation of record of the Deed of Trust, unless the same is earlier terminated by a termination agreement executed by the Lender and delivered to the Developer and the Municipality.

(SIGNATURES ON THE FOLLOWING PAGE)

The undersigned has executed this Agreement under seal as of the date set forth above.

MUNICIPALITY:

LEE COUNTY,
a North Carolina body politic corporate in nature

By: _____ (SEAL)
Print Name: _____
Title: _____

CITY OF SANFORD,
a North Carolina municipal corporation

By: _____ (SEAL)
Print Name: _____
Title: _____

DEVELOPER:

CC ENTERPRISE PARK LLC,
a North Carolina limited liability company

By: _____ (SEAL)
Print Name: _____
Title: _____

**SANFORD-LEE COUNTY PARTNERSHIP FOR
PROSPERITY,** a North Carolina non-profit corporation

By: _____ (SEAL)
Print Name: _____
Title: _____

SAMET PROPERTIES, LLC,
a North Carolina limited liability company

By: _____ (SEAL)
Print Name: _____
Title: _____

LEE COUNTY GROWTH I LLC,
a North Carolina limited liability company

By: _____ (SEAL)
Print Name: Kirk J. Bradley
Title: Manager

NORTH CAROLINA

Memorandum of Understanding

LEE COUNTY

THIS MEMORANDUM OF UNDERSTANDING, made and entered into this 5th day of February 2018, by and between LEE COUNTY, a North Carolina body politic corporate in nature, hereinafter referred to as "County", the City of Sanford, a North Carolina municipal corporation, hereinafter referred to as "City", C C Enterprise Park, LLC., a North Carolina limited liability company, hereinafter "CCEP", their successors and assigns, Sanford-Lee County Partnership for Prosperity d/b/a Sanford Area Growth Alliance, a nonprofit corporation, hereinafter referred to as "SAGA", their successors and assigns, and Samet Properties, LLC, hereinafter referred to as "Samet", their successors and assigns.

WITNESSETH:

CCEP is the owner of a +/- 15 acre tract of land located in Lee County, North Carolina and more particularly described on Exhibit A attached and incorporated by reference, hereinafter referred to as "Site". CCEP and Samet wish to cause construction of a Spec Building on the site, located on Parcel Identification Number 9655-38-0497-00 and more particularly described on Exhibit B. Once construction of the building has taken place, the City and the County agree to enter into a lease agreement for the site. In consideration of the foregoing and in consideration of various reciprocal promises and undertakings herein set forth, the parties agree as follows, consistent with North Carolina General Statute 158-7.1:

1. CCEP agrees to contribute the land for the construction of the shell building and agrees to enter into necessary agreements with Samet, who is responsible for building the shell building. The building to be constructed is more particularly described on Exhibit C. CCEP and Samet will contribute the building and land to a limited liability corporation named Lee County Growth 1, LLC.
2. Samet will cause the construction of a 100,000 +/- square foot building on the site, to its completion. Samet shall secure all financing for the construction of the building and will be wholly responsible for all costs associated with building.
3. Samet will use its best efforts to cause said building to be completed to its finished state of completion on or before July 31, 2019.
4. Samet will remain the owner of the building until it finds an end user, either by sale or lease. Samet will use its best efforts to find an end user who will provide a significant number of jobs paying at or above county average wage. Prior to entry of a lease/sales agreement with an end user, Samet will provide SAGA, the City and the County with information regarding the end user including the anticipated number of jobs that will be created, average wage, and trade of business.
5. Once the building is complete, the City and the County will enter into a lease agreement with the owner of the building. The terms of the lease will be detailed in the lease agreement, with rent not to exceed \$27,083.33 per month or up to \$325,000.00 per year, split between both units of government, for up to twenty-four months after completion of the building. In the

event the lease is terminated early due to a lease or sale to a new end user, the obligation to pay rent shall cease and any rent prepaid shall be reimbursed to the City and County.

6. The City and the County will lease all or a portion of the building allowing SAGA to use the space to market the City and the County as a whole. SAGA shall use its best efforts to market everything the City and the County has to offer businesses, including but not limited to, our workforce, schools, shopping, restaurants, industrial parks and housing opportunities.
7. During the lease, SAGA agrees to use the building as a way to entice new businesses to come to Lee County or to relocate or expand in Lee County. New business will help to increase the tax base and allow more job opportunities for citizens. SAGA will conduct site visits and events at the site showing the opportunities businesses have to locate to the City and County.
8. SAGA will provide a quarterly update to both the Commissioners and the Council, summarizing their efforts to market the area by using the building and providing an update on how many site visits have been conducted, the feedback from those visits, and any negotiations with potential end users. SAGA will be responsible for any costs associated with marketing the area impacted by this project.
9. This agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina; venue of any action shall be in the general courts of justice in Lee County.
10. This Memorandum of Understanding shall terminate if an end user of the building is found before the parties enter into a lease agreement, if the building is not constructed to full occupancy, or when the lease terminates.

IN TESTIMONY WHEREOF, the parties have executed this Agreement as of the day and year first above written.

LEE COUNTY

By: 

CITY OF SANFORD

By: 

SAMET PROPERTIES, LLC

By: 


CC ENTERPRISE PARK, LLC.

By: 

SANFORD AREA GROWTH ALLIANCE

By: 

LEE COUNTY GROWTH 1, LLC

By: 

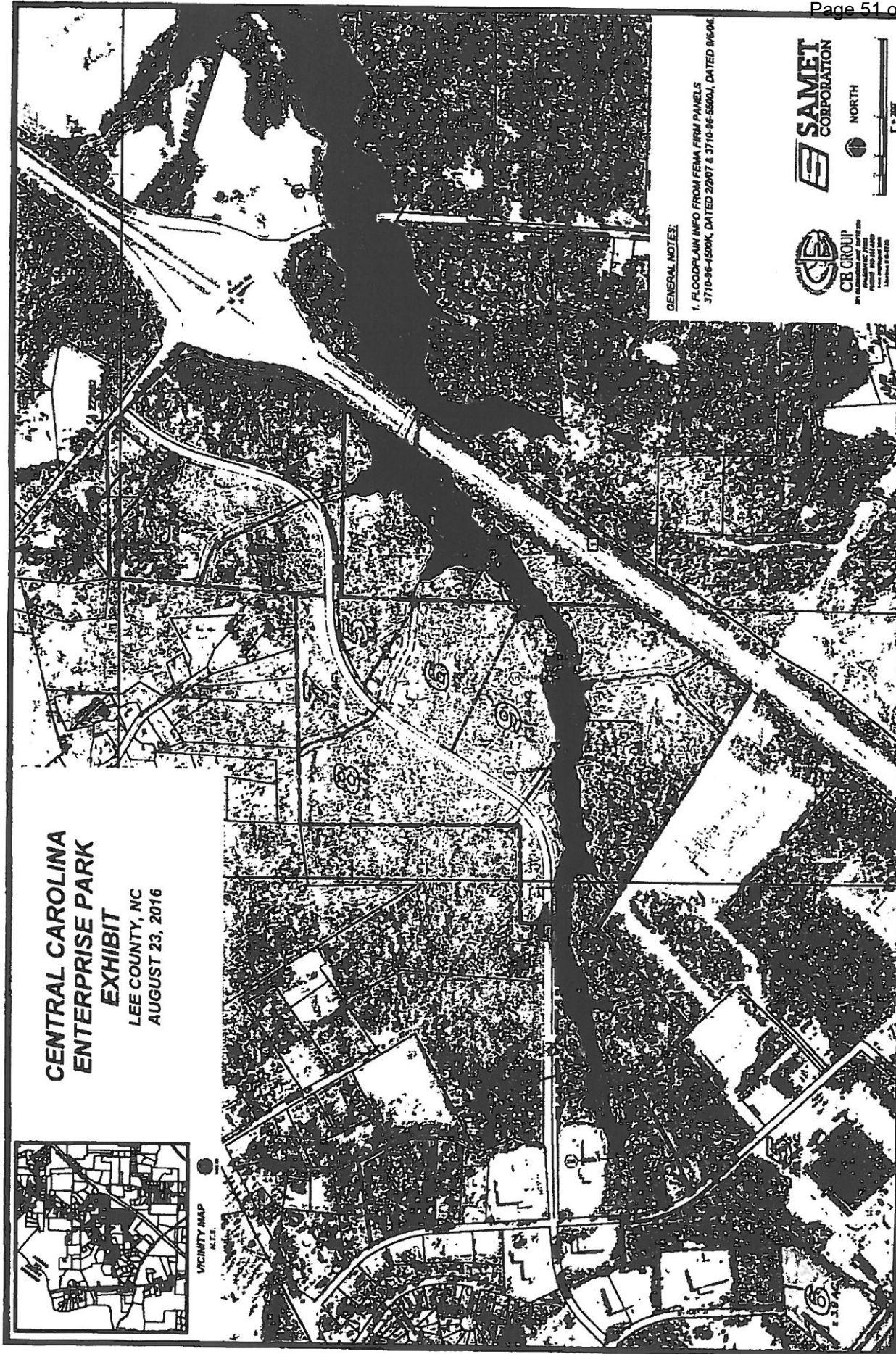
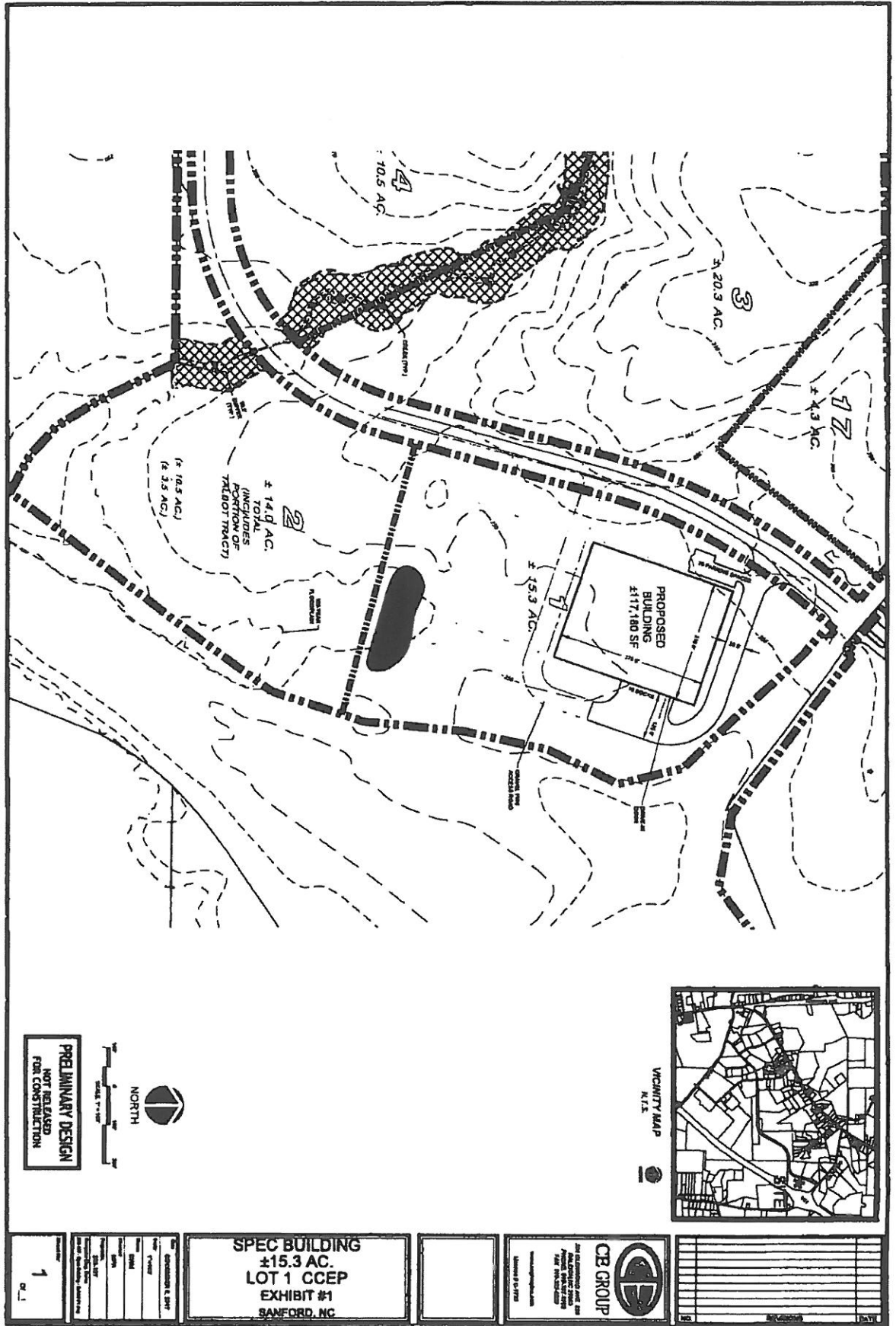
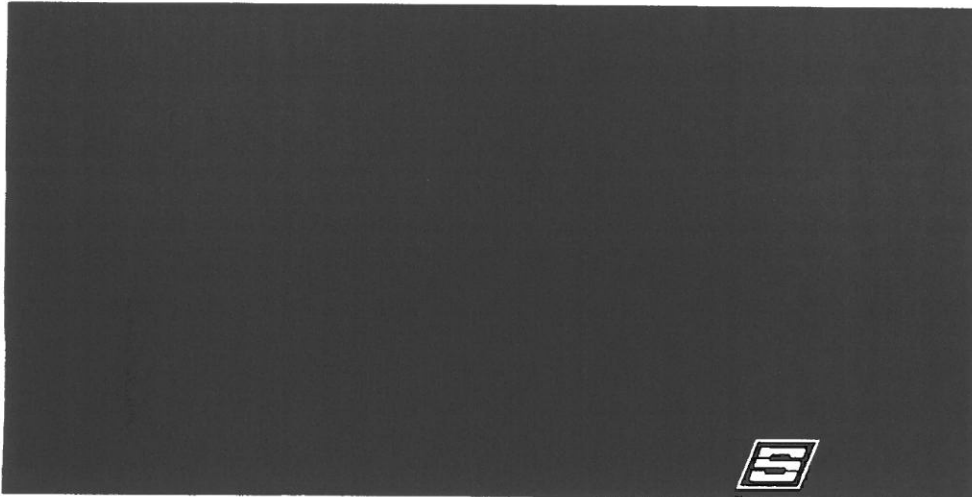


Exhibit B





Omni Spec Building



Contact:
 Brian Hall
 Samet Properties, LLC
 309 Gallimore Dairy Rd
 Suite 102
 Greensboro, NC 27409

Direct: 336.511.2613
 Fax: 336.511.2638
 Cell: 336.362.2026
 bhall@sametcorp.com

Manufacturing/Distribution/Warehouse Facility

- 100,000 +/- SF warehouse (shell condition)
- 100,000 +/- SF Expansion Pad
- First Bay Engineered to Accommodate Mezzanine Office & Storage
- Column Spacing: 50' x 54'
- Center Ceiling Height - 29'
- Eave Ceiling Height - 26'
- Dock Area Doors:
 - * 13 - Dock High - 10' x 9' (Expandable to 22)
 - * 1 - Drive-In - 14' x 12'
- Floor Thickness: 6 inches
- Designed for Sprinkler System: ESFR
- Exterior Material:
- Interior Material: Steel Frame
- 17 Paved Parking Spaces (Expandable to 150)

All information is deemed accurate and reliable. However, all information is subject to verification and change.

LEE COUNTY AGENDA ABSTRACT BOARD OF COMMISSIONERS MEETING

ITEM #:
VI. A.

(Use the Down or Up Arrows to move between fields of the Form)

MEETING DATE: December 3, 2018

SUBJECT: Consider transferring property to the City of Sanford

DEPARTMENT: Legal

CONTACT PERSON: Whitney Parrish

TYPE: Consent Agenda Action Item Public Hearing Information

REQUEST	Consider transferring property to the City of Sanford
BUDGET IMPACT	N/A
ATTACHMENTS	Property tax card, aerial view of the property
PRIOR BOARD ACTION	N/A
RECOMMENDATION	Transfer property to the City of Sanford
SUMMARY	

The County was asked by the City of Sanford to transfer two parcels off of Valley Road to the City of Sanford. The City has been contacted by a potential buyer of the parcels and the City thought the parcels had been deeded already in the City of Sanford's name. The two parcels housed a water tower and a meter box that was once owned by the County when the County owned the water system. In 2005, the County sold the water system to the City and thought these parcels had been transferred. The PIN number of the first parcel is 9642-76-5289-00 and the PIN number for the second parcel is 9624-76-1759-00. We have also attached the bill of sale that was filed in the Register of Deeds at the time of the sale of the water system to the City of Sanford.

If the Board agrees, it can authorize the Chair to sign any documents to effectuate the transfer of the two parcels to the City of Sanford.



- Parcels
- Streets
- Railroad
- Lee County
- Sanford City Limits
- Broadway Town Limits



1 : 51 Feet

This site is prepared for the inventory of real property found within this jurisdiction and is compiled from recorded deeds, plats and other public records and data. Users of this site are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this site. The County of Lee and Dude Solutions, Inc. assume no legal responsibility for the information contained on this site. Please be advised that you must contact the Lee County Tax Office for accurate tax values. Please contact the Lee County Appraisal Department if any building information is incorrect. The map, layer, data and website (collectively known as "the layer") are for graphical and illustration purposes only. The Lee County Strategic Services Department (hereinafter "the Department") provides the layer and the information contained within to the general public and has not customized the information for any specific or general purpose. Such information was generated from data maintained by different sources and agencies and as such, some limitations may apply based upon restrictions imposed by other sources or agencies supplying data to Lee County (hereinafter "the County"). While the Department strives to make the information on the GIS website as timely, reliable and accurate as possible, neither the Department nor the County local governments make any claims, promises, or guarantees about the accuracy, completeness or adequacy of the contents of the layer. Areas depicted are approximate and are not necessarily accurate to mapping, surveying or engineering standards. The County expressly disclaims liability for errors and omissions in the contents of this site and layer. No warranty of any type, implied, expressed, statutory, UCC or otherwise, including, but not limited to, the warranties of non-infringement of third party rights, title, accuracy of data, merchantability, or fitness for a particular purpose, is given with respect to the substantive content of this layer or its use in private or commercial financial transactions. The fact of distribution of the layer does not constitute any warranty, express, implied or otherwise. The user assumes the entire risk related to the use of this data. If the user intends to make any legal or financial decision based on this data, the user should independently verify the accuracy of the same. The Strategic Services Department and the Lee County local

PARCEL: 962476528900
LEE COUNTY

To print a property record card or export search results into a CSV format that can be used with Excel please follow these steps:
- Select the desired report option from the right menu (e.g. CSV Export, Residential PRC) and hit GO
- Click Open when prompted for an export. Property record cards will open as a PDF.

Parcel

ParID / PIN: 962476528900 /
Tax Year: 2018
Tax Jurisdiction: FWS : WEST SANFORD FIRE DISTRICT
Neighborhood: 856 : West Lee

Valuation

Appraised Land: 15,000
Appraised Building: 1,982,100
Appraised Total: 1,997,100
Deferred: 0
Exempts/Excluded: 1,997,100
Assessed Real: 0
Total Assessed: 0

Owner

Account Number: 15366
Name: LEE COUNTY
Name 2:
Own %: 100
Mailing Address: PO BOX 1968
SANFORD NC 27331

Linked Sale 417/653

Legal

Physical Address: 2631 VALLEY RD
Legal Description 1: 2631 VALLEY RD
Plat Cabinet/Slide:

Description

NBHD Code / Name: 856 : West Lee
Class: EX : EXEMPT
Land Use: XLEE : LEE COUNTY MUNICIPAL
Zoning: RA
Living Units:
Deeded Acres: 1
Calculated Acres: 1

Field Notes

Note: ZONING SPLIT E PORT IS RR Number: 1

Recorded Transaction

Date	Book	Page	Instrument	Sale Price	Validity Code
03-JUN-88	417	653	-	1,200	8

Summary Totals

Total Value:	Total Acres	\$/SF	\$/Acre	\$/Unit	Deeded Acres
\$RO/TOTAL_LAND_VALUE	\$RO/TOTAL_ACRES	\$RO/DSQFT	\$RO/DACRE	\$RO/DUNIT	\$RO/LEGDAT_ACRES

OBJ

Card	Lot	Code	Year Built	Grade	Sq. Ft.	ADJUTCLD	Who	When
1	1	WTR : WATER TANK / TOWER	1989	C	750,000	1980000	EOY ROLL	07-MAR-17
1	2	FC6 : CHAINLINK FENCE 6 FT	1989	C	420	2100	EOY ROLL	07-MAR-17

OBY Details

Card #: 1
 Line #: 1
 Code: WTR : WATER TANK / TOWER
 Year Built: 1989
 Effective Year: 1995

Width:
 Length:
 Area: 750,000
 Height:
 Cubic Ft:

Units: 1
 Grade: C : C
 Condition: A : AVERAGE
 Function: A : AVERAGE (NORMAL)
 % Complete: 100%
 % Good: %

Functional: 1
 Economic: 1

Mod Codes: 1
 2
 3
 4
 5
 6
 7
 8
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21
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Rate: 4
 Override Rate:
 RCN: 3,000,000
 (Tble): 66
 Adjusted Factor: 1
 RCNLD: 1,980,000
 Override RCNLD:
 Adjusted RCNLD: 1,980,000
 Location/Notes:

Real Values

Land Value: 15,000
 Building Value: 1,982,100
 Appraised Real Value: 1,997,100
 Total Appraised Value: 1,997,100

Property Class: EX : EXEMPT
 Reason Code: 1
 LUC: XLEE : LEE COUNTY MUNICIPAL

Exemptions and Exclusions

Deferred Value: 0
 Senior / Disabled: 0
 Veteran: 0
 Historic: 0
 100% E Class Ex: 1,997,100
 Partial E Class Ex: 0
 Total Exempt/Excluded/Deferred: 1,997,100

Assessed Valuation

Total Appraised Value (Real and Personal): 1,997,100
 Total Exempt/Excluded/Deferred: 1,997,100
 Total Assessed (Taxable): 1,997,100

Real Estate Value History

Tax Year	Cost/Type	Appr Land	Appr Bldg	Appraised Total	Deferred Land	Hetting	Exempt	SR Exclusion	Vet Exclusion	Taxable Total
2018	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2017	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2016	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2015	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2014	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2013	COST	15,000	1,982,100	1,997,100	0	0				1,997,100
2012	COST	15,000	1,981,600	1,996,600	0	0				1,996,600
2011	COST	15,000	1,981,600	1,996,600	0	0				1,996,600

2010	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2009	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2008	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2007	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2006	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2005	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2004	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2003	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2002	OVR	3,000	580,300	583,300	0	0	583,300
2001	OVR	3,000	580,300	583,300	0	0	583,300



Sorry, no sketch available for this record

Item	Area
WATER TNK - WTR:WATER TANK / TOWER	750000
CLFENCE 6 - FC6:CHAINLINK FENCE 6 FT	420



- Parcels
- Streets
- Railroad
- Lee County
- Sanford City Limits
- Broadway Town Limits



1 : 51 Feet

This site is prepared for the inventory of real property found within this jurisdiction and is compiled from recorded deeds, plats and other public records and data. Users of this site are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this site. The County of Lee and Dude Solutions, Inc. assume no legal responsibility for the information contained on this site. Please be advised that you must contact the Lee County Tax Office for accurate tax values. Please contact the Lee County Appraisal Department if any building information is incorrect. The map, layer, data and website (collectively known as "the layer") are for graphical and illustration purposes only. The Lee County Strategic Services Department (hereinafter "the Department") provides the layer and the information contained within to the general public and has not customized the information for any specific or general purpose. Such information was generated from data maintained by different sources and agencies and as such, some limitations may apply based upon restrictions imposed by other sources or agencies supplying data to Lee County (hereinafter "the County"). While the Department strives to make the information on the GIS website as timely, reliable and accurate as possible, neither the Department nor the County local governments make any claims, promises, or guarantees about the accuracy, completeness or adequacy of the contents of the layer. Areas depicted are approximate and are not necessarily accurate to mapping, surveying or engineering standards. The County expressly disclaims liability for errors and omissions in the contents of this site and layer. No warranty of any type, implied, expressed, statutory, UCC or otherwise, including, but not limited to, the warranties of non-infringement of third party rights, title, accuracy of data, merchantability, or fitness for a particular purpose, is given with respect to the substantive content of this layer or its use in private or commercial financial transactions. The fact of distribution of the layer does not constitute any warranty, express, implied or otherwise. The user assumes the entire risk related to the use of this data. If the user intends to make any legal or financial decision based on this data, the user should independently verify the accuracy of the same. The Strategic Services Department and the Lee County local

To print a property record card or export search results into a CSV format that can be used with Excel please follow these steps:
- Select the desired report option from the right menu (e.g. CSV Export, Residential PRC) and hit GO
- Click Open when prompted for an export. Property record cards will open as a PDF.

Parcel

ParID / PIN: 962476528900 /
Tax Year: 2018
Tax Jurisdiction: FWS : WEST SANFORD FIRE DISTRICT
Neighborhood: 856 : West Lee

Valuation

Appraised Land: 15,000
Appraised Building: 1,982,100
Appraised Total: 1,997,100
Deferred: 0
Exempts/Excluded: 1,997,100
Assessed Real: 0
Total Assessed: 0

Owner

Account Number: 15366
Name: LEE COUNTY
Name 2:
Own %: 100
Mailing Address: PO BOX 1968
SANFORD NC 27331

Linked Sale 417/653

Legal

Physical Address: 2631 VALLEY RD
Legal Description 1: 2631 VALLEY RD
Plat Cabinet/Slide: /

Description

NBHD Code / Name: 856 : West Lee
Class: EX : EXEMPT
Land Use: XLEE : LEE COUNTY MUNICIPAL
Zoning: RA
Living Units:
Deeded Acres: 1
Calculated Acres: 1

Field Notes

Note: ZONING SPLIT E PORT IS RR Number: 1

Recorded Transaction

Date	Book	Page	Historical	Sale Price	Velocity Code
03-JUN-88	417	653	*	1,200	8

Summary Totals

Total Value:	Total Acres:	\$/SF	\$/Acres	\$/Unit	Deeded Acres
\$RO/TOTAL_LAND_VALUE	\$RO/TOTAL_ACRES	\$RO/DSQFT	\$RO/DACRE	\$RO/DUNIT	\$RO/LEGDAT_ACRES

OBJ

Card	Line	Code	Year BGN	Grade	Sq. Ft.	ADJCNLD	Wite	When
1	1	WTR : WATER TANK / TOWER	1989	C	750,000	1980000	EOY ROLL	07-MAR-17
1	2	FC6 : CHAINLINK FENCE 6 FT	1989	C	420	2100	EOY ROLL	07-MAR-17

GBY Details

Card #: 1
 Line #: 1
 Code: WTR : WATER TANK / TOWER
 Year Built: 1989
 Effective Year: 1995

Width:
 Length:
 Area: 750,000
 Height:
 Cubic Ft:

Units: 1
 Grade: C : C
 Condition: A : AVERAGE
 Function: A : AVERAGE (NORMAL)
 % Complete: 100%
 % Good: %

Functional: :
 Economic: :

Mod Codes: :
 :
 :
 :

Loc Mult: 1
 Cur Mult: 1

Rate: 4
 Override Rate:
 RCN: 3,000,000
 (Tble): 66
 Adjusted Factor: 1
 RCNLD: 1,980,000
 Override RCNLD:
 Adjusted RCNLD: 1,980,000
 Location/Notes:

Real Values

Land Value: 15,000
 Building Value: 1,982,100
 Appraised Real Value: 1,997,100
 Total Appraised Value: 1,997,100

Property Class: EX : EXEMPT
 Reason Code: :
 LUC: XLEE : LEE COUNTY MUNICIPAL

Exemptions and Exclusions

Deferred Value: 0
 Senior / Disabled: 0
 Veteran: 0
 Historic: 0
 100% E Class Ex: 1,997,100
 Partial E Class Ex: 0
 Total Exempt/Excluded/Deferred: 1,997,100

Assessed Valuation

Total Appraised Value (Real and Personal): 1,997,100
 Total Exempt/Excluded/Deferred: 1,997,100
 Total Assessed (Taxable): 1,997,100

Real Estate Value History

Tax Year	Cost/Ord	Appr Land	Appr Bldg	Appraised Total	Deferred Land	Historic	Exempt	SM Exclusion	Val Exclusion	Taxable Total
2018	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2017	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2016	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2015	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2014	COST	15,000	1,982,100	1,997,100	0	0	1,997,100	0	0	0
2013	COST	15,000	1,982,100	1,997,100	0	0				1,997,100
2012	COST	15,000	1,981,600	1,996,600	0	0				1,996,600
2011	COST	15,000	1,981,600	1,996,600	0	0				1,996,600

2010	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2009	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2008	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2007	COST	15,000	1,981,600	1,996,600	0	0	1,996,600
2006	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2005	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2004	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2003	COST	11,300	2,101,500	2,112,800	0	0	2,112,800
2002	OVR	3,000	580,300	583,300	0	0	583,300
2001	OVR	3,000	580,300	583,300	0	0	583,300



Sorry, no sketch available for this record

Item	Area
WATER TNK - WTR:WATER TANK / TOWER	750000
CLFENCE 6 - FC6:CHAINLINK FENCE 6 FT	420

FILED
LEE COUNTY
MOLLIE A. MCINNIS
REGISTER OF DEEDS

FILED Mar 10, 2005
AT 01:21:57 pm
BOOK 00961
START PAGE 0957
END PAGE 0959
INSTRUMENT # 02270

BK:00961 PG:0957

STATE OF NORTH CAROLINA)
)
COUNTY OF LEE) BILL OF SALE

This instrument made this the 10 day of March 2005 by the Lee County Water and Sewer District No. 1, a municipal corporation organized and operating under Article 6, Chapter 162A of the North Carolina General Statutes, hereinafter referred to as Grantor to the City of Sanford a municipal corporation of the State of North Carolina whose address is 225 E. Weatherspoon Street, Sanford, North Carolina, 27330, hereinafter referred to as Grantee;

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00), to it in hand paid, the receipt of which is hereby acknowledged has bargained and sold and by these present does bargain, sale, and convey unto the said Grantee its successors and assigns certain property more particularly described as follows:

All easements, licenses, encroachment agreements, customer account, rights of way, governmental licenses, and permits owned by Lee County Water and Sewer District No. 1 in connection with the use, operation and maintenance to the water system in Lee County, North Carolina, including, but not limited to, the following water lines, to wit: Trails End Water System (off Hickory House Road), Cumnock Water System (including attachment to the Tramway-Cumnock Water Line), Owl's Nest Water Line, Rocky Fork Church Road Water Line extension, Southern Road Water Line extension, Wildwood Subdivision Water Line extension, Carthage Street Water Line extension, Creekwood Water System, and Phase II Water Lines.

BK:00961 PG:0958


TO HAVE AND TO HOLD said property to it the Grantee and its successors and assigns in fee simple.

And the Grantor covenants that it is seized of said property in fee and has the right to convey the same in fee simple and that it will warrant and defend the title thereto against the lawful claims of all persons whomsoever.

The properties described herein were obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendment of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulation issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicapped, religion, age, or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, for so long as the purchaser owns it, whichever is later.

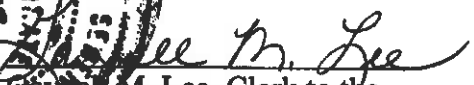
IN TESTIMONY WHEREOF, Lee County Water and Sewer District No. 1 has caused this instrument to be executed in its corporate name by the Chairman of its governing body and attested by the Clerk to its governing board all by authority of its governing board first duly given.

LEE COUNTY WATER AND SEWER DISTRICT NO. 1

By: 

Herbert A. Hincks, Chairman
Government Board of the Lee County Water and
Sewer District No. 1




Gary M. Lee, Clerk to the
Lee County Water and Sewer District No. 1

STATE OF NORTH CAROLINA

COUNTY OF LEE

This 10th day of March 2005, personally came before me Angela M Baker
a Notary Public of Chatham County, North Carolina, Gaynell M. Lee, who, being by
me duly sworn, says that she knows the District Seal of Lee County Water and Sewer
District and is acquainted with Herbert A. Hincks, who is Chairman of the Lee County
Board of Commissioners and ex officio Chairman of the governing Board of said District,
and that she, the said Gaynell M. Lee is the Clerk of said Board and ex officio Clerk to
the District Board, and saw the said Chairman sign the foregoing instrument, and that
she, the said Gaynell M. Lee, Clerk to the Board as aforesaid affixed the District Seal to
said instrument, and that she, the said Gaynell M. Lee, signed her name in attestation of
the execution of said instrument in the presence of said Chairman of the governing Board
of said District.

Witness my hand and notarial stamp or seal, this the 10th day of March 2005.

Angela M Baker
Notary Public



My Commission Expires: 11-26-2005

NORTH CAROLINA - LEE COUNTY
The foregoing certificate of
ANGELA M BAKER

Notary Public is certified to be correct.
Duly registered this date and hour shown
on the first page hereof.

MOLLIE A. MCINNIS
Register of Deeds

By Mollie A. Mcinnis
Assistant / Deputy

FILED
LEE COUNTY
MOLLIE A. MCINNIS
REGISTER OF DEEDS

FILED Mar 10, 2005
AT 01:21:57 pm
BOOK 00961
START PAGE 0960
END PAGE 0962
INSTRUMENT # 02271

BK:00961 PG:0960

STATE OF NORTH CAROLINA)
)
COUNTY OF LEE) BILL OF SALE

THIS BILL OF SALE made this 10th day of March 2005 by the County of Lee, one of the counties of the State of North Carolina, a body both politic and corporate, hereinafter referred to as the Grantor, to the City of Sanford, a municipal corporation whose address is 225 East Weatherspoon Street, Sanford, North Carolina, 27330, hereinafter referred to as the Grantee:

WITNESSETH:

That the Grantor, pursuant to the authority granted by North Carolina General Statute Section 160A-274 and in consideration of Ten Dollars (\$10.00) and other valuable considerations, the receipt of which is hereby acknowledged, has bargained and sold and by these presents does bargain, sell, and convey unto the Grantee its successors and assigns certain articles of property, more particularly described as follows:

All easements, license, encroachment agreements, customer accounts, rights of way, governmental licenses, and permits owned by Lee County in connection with the use, operation and maintenance to the water system in Lee County, North Carolina, including, but not limited to the following water lines, to wit: Trails End Water System (off Hickory House Road), Cumnock Water System (including attachment to the Tramway-Cumnock Water Line), Owl's Nest Water Line, Rocky Fork Church Road Water Line extension, Southern Road Water Line extension, Wildwood Subdivision Water Line extension, Carthage Street Water Line extension, Creekwood Water System, and Phase II Water Lines.

BK:00961 PG:0961

TO HAVE AND TO HOLD said property to it the Grantee and its successors and assigns in fee simple.

And the said Grantor covenants that it is seized of said property in fee and has the right to convey the same in fee simple and that it will warrant and defend the title thereto against the lawful claims of all persons whomsoever.

The properties described herein were obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendment of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulation issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicapped, religion, age, or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, for so long as the purchaser owns it, whichever is later.

IN TESTIMONY WHEREOF, the County of Lee pursuant to a resolution first duly adopted by its Board of Commissioners has caused this instrument to be executed in its corporate name by its Chairman of its Board of Commissioners and attested by the Clerk to the Board and sealed with the County seal.


COUNTY OF LEE

By:



Herbert A. Hincks, Chairman
Board of Commissioners




M. Lee, Clerk to the Board