



LEE COUNTY BOARD OF COMMISSIONERS  
RUBY MCSWAIN CENTER  
2420 TRAMWAY ROAD  
SANFORD, NC 27330

May 15, 2023

MINUTES

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**Roll Call**

Present: Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

**CALL TO ORDER**

*Chairman Kirk Smith called the meeting to order at 6:00 p.m.*

**INVOCATION**

*Commissioner Bill Carver led the Board in an invocation and the Pledge of Allegiance.*

**PLEDGE OF ALLEGIANCE**

**I. ADDITIONAL AGENDA**

**Motion: Approve the Agenda as amended.**

Mover: Taylor Vorbeck

For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Motion Result: Passed

**II. APPROVAL OF CONSENT AGENDA**

Commissioner Taylor Vorbeck asked to pull item II.M Approve the Lease for Spec Building Number 3 from the Consent Agenda and add it to Old Business as item V.A.

**Motion: Approve the Consent Agenda as amended.**

Mover: Taylor Vorbeck

For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Motion Result: Passed

II.A Refund and Release Report for April 2023

Gen Statute 105.docx

RELEASE CODES SPREADSHEET.xls April

Real Property Abatement Report.pdf April

Personal Property Abatement Report.pdf

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

Car Show Flyer.docx

Final MOU Car Show (1).docx

**II.C Minutes from the April 21, 2023 Special Interlocal Meeting**

BOC Interlocal Meeting\_4-21-23\_final.docx

**II.D Minutes from the May 1, 2023 Regular Meeting**

BOC Regular Meeting Minutes\_5-1-23\_final.docx

**II.E County of Lee Transit System NCDOT Grant Application FY25**

FY 2025 NCDOT Lee Co Phase I signature docs.pdf

FY 2025 NCDOT Lee Co Phase I approval to apply.pdf

**II.F Adult Daycare Contract for FY23-24**

Christian Adult Daycare 2023-2024.pdf

**II.G Contract for FY23-24 between Lee County Social Services and COLTS**

COLTS FY23-24 Contract

**II.H Updated Capital Area Workforce Development Board Consortium Agreement**

CAWD Consortium Agreement.pdf

CAWD\_Orange County Realignment application\_letterspdf.pdf

**II.I TJCOG Charter Amendment**

TJCOG Charter -Clean Version.pdf

TJCOG Charter -Redline Version.pdf

CPRC Charter One-Pager.pdf

RESOLUTION - Triangle J.docx

**II.J Approval of Budget Amendment #05/15/2023/15**

BA 5-15-23.pdf

**II.K State Contract Furniture Purchase for Buggy Building**

Buggy Building 3rd Floor Plan.pdf

**II.L Audit Contract**

Lee County - 2023 Contract and Eng Letter.pdf

**II.M Approve the Lease for Spec Building Number 3**

*Moved to the Consent Agenda.*

Fully Executed MOU with Lee Co\_City of Sanford\_LCGV.pdf

Scanned Copy of Amendment MOU for Spec Building 3.pdf

II.N Application for Lottery Funds  
lottery application.pdf

### III. PROCLAMATION PRESENTATION

III.A Proclamation Honoring Sandhills Center CEO Victoria Whitt and Her Years of Service

*Chairman Kirk Smith read aloud and presented a proclamation honoring Victoria Whitt and her years of service with the Sandhills Center.*

**Motion: Motion to approve the Proclamation Honoring Sandhills Center CEO Victoria Whitt and Her Years of Service.**

Mover: Dr. Andre Knecht

For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Motion Result: Passed

### IV. PUBLIC COMMENTS

- Christopher Cox, 795 Thomas Kelly Road (Flat Tax for Rural Fire Districts)
- David Smoak, 96 North Ridge Trail (2024 Budget)
- Derek Dyson, 3122 White Hill Road (Flat Tax for Rural Fire Districts)
- Kenneth Gilstrap, 1450 Bailey Thomas Road (Flat Tax for Rural Fire Districts)
- Chad Deal, 2448 Hickory House Road (Flat Tax for Rural Fire Districts)
- John Cagle, 2204 Dunber Drive (Flat Tax for Rural Fire Districts)

*Chairman Kirk Smith asked that it be entered into the record that "we appreciate the fire departments' service in both the City of Sanford and Lee County and have heard what you said."*

### V. OLD BUSINESS

V.A) Approve the Lease for Spec Building Number 3

*Commissioner Taylor Vorbeck asked to pull this item from the Consent Agenda and asked Sanford Area Growth Alliance CEO Jimmy Randolph to come up to discuss the process and provide an update.*

*Mr. Randolph said he can speak broadly about this item in open session and have a follow up closed session to discuss further details. There was a letter of intent on spec building #3, which was valid for a two-month period of due diligence. The prospective company brought on a new investor that indicated to them that our spec building would not be large enough for operations and they did not enter a lease after the due diligence period, which was in late January/early February. Mr. Randolph said the building is on a shorter list with a prospective company, and there are five active projects that still haven't made a final decision on it yet. SAGA has also submitted it twice this past week for consideration, and Mr. Randolph and SAGA are confident of finding a renter soon. SAGA is trying not to use it for warehousing and are continuing to advertise it.*

**Motion: Motion to approve the lease for Spec Building Number 3 and the terms of the agreement.**

Mover: Cameron Sharpe

For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Motion Result: Passed

## **VI. NEW BUSINESS**

### **VI.A Sandhills Center Presentation**

*Sandhills Center CEO Victoria Whitt presented the Sandhills County General Budget Funding Request for the coming year, and thanked the Board for the honor of being recognized after 43 years with the Sandhills Center. She said it is important to maintain community engagement and encouraged the Board to remain involved. Ms. Whitt noted Senate Bill 425 and asked the Board to review it. Commissioner Smith and Walter Ferguson currently serve on the Sandhills Board. The Sandhills Board decided not to increase their funding request and it will remain the same at \$240,000. Ms. Whitt said they were able to keep the request the same due to managing Medicaid funding. Deputy Director Anthony Ward was appointed by their Board to be the new CEO effective July 1. A Behavioral Health Urgent Care Facility was recently discussed at the Sandhills Board meeting. Chairman Smith said this may be more of a multi- county initiative and he has reached out to neighboring counties to potentially partner with on a facility.*

Lee County Request Letter.rtf

Lee Co Packet.pdf

### **VI.B Lee County Board of Education Budget Presentation**

*Board of Education Chair Sherry Lynn Womack introduced the Finance Committee Chair and Board of Education Member Alan Rummel, who gave the school district's budget presentation, a copy of which is attached and incorporated into these minutes. Ms. Womack provided additional information regarding what the Board of Education has accomplished since December 2022, its plans for the future, and how that resulted in their budget requests for FY 2024 and beyond. The Finance Committee and former Lee County Schools Superintendent worked on the \$1200 "one time" supplement for teachers, for a total of \$2.1 million, to present to the Commissioners. The Board of Education is exploring all options for the request for \$600,000 for the demolition of the Jonesboro School building and insurance has not paid yet. County Manager Lisa Minter said the Board of Education's request for the supplemental bridge within the current expense budget would not be held as a one-time awarding of funds and the Commissioners would be held for the appropriation as the base in future years if the Board of Education chooses to pursue the appropriation. School bus drivers currently receive a monthly, one-time amount for routes driven that month. Lee County Schools Chief Finance Officer Kelly Jones said the district received \$1.7 million in supplemental assistance funding from the State, but there is no confirmation that that will continue next year. Ms. Jones also noted that this funding is only for certified staff. Commissioner Mark Lovick asked the Board of Education to explain how teachers are*

*paid and where the funding sources come from. The State pays for the majority of the salaries and the County picks up the rest. Ms. Womack said the ongoing audit results will be presented at the Board of Education's July 2023 meeting. So far, the auditors have found that teachers leave because of lack of support from the school district's Central Office, but stay with the school district because of the leadership of their principals.*

2023 Lee County Schools Budget Presentation\_Final.pptx

#### VI.C Lee County FY 2024 Budget Presentation

*Chairman Smith called for a ten-minute recess at 7:38 p.m.*

*The Board reconvened at 7:48 p.m.*

*County Manager Lisa Minter presented the recommended 2024 County Budget, a copy of which is attached and incorporated into these minutes.*

*Ms. Minter said there will be a freeze placed on the fire districts' fund balances as of June 30, 2023. Afterwards, taxes collected will go into a combined fund balance and requests to use those funds will go to the Fire Advisory Board (FAB), and then to the Commissioners for consideration. Ms. Minter and Assistant County Manager Jennifer Gamble can meet with the rural fire chiefs and FAB again to answer additional questions. The rural fire districts had already submitted their budgets to the FAB, per standard operating procedure, and Ms. Minter calculated the proposed flat tax rates based on the approved budgets from the FAB. This tax would not affect the County's proposed property tax rate of 65 cents.*

VI.D FY 2024-2028 Recommended Capital Improvements Program (CIP) NCACC/ICMA Management Fellow Ben McQueary presented the 2024-2028 Recommended Capital Improvements Program (CIP) to the Board, a copy of which is attached and incorporated into these minutes. There is no scheduled meeting with the City of Sanford on the VIPER system, as the City declined the meeting.

#### VI.E Strategic Plan Adoption & Report Out

*Clerk to the Board/Communications Specialist Hailey Hall gave the quarter two Strategic Plan report out, as well as presented the updated 2023-2028 Strategic Plan for the Board's consideration, copies of which are attached and incorporated into these minutes.*

Lee County SP 2023 Web.pdf

### **VII. MANAGERS' REPORTS**

#### VII.A Monthly Financial Reports

*Finance Director Candace Iceman provided the sales tax revenue report for February and monthly financial report for April to the Board.*

February 2023 Sales Tax Collections.pdf

APRIL 2023.pdf

VII.B County Manager's Monthly Report for May 2023

*County Manager Lisa Minter gave her monthly manager's report for May, a copy of which is attached and incorporated into these minutes.*

County\_Managers\_Monthly\_Report\_May\_15\_2023.docx

Library\_2023\_April\_Director\_Report.pdf

Library\_5.10.23 Lee County Library Board Cancel Notice.pdf

Parks and Rec Board\_1.23.23 Minutes\_signed.pdf

Permit\_Issuance\_Summary-April 2023.pdf

Permits\_MONTHLY REPORT APRIL 2023.pdf Tax\_Monthly

Managers Report April 2023.docx TRC Agenda\_May\_

[05.04.23].pdf

**VIII. COMMISSIONERS' COMMENTS**

*Commissioner Robert Reives suggested that a flat tax summary similar to the one in the Recommended Budget presentation could be helpful. Commissioner Andre Knecht said he's received calls about Highway U.S. 1 in Tramway and would like an update on that project from NCDOT. County Manager Lisa Minter said the County has chosen not to open the Convenience Centers on Sundays. The Convenience Centers are open on Saturdays until 5 p.m., but the landfill is not.*

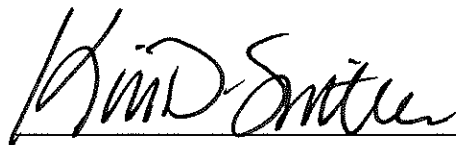
**ADJOURN**

**Motion: Motion to adjourn. The Board adjourned at 8:38 p.m.**

Mover: Dr. Andre Knecht

For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

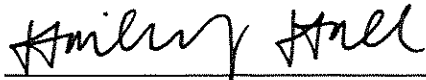
Motion Result: Passed



Kirk Smith, Chairman

Lee County Board of Commissioners

ATTEST:



Hailey Hall, Clerk to the Board



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

This Memorandum of Understanding, made and entered into this the 15<sup>th</sup> day of May, 2023 by and between the Lee County Government and the San-Lee Chapter of AACA, governs the classic car show hosted by the San-Lee Chapter of AACA.

WHEREAS, the San-Lee Chapter of AACA will host a classic car show on June 3, 2023 which is a free event to the public involving displays of antique cars, modern classics and hot rod cars, among other categories;

WHEREAS, the San-Lee Chapter of AACA has requested the use of a portion of the ground floor of the Buggy Factory and the side parking lot adjacent to the Buggy Factory which are owned by the County on June 3, 2023;

THEREFORE, the parties agree that they have the authority to sign on behalf of their organization and to bind the organization to the following terms for June 3, 2023:

Lee County Government agrees to:

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

The San-Lee Chapter of AACA agrees to:

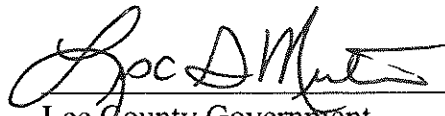
- Only access and use the common/open areas of the ground floor of the Buggy Factory to set up registration for its classic car show event and only allow use of the public bathrooms on the ground floor.
- Ensure its registrants and attendees do not enter any other area of the building.
- Keep an attendant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

- Set up and tear down the registration tables prior to the event and after the event and supply all tables, chairs, and other necessary supplies.
- Leave the building and parking lot in as good a condition or better than when the event began.
- Make sure no trash or debris is found in any of the areas its attendees and registrants have access to during the event.
- Not allow any registrant or attendee to drink, eat, smoke or vape or conduct illegal activity inside the building.
- Immediately contact the Lee County representative should any problem or issue arise during the car show and report any damage or issue to the Lee County representative.
- Provide a representative to walk through the areas used with the Lee County representative at the conclusion of the show to inspect the premises.
- Be fully responsible for any damage caused to the premises that occurs during the time of the show.
- Agree to indemnify and hold harmless the County, its officers, directors, and employees (collectively, County) against any and all damages, liabilities, or costs including reasonable attorneys' fees and defense costs, related to the performance of services under this Agreement.

The undersigned acknowledges they have authority to act on behalf of their organization.  
Agreed to on this 15<sup>th</sup> day of May 2023.

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San-Lee Chapter of AACA  
Bennie Pokemire, President



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Lee County Government  
Lisa Minter, County Manager





## DBE GOOD FAITH EFFORTS CERTIFICATION

This is to certify that in all purchase and contract selections (*Legal Name of Applicant*) County of Lee is committed to and shall make good faith efforts to purchase from, and award contracts to, Disadvantaged Business Enterprises (DBEs).

DBE good faith efforts will include the following items that are indicated by check mark(s) or narrative:

| Required by IMD | Check all that apply                | Description  |
|-----------------|-------------------------------------|--|
| *               | <input checked="" type="checkbox"/> | Write a letter/email to Certified DBEs in the service area to inform them of purchase or contract opportunities;   |
| *               | <input checked="" type="checkbox"/> | Document telephone calls, emails and correspondence with or on behalf of DBEs;   |
|                 | <input checked="" type="checkbox"/> | Advertise purchase and contract opportunities on local TV Community Cable Network;   |
| *               | <input checked="" type="checkbox"/> | Request purchase/contract price quotes/bids from DBEs;   |
|                 | <input checked="" type="checkbox"/> | Monitor newspapers for new businesses that are DBE eligible  |
| *               | <input checked="" type="checkbox"/> | Encourage interested eligible firms to become NCDOT certified. Interested firms should contact the office of contractual services at (919) 707-4800 for more information   |
| *               | <input checked="" type="checkbox"/> | Encourage interested firms to contact the Office of Historically Underutilized Businesses at (919) 807-2330 for more information   |
| *               | <input checked="" type="checkbox"/> | Consult NCDOT Certified DBE Directory. A DBE company will be listed in the DBE Directory for each work type or area of specialization that it performs. You may obtain a copy of this directory at <a href="https://www.ebs.nc.gov/VendorDirectory/default.html">https://www.ebs.nc.gov/VendorDirectory/default.html</a> |
|                 | <input type="checkbox"/>            | Other efforts: Describe:   |

You may obtain a copy of the USDOT Disadvantaged Business Enterprise Program Title 49 Part 26 at <https://www.ebs.nc.gov/VendorDirectory/default.html>

**Reminder: Documentation of all good faith efforts shall be retained for a period of five (5) years following the end of the fiscal year.**

I certify that, to the best of my knowledge, the above information describes the DBE good faith efforts.

  
\_\_\_\_\_  
Signature of Authorized Official

05/02/23

\_\_\_\_\_  
Date

Kirk D. Smith, Chair, Lee Co. Board of Commission  
\_\_\_\_\_  
Type Name and Title of Authorized Official



UNIFIED GRANT APPLICATION

TITLE VI PROGRAM REPORT
SECTION 5311, 5310, 5339, Combined Capital, 5307 or State Funds Call for Projects

Legal Name of Applicant: County of Lee
(Complete either Part A or Part B; and Part C)

Part A - No complaints or Lawsuits Filed

I certify that to the best of my knowledge, No complaints or lawsuits alleging discrimination have been filed against Lee County (COLTS) during the period July 1, 2022 through June 30, 2023.

Signature of Authorized Official: [Handwritten Signature] Date: 05/02/23

Kirk D. Smith - Chair Lee County Board of Commissioners
Type Name and Title of Authorized Official

Part B - Complaints or Lawsuits Filed

I certify that to the best of my knowledge, the below described complaints or lawsuits alleging discrimination have been filed against [Transit System Name] during the period July 1, 2022 through June 30, 2023.

Table with 4 columns: Complainant Name/Address/Telephone Number, Date, Description, Status/Outcome

(Attach an additional page if required.)

Signature of Authorized Official: [Handwritten Signature] Date: 5/2/2023

Kirk D. Smith
Type Name and Title of Authorized Official

Part C - Title VI Plan

Do you currently have a Title VI Plan: Yes Date of last plan update: 09/12/22



**EEO QUESTIONNAIRE**

Threshold Requirements: Any applicant, recipient, or sub-recipient is required to comply with program requirements in Chapter III if it meets the following thresholds:

- a. Employees 100 (+) or more transit-related employees\*; and
- b. Requests or receives capital or operating assistance under Sections 3, 4(i), or 9 of the FTA; assistance under 23 U.S.C. 142(a)(2) or 23 U.S.C. 103(e)(4), or any combination thereof, in excess of \$1 million in the previous Federal fiscal year; or
- c. Request and receives planning assistance under Sections 8 and/or 9 in excess of \$250,000 in the previous Federal fiscal year.

Transit systems with 50 – 99 employees must keep a plan on file for review at next site visit.

Name of Organization:

Lee County (COLTS)

Organization Type:

Transit Agency

TrAMS ID: \_\_\_\_\_ (if applicable)

1. How many employees do you have in your organization? 375 FT 200 PT
2. How many of those employees are \*transit related? 31

\*A transit related employee is an employee of an FTA applicant, recipient, or subrecipient who is involved in an aspect of an agency's mass transit operation funded by FTA. For example, a city planner involved in a planning bus route would be counted as part of the recipient's work force, but a city planner involved in land use would not be counted.

\*\*If EEO requirement is not applicable check here , sign below, and submit, otherwise complete remaining questions.

I declare (or certify, verify, or state) that the foregoing is true and correct.

Applicant Name *Kim Smith*

Date 05/02/23

Title COMMISSION CHAIRMAN

## UNIFIED GRANT APPLICATION

3. Does your agency submit an EEO Program? \_\_\_\_\_  
If yes, what is the date of your last submission? \_\_\_\_\_
4. Does your agency submit an Abbreviated EEO Program? \_\_\_\_\_  
If yes, what is the date of your last submission? \_\_\_\_\_
5. Do you contract out any of your transit services? No \_\_\_\_\_  
If no, skip to question 7. If yes,  
a. What is the name of agency (s)?  
\_\_\_\_\_  
b. How many transit employees does the agency have?  
\_\_\_\_\_  
c. Does the agency submit an EEO Program/Abbreviated EEO Program to you?  
\_\_\_\_\_  
If yes, what is the date of their last EEO/Abbreviated EEO submission?  
\_\_\_\_\_
6. What is the date of your last Triennial Review (If applicable)?  
\_\_\_\_\_  
a. Were there any deficiencies? \_\_\_\_\_  
If yes, in what area(s)  
\_\_\_\_\_  
\_\_\_\_\_  
b. Are any of the deficiencies still open? \_\_\_\_\_  
If yes, in what area(s)?  
\_\_\_\_\_  
\_\_\_\_\_
7. Has your agency participated in an EEO compliance review? If yes, what is the date of your last EEO compliance review? \_\_\_\_\_  
a. Were there any deficiencies? \_\_\_\_\_

UNIFIED GRANT APPLICATION

If yes, in what area(s)

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b. Are any of the deficiencies still open? \_\_\_\_\_

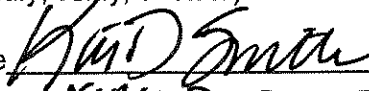
If yes, in what area(s)?

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I declare (or certify, verify, or state) that the foregoing is true and correct.

Applicant Name

  
KIRK D. SMITH

Date 05/02/23

Title

COMMISSION CHAIRMAN



UNIFIED GRANT APPLICATION

FY 2025 DELEGATION OF AUTHORITY

Date: 05/02/23

I Kirk D Smith Chair Lee County Board of Commissi

as the designated party for Lee County (COLTS)

with authority to submit funding applications and enter into contracts with the North Carolina Department of Transportation and execute all agreements and contracts with the NCDOT Integrated Mobility Division, hereby delegate authority to the individual(s) filling the positions as indicated below:

Primary Designee: Deborah P Davidson County of Lee Transit System

- Reimbursement Requests: [X] YES
Budget Revisions: [ ] YES
Budget Amendments: [X] YES
Period of Performance Extensions: [X] YES
Other: [ ] YES

Alternate Designee #1: Melanie P Rodgers County of Lee Transit System

- Reimbursement Requests: [X] YES
Budget Revisions: [X] YES
Budget Amendments: [X] YES
Period of Performance Extensions: [X] YES
Other: [ ] YES

Alternate Designee #2:

- Reimbursement Requests: [ ] YES
Budget Revisions: [ ] YES
Budget Amendments: [ ] YES
Period of Performance Extensions: [ ] YES
Other: [ ] YES

Signature [Handwritten Signature]





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

Candace Iceman  
Candace Iceman, Finance Director

5-17-23  
Date

FY 2025 Unified Grant Application - COLTS

## Contract # 1/23-24 Fiscal Year Begins July 1, 2023 Ends June 30, 2024

This contract is hereby entered into by and between the Lee County Department of Social Services (the "County") and Christian Healthcare Adult Daycare (the "Contractor") (referred to collectively as the "Parties"). The Contractor's federal tax identification number is 56-20550272.

**1. Contract Documents:** This Contract consists of the following documents:

- (1) This contract
- (2) The General Terms and Conditions (Attachment A)
- (3) The Scope of Work, description of services, and rate (Attachment B)
- (4) Federal Certifications Regarding Drug Free Workplace & Certification Regarding Nondiscrimination (Attachment C)
- (5) Federal Certification Regarding Environmental Tobacco Smoke (Attachment F)
- (6) Federal Certification Regarding Lobbying (Attachment G)
- (7) Federal Certification Regarding Debarment (Attachment H)
- (8) Certification of Transportation (Attachment J)
- (9) *If applicable*, IRS federal tax exempt letter or 501 (c)(Attachment K) <http://www.irs.gov/pub/irs-fill/k1023.pdf>
- (10) Certification of Eligibility Under the Iran Divestment Act and E-Verify Certification
- (11) Contract Determination Questionnaire (required)

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

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

**3. Effective Period:** This contract shall be effective on July 1, 2023 and shall terminate on June 30, 2024, This contract must be twelve months or less.

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

**5. County's Duties:** The County shall pay the Contractor in the manner and in the amounts specified in the Contract Documents. The total amount paid by the County to the Contractor under this contract shall not exceed \$ 62,523.00. This amount consists of \$ 28,622.00 in Federal funds (CFDA #93,667), \$ 26,086.00 in State Funds, \$7,815.00 in County funds

a. There are no matching requirements from the Contractor.

b. The Contractor's matching requirement is \$ \_\_\_\_\_, which shall consist of:

In-kind

Cash

Cash and In-kind

Cash and/or In-kind

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

**6. Reversion of Funds:**

Any unexpended grant funds shall revert to the County Department of Social Services/Human Services upon termination of this contract.

**7. Reporting Requirements:**

Contractor shall comply with audit requirements as described in N.C.G.S. § 143C-6-22 & 23 and OMB Circular- CFR Title 2 Grants and Agreements, Part 200, and shall disclose all information required by 42 USC 455.104, or 42 USC 455.105, or 42 USC 455.106.

**8. Payment Provisions:**

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

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

**For the County:**

| IF DELIVERED BY US POSTAL SERVICE  | IF DELIVERED BY ANY OTHER MEANS   |
|--|---|
| Name & Title Angelina Noel, Director<br>County Lee County<br>Mailing Address P.O. Box 1066<br>City, State, Zip Sanford, NC 27330 | Name & Title Angelina Noel, Director<br>County Lee County<br>Street Address 530 Carthage Street<br>City, State, Zip Sanford, NC 27330 |
| Telephone 919-718-4690<br>Fax 919-718-4634<br>Email anoel@leecountync.gov  |   |

**For the Contractor:**

| IF DELIVERED BY US POSTAL SERVICE  | IF DELIVERED BY ANY OTHER MEANS                                      |
|--|--|
| Name & Title Wanda Marsh, Director<br>Company Name Christian Healthcare Adult Daycare<br>Mailing Address 507 North Steele Street<br>City State Zip Sanford, NC 27330 | Name & Title<br>Company Name<br><br>Street Address<br>City State Zip |
| Telephone 919-775-5610<br>Fax<br>Email   |  |

**10. Supplementation of Expenditure of Public Funds:**

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

**11. Disbursements:**

As a condition of this contract, the Contractor acknowledges and agrees to make disbursements in accordance with the following requirements:

- (a) Implement adequate internal controls over disbursements;
- (b) Pre-audit all vouchers presented for payment to determine:
  - Validity and accuracy of payment
  - Payment due date
  - Adequacy of documentation supporting payment
  - Legality of disbursement
- (c) Assure adequate control of signature stamps/plates;
- (d) Assure adequate control of negotiable instruments; and
- (e) Implement procedures to insure that account balance is solvent and reconcile the account monthly.

**12. Outsourcing to Other Countries:**

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

**13. Federal Certifications:**

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

**14. Specific Language Not Previously Addressed:**

*( can be delted if not needed)*

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

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

Wanda Marsh 4-26-2023  
 Signature Date

WANDA MARSH Program Director  
 Printed Name Title

COUNTY Kirk D. Smith 05/02/2023  
 Signature (must be legally authorized to sign contracts for County BSS) Date

KIRK D. SMITH COMMISSION CHAIR  
 Printed Name Title

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

Candace Jeanan 5/17/23  
 Signature of County Finance Officer Date

## GENERAL TERMS AND CONDITIONS

### Relationships of the Parties

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

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

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

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

### Indemnity and Insurance

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

performance of this contract to the extent permitted by law.

### Default and Termination

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

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

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

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

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

**Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations,

guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

### **Intellectual Property Rights**

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

### **Compliance with Applicable Laws**

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

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

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

### **Confidentiality**

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

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

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

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

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

### **Oversight**

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

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

## Miscellaneous

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

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

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

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

**Gender and Number:** Masculine pronouns shall be read to include feminine pronouns and the singular of any word

or phrase shall be read to include the plural and vice versa.

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

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

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

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

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

**Advertising:** The Contractor shall not use the award of this contract as a part of any news release or commercial advertising.

**ATTACHMENT B – Scope of Work**

**Federal Tax Id. or SSN 56-2050272**

**Contract # 1/23-24**

**A. CONTRACTOR INFORMATION**

1. Contractor Agency Name: Christian Healthcare Adult Daycare
2. *If different* from Contract Administrator Information in General Contract:  
Address

Telephone Number: 919-775-5610 Fax Number: Email:

3. Name of Program (s): Adult Daycare
4. Status:  Public  Private, Not for Profit  Private, For Profit
5. Contractor's Financial Reporting Year January through December

**B. Explanation of Services to be provided and to whom (include SIS Service Code):**  
Service Code 030- One month full time enrollment: up to 8.5 FTE  
Service Code 250 – Transportation to and from Center

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

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

\$33.07 per unit day, one full time enrollment up to 8.5 FTE  
\$1.50 one way, \$3.00 per round trip, per day, per unit for transportation **Contingent upon Funding**

2. Negotiated County Rate.

County reserves to right to negotiate per unit per day rate and transportation rate contingent upon funding

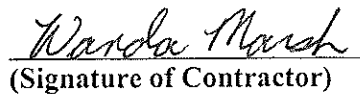
**D. Number of units to be provided: 8.5 FTE**

**E. Details of Billing process and Time Frames; Bills are due by the 5<sup>th</sup> of the month for services provided the prior month.**

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

  
(Signature of County Authorized Person)

05/02/2023  
(Date Submitted)

  
(Signature of Contractor)

4-26-2023  
(Date Submitted)



## FEDERAL CERTIFICATIONS

The undersigned states that:

1. He or she is the duly authorized representative of the Contractor named below;
2. He or she is authorized to make, and does hereby make, the following certifications on behalf of the Contractor, as set out herein:
  - a. The Certification Regarding Nondiscrimination;
  - b. The Certification Regarding Drug-Free Workplace Requirements;
  - c. The Certification Regarding Environmental Tobacco Smoke;
  - d. The Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions; and
  - e. The Certification Regarding Lobbying;
3. He or she has completed the Certification Regarding Drug-Free Workplace Requirements by providing the addresses at which the contract work will be performed;
4. [Check the applicable statement]  
 He or she **has completed** the attached **Disclosure Of Lobbying Activities** because the Contractor **has made, or has an agreement to make**, a payment to a lobbying entity for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action;  
**OR**  
 He or she **has not completed** the attached **Disclosure Of Lobbying Activities** because the Contractor **has not made, and has no agreement to make**, any payment to any lobbying entity for influencing or attempting to influence any officer or employee of any agency, any Member of Congress, any officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action.
5. The Contractor shall require its subcontractors, if any, to make the same certifications and disclosure.

Wanda Marsh Program Director  
Signature Title

Christian Healthcare Adult Daycare 4-26-2023  
Contractor Name Date

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

### I. Certification Regarding Nondiscrimination

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

## II. Certification Regarding Drug-Free Workplace Requirements

1. The Contractor certifies that it will provide a drug-free workplace by:
  - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - b. Establishing a drug-free awareness program to inform employees about:
    - i. The dangers of drug abuse in the workplace;
    - ii. The Contractor's policy of maintaining a drug-free workplace;
    - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c. Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (a);
  - d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the agreement, the employee will:
    - i. Abide by the terms of the statement; and
    - ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
  - e. Notifying the Department within ten days after receiving notice under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction;
  - f. Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
    - i. Taking appropriate personnel action against such an employee, up to and including termination; or
    - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
  - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
2. The sites for the performance of work done in connection with the specific agreement are listed below (list all sites; add additional pages if necessary):

### Address

Street 507 B North Steele Street

City, State, Zip Code SANford N.C. 27330

Street \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

3. Contractor will inform the Department of any additional sites for performance of work under this agreement.
4. False certification or violation of the certification may be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment. 45 C.F.R. 82.510.

### **III. Certification Regarding Environmental Tobacco Smoke**

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

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

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

#### **Instructions**

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

1. By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549, 45 CFR Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

### **Certification**

1. **The prospective lower tier participant certifies**, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

### **V. Certification Regarding Lobbying**

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federally funded contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form SF-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) who receive federal funds of \$100,000.00 or more and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

### **VI. Disclosure Of Lobbying Activities**

#### **Instructions**

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

Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

1. Identify the status of the covered Federal action.
2. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
3. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
4. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
5. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
6. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
7. Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
8. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
9. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
10. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
11. Check the appropriate boxes. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
12. Check the appropriate boxes. Check all boxes that apply. If other, specify nature.
13. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
14. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
15. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

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



**ATTACHMENT J**

**CERTIFICATION REGARDING TRANSPORTATION**

Lee County Department of Social Services/Human Services

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

1. Insuring that all drivers (including employees, contractors, contractor's employees, and volunteers) shall be at least 18 years of age;
2. Insuring that all drivers (including employees, contractors, contractor's employees, and volunteers) shall be licensed to operate the specific vehicle used in transporting clients in accordance with Chapter 20-7 of the General Statutes of North Carolina and the Division of Motor Vehicle requirements;
3. Insuring that all vehicles transporting clients shall have at least the minimum level of liability insurance appropriate for the type of vehicle as defined by Article 7, Rule R2-36 of the North Carolina Utilities Commission;
4. Insuring that the contractor shall have written policies and procedures regarding how drivers handle and report client emergencies and/or vehicle crashes involving clients to contractor and how contractor notifies the Lee County Department of Social Services;
5. Insuring that no more than one quarter of one percent of all trips be missed by the contractor during the course of the contract period; *(Medicaid only)*
6. Insuring that that no more than five percent (5%) of trips should be late for recipient drop off to their appointment per month; *(Medicaid only)*
7. Contractor will maintain records documenting the following *(County may require contractor to provide)*:
  - a. Valid current copies of Drivers License for all drivers;
  - b. Current valid Vehicle Registration, for all vehicles transporting clients;
  - c. Driving records for all drivers for the past three years and with annual updates;
  - d. Criminal Background checks through North Carolina Law Enforcement or NCIC prior to employment and every three years thereafter;
  - e. Alcohol and Drug Testing policy to meet the Federal Transit Authority guidelines.
8. Disclosing, at the outset of the contract, upon renewal and upon request, any criminal convictions or other reasons for disqualifications from participation in Medicare, Medicaid or Title XX programs *(signature on this form confirms this statement)*.

Wanda Marsh

Signature

Program Director

Title

Christian Healthcare Adult Daycare

Agency/Organization

4-26-2023

Date

(Certification signature should be same as Contract signature.)

## ATTACHMENT K

### What is a Private Non Profit Agency?

**Answer:** A private non profit is an organization that is incorporated under State law and whose purpose is not to make a profit, but rather to further a charitable, civic, religious, scientific, or other lawful purpose. The Secretary of State's office grants corporate status to organizations in North Carolina.

### What is a 501(c)(3) designation?

**Answer:** When the agency becomes a state private non profit corporation, it can then apply for 501(c)(3) designation through the IRS. Once the IRS grants 501(c)(3) status, the organization is exempt from certain taxes and any donations to the charitable organization are tax deductible. Many individuals and organizations prefer to make donations to 501(c)(3) private non profits.

### Who can obtain a 501(c)(3) designation?

**Answer:** Any organization or group can apply for 501(c)(3) status, provided their charter or mission focuses on the non profit's objective.

Another option is to apply for a 509(a)(1) status which falls under the 501(c)(3) umbrella. Being a 509(a)(1) designates an organization as a tax-free public charity that receives most of its support from a governmental unit or from the general public. Becoming a 509(a)(1) provides public recognition of tax-exempt status, advance assurance to donors of deductibility of contributions, exemption from certain State and federal taxes, and non profit mailing privileges. Organizations that typically qualify are churches, educational institutions, hospitals, and governmental units.

### How does a Private Non Profit obtain Tax Exempt Status?

EO Web Site [[www.irs.gov/eo](http://www.irs.gov/eo)]

#### IRS TE/GE Customer Service

You may direct technical and procedural questions concerning charities and other nonprofit organizations, including questions about your tax-exempt status and tax liability, to the IRS Tax Exempt and Government Entities Customer Account Services at (877) 829-5500 (toll-free number).

If you prefer to write, you may write at:

Internal Revenue Service  
Exempt Organizations Determinations  
P.O. Box 2508  
Cincinnati, OH 45201

You may also contact the Taxpayer Advocate Service, an independent organization within the IRS that helps taxpayers resolve problems with the IRS and recommends changes that will prevent problems.

A private non profit must apply to the IRS for tax exempt status. To qualify, applicants must complete and submit to the IRS Form 1023. Once federal tax exempt status is granted, the private non profit applies for State tax exempt status by completing Form CD-435 and submitting it to the N. C. Department of Revenue.

### What must a County Department of Social Services/Human Services do?

**Answer:** Verify the Tax Exempt Letter. Check date for expiration and check if current address of agency is reflected.



# State Grant Certification – No Overdue Tax Debts

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

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

## Date of Certification

To: State Agency Head and Chief Fiscal Officer

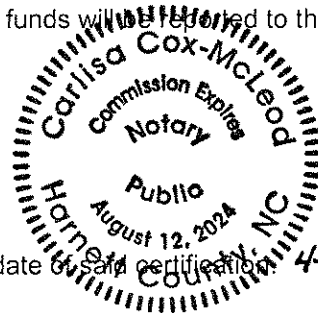
### Certification:

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

### Sworn Statement:

Reginald Marsh Wanda Marsh  
[Name of Board Chair] and [Name of Second Authorizing Official] being duly sworn, say that we are the Board Chair and [Title of the Second Authorizing Official], respectively, of [insert name of Christian Healthcare Adult Daycare organization] of [City] in the State of [Name of State]; and that the foregoing certification is true, accurate and complete to the best of our knowledge and was made and subscribed by us. We also acknowledge and understand that any misuse of State funds will be reported to the appropriate authorities for further action.

Reginald Marsh  
Board Chair  
Wanda Marsh  
[Title of Second Authorizing Official]  
Program Director



Sworn to and subscribed before me on the day of the date of said certification 4-26-23

Carlisa Cox-McLeod  
(Notary Signature and Seal)

My Commission Expires: 8-12-24

If there are any questions, please contact the state agency that provided your grant. If needed, you may contact the North Carolina Office of State Budget and Management:  
NCGrants@osbm.nc.gov-(919)807-4795

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

CONFLICT OF INTEREST ACKNOWLEDGEMENT AND POLICY

State of NC

County Lee

I, Carlisa Cox-McLeod, Notary Public for said County and State, certify that

Reginald Marsh + Wanda Marsh personally appeared before me this day and acknowledged

that he/she is Board chair + Second Auth. Officer of Christian Healthcare Adult Daycare [name of Organization]

and by that authority duly given and as the act of the Organization, affirmed that the foregoing Conflict of Interest Policy was adopted by the Board of Directors/Trustees or other governing body in a meeting held on the 26 day of April, 2023.

Sworn to and subscribed before me this 26 day of April, 2023

Carlisa Cox-McLeod  
(Official Seal)



My Commission expires 8-12, 2024

**Instruction for Organization:**

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

Christian Healthcare Adult Daycare  
Name of Organization

Reginald Marsh Wanda Marsh  
Signature of Organization Official

## Conflict of Interest Policy Example

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

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

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

C. No Board member or other governing person, officer, employee, or agent of the Organization shall participate in the selection, award, or administration of a purchase or contract with a vendor where, to his knowledge, any of the following has a financial interest in that purchase or contract:

1. The Board member or other governing person, officer, employee, or agent;
2. Any member of their family by whole or half blood, step or personal relationship or relative-in-law;
3. An organization in which any of the above is an officer, director, or employee;
4. A person or organization with whom any of the above individuals is negotiating or has any arrangement concerning prospective employment or contracts.

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

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

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

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

G. **Record of Conflict** -- The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement that presents a possible conflict of interest, the content of the discussion, including any alternatives to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Approved by:

##ContractorName## Christian Healthcare Adult Daycare  
Name of Organization

Wanda Marsh  
Signature of Organization Official

4-26-2023  
Date

## State Certifications

### Contractor Certifications Required by North Carolina Law

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

- Article 2 of Chapter 64: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter\\_64/Article\\_2.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf)
- G.S. 133-32: <http://www.nega.state.nc.us/gascripts/statutes/statutelookup.pl?statute=133-32>
- Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009): <http://www.ethicscommission.nc.gov/library/pdfs/Laws/EO24.pdf>
- G.S. 105-164.8(b): [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_105/GS\\_105-164.8.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf)
- G.S. 143-48.5: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-48.5.html](http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html)
- G.S. 143-59.1: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.1.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf)
- G.S. 143-59.2: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.2.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf)
- G.S. 143-133.3: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-133.3.html](http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-133.3.html)
- G.S. 143B-139.6C: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143B/GS\\_143B-139.6C.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143B/GS_143B-139.6C.pdf)

#### Certifications

- (1) Pursuant to G.S. 133-32 and Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009), the undersigned hereby certifies that the Contractor named below is in compliance with, and has not violated, the provisions of either said statute or Executive Order.
- (2) Pursuant to G.S. 143-48.5 and G.S. 143-133.3, the undersigned hereby certifies that the Contractor named below, and the Contractor's subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)
- (3) Pursuant to G.S. 143-59.1(b), the undersigned hereby certifies that the Contractor named below is not an "ineligible Contractor" as set forth in G.S. 143-59.1(a) because:
- (a) Neither the Contractor nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); and
- (b) [check one of the following boxes]
- Neither the Contractor nor any of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001; or
- The Contractor or one of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 but the United States is not the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.
- (4) Pursuant to G.S. 143-59.2(b), the undersigned hereby certifies that none of the Contractor's officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.
- (5) Pursuant to G.S. 143B-139.6C, the undersigned hereby certifies that the Contractor will not use a former employee, as defined by G.S. 143B-139.6C(d)(2), of the North Carolina Department of Health and Human Services in the administration of a contract with the Department in violation of G.S. 143B-139.6C and that a violation of that statute shall void the Agreement.
- (6) The undersigned hereby certifies further that:
- (a) He or she is a duly authorized representative of the Contractor named below;
- (b) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Contractor; and
- (c) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

Contractor's Name: Christian Healthcare Adult Daycare

Contractor's Authorized Agent: Signature Wanda Marsh Date 4-26-2023

Printed Name WANDA MARSH Title Program Director

Witness: Signature Reginald Victor Marsh, Jr. Date 4-26-2023

Printed Name Reginald Victor Marsh, Jr. Title Activities Director

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

## ATTACHMENT N

Lee County Department of Social Services/Human Services

### CERTIFICATION REGARDING NONDISCRIMINATION, CLEAN AIR ACT, CLEAN WATER ACT

#### **Certification Regarding Nondiscrimination**

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

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

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

**The Contractor** should develop an implementing plan to address the language assistance needs of the LEP population served. This may include contracting for oral interpretation services, hiring bilingual staff, arranging telephone interpreters and/or language lines, coordinating community volunteers, translating vital documents, and providing written notice that language services are available in appropriate languages. Quality and accuracy of the language service is critical in order to avoid serious consequences to the LEP person and to the recipient. LEP needs should be considered in developing budgets and front line staff should understand how to obtain language assistance services. For additional assistance and information regarding LEP matters, please also visit <http://www.lep.gov>.

Ensuring Equal Opportunity Access for Persons with Disabilities: **The Contractor** must also ensure equal opportunity access for persons with disabilities. This includes ensuring that communications with applicants, participants, members of the public, and companions with disabilities are as effective as communications with people without disabilities. Contractors that do not provide persons with disabilities equal opportunity access to programs may risk violating prohibitions against disability discrimination in the Rehabilitation Act of 1978, the American with Disabilities Act (ADA) of 1990, as amended, and SNAP program regulations. DOJ published revised final regulations implementing Title II and Title III of the ADA on September 15, 2010. These regulations are codified at 28 CFR Part 35 "Nondiscrimination on the Basis of Disability in State and Local Government Services" and at 28 CFR Part 36 "Nondiscrimination on the Basis of Disability in Public Accommodations and Commercial Facilities". In accordance with the implementing regulations, Contractors must provide auxiliary aids and services where necessary to ensure effective communication and equal opportunity access to program benefits for individuals with disabilities. The type of auxiliary aids and services required will vary, but a Contractor may not require an individual with a disability to bring another individual to interpret, and may rely on a person accompanying a disabled individual only in limited circumstances. When a Contractor communicates with applicants and beneficiaries by telephone, it must provide text telephone services (TTY) or have access to an equally effective electronic telecommunications system to communicate with individuals who are deaf, hard of hearing, or hearing impaired. Contractors must also ensure that interested persons, including persons with impaired vision or hearing, can obtain information as to the existence and location of accessible services, activities, and facilities. For more information, please visit the ADA website: <http://www.ada.gov>.

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

- a. No Federal agency may enter into any contract with any person who is convicted of any offense under section 113(c) for the procurement of goods, materials, and services to perform such contract at any facility at which the violation which gave rise to such conviction occurred if such facility is owned, leased, or supervised by such person. The prohibition in the preceding sentence shall continue until the Administrator certifies that the condition giving rise to such a conviction has been corrected. For convictions arising under section 113(c)(2), the condition giving rise to the conviction also shall be considered to include any substantive violation of this Act associated with the violation of 113(c)(2). The Administrator may extend this prohibition to other facilities owned or operated by the convicted person.
- b. The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a).
- c. In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's air, the President shall, not more than 180 days after enactment of the Clean Air Amendments of 1970 cause to be issued an order (1) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and (2) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.
- d. The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.
- e. The President shall annually report to the Congress on measures taken toward implementing the purpose and intent of this section, including but not limited to the progress and problems associated with implementation of this section. [42 U.S.C. 7606]





The County of Lee North Carolina

Vendor/Contractor Name: \_\_\_\_\_  
\_\_\_\_\_

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

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

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

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

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

Wanda Marsh  
Signature

Wanda Marsh  
Printed Name

4-26-2023  
Date

Program Director  
Printed Title

CONTRACT PROVIDER NAME: Christian Healthcare Adult Daycare

CONTRACT NUMBER: \_\_\_\_\_

CONTRACT PERIOD: July 1, 2023 - June 30, 2024

PROVIDER'S FISCAL YEAR: \_\_\_\_\_ January 1, 2023 - December 31, 2023

**CONTRACT DETERMINATION QUESTIONNAIRE  
(PURCHASE OF SERVICE VS. FINANCIAL ASSISTANCE)**

Instructions: Enter 5 points for each factor in either the yes or no column. Once the entire list has been completed tally the points in each column. The column with the most points should be a good indicator of the designation of the organization--either Financial Assistance (Grant) or Vendor (Purchase of Service).

| Determination Factors  | 5 points                    | 5 points                  |
|--|-----------------------------|---------------------------|
|  | Financial Assistance<br>YES | Purchase of Service<br>NO |
| 1 Does the provider determine eligibility?   |                             | ✓                         |
| 2 Does the provider provide administrative functions such as Develop program standards procedures and rules?               |                             | ✓                         |
| 3 Does the provider provide administrative functions such as Program Planning?   |                             | ✓                         |
| 4 Does the provider provide administrative functions such as Monitoring?   |                             | ✓                         |
| 5 Does the provider provide administrative functions such as Program Evaluation?   |                             | ✓                         |
| 6 Does the provider provide administrative functions such as Program Compliance?   |                             | ✓                         |
| 7 Is provider performance measured against whether specific objectives are met?  |                             | ✓                         |
| 8 Does the provided have responsibility for programmatic decision making?  |                             | ✓                         |
| 9 Is the provider objective to carry out a public purpose to support an overall program objective?                         |                             | ✓                         |
| 10 Does the provider have to submit a cost report to satisfy a cost reimbursement arrangement?                             | ✓                           |                           |
| 11 Does the provider have any obligation to the funding authority other than the delivery of the specified goods/services? |                             | ✓                         |
| 12 Does the provider operate in a noncompetitive environment?  |                             | ✓                         |
| 13 Does the provider provide these or similar goods and/or services only to the funding agency?                            |                             | ✓                         |
| 14 Does the provide these or similar goods and/or services outside normal business operations?                             |                             | ✓                         |
| <b>TOTAL</b>   | <b>0</b>                    | <b>0</b>                  |

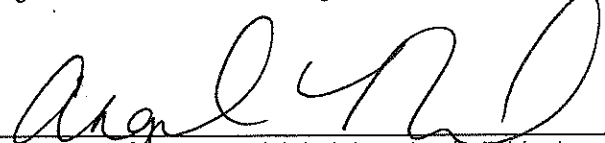
Note: The authorized individual(s) must place an X in one of the boxes below to indicate the type of contractual arrangement for this contract , then sign and date where indicated.

FINANCIAL ASSISTANCE

PURCHASE SERVICE

Signature of Authorized Programmatic Individual

DATE

  
Signature of Authorized Administrative Individual

5/1/2023  
DATE

# CAPITAL AREA WORKFORCE DEVELOPMENT CONSORTIUM AGREEMENT

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## ARTICLE I. TITLE AND PURPOSE

The contiguous units of local government listed below agree to establish a consortium to act jointly as a local Workforce Development Area under the Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128 as enacted July 22, 2014. This consortium shall be known as the Capital Area Workforce Development.

## ARTICLE II. MEMBERSHIP

The Consortium shall be composed of the following independent and contiguous units of general-purpose local government:

County of Wake  
County of Johnston  
County of Lee  
County of Chatham  
County of Orange

## ARTICLE III. CERTIFICATION OF AUTHORITY

### 1. AUTHORITY UNDER STATE AND LOCAL LAW

The member units of government certify that they possess full legal authority, as provided by state and local law, to enter into this agreement and to fulfill the legal and financial requirements of operating as a local Workforce Development Area under the Workforce Innovation and Opportunity Act for the entire geographic area covered by this agreement.

### 2. SPECIFIC RESOLUTIONS TO ENTER INTO AGREEMENT

A copy of each duly executed resolution giving the respective counties specific authority to enter into this consortium agreement will be attached to this document and are incorporated herein by reference (optional).

### 3. DESIGNATION OF CHIEF ELECTED OFFICIALS FROM EACH MEMBER UNIT OF GOVERNMENT

Each member unit of government designates as chief elected official for Workforce Innovation and Opportunity Act purposes, upon whose representations the State, the Workforce Development Board, the administrative entity, and the other member units may rely, the duly elected Chairman of each respective County Board of Commissioners. Such person shall be the signatory of this agreement and shall be authorized to execute such other agreements as are necessary for Workforce Innovation and Opportunity Act purposes.

### 4. DESIGNATION OF CHIEF ELECTED OFFICIAL FOR LOCAL WORKFORCE DEVELOPMENT AREA

# CAPITAL AREA WORKFORCE DEVELOPMENT CONSORTIUM AGREEMENT

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The member units provide that the Chairman of the Wake County Board of Commissioners shall be authorized to exercise the functions of the local area chief elected official which are required under the Workforce Innovation and Opportunity Act.

## ARTICLE IV. DURATION

This agreement will become effective on July 1, 2023 or the date of the last chief elected official's signature (whichever is the later date) and shall continue in effect until the local Workforce Development Area is re-designated by the Governor of North Carolina or by termination of this Agreement by a member unit of government as provided for in Article XI.

## ARTICLE V. ASSURANCES AND CERTIFICATIONS

The member units will comply with the requirements of the Workforce Innovation and Opportunity Act, and regulations promulgated thereunder, all other applicable federal regulations, the statutes of the State of North Carolina, and written directives and instructions relevant to local workforce development area operation from the Governor of North Carolina or his/her designee.

## ARTICLE VI. FINANCING

1. It is anticipated that funding necessary to implement this agreement will be derived from federal grant funds received through the Governor.
2. The units of local government acknowledge that they are jointly and severally accountable for liabilities arising out of activities under the Workforce Innovation and Opportunity Act, and all funds received by the local workforce development area pursuant to WIOA. Liability includes, but is not limited to, responsibility for prompt repayment from non-program funds of any disallowed costs by the administrative entity of the local workforce development area, or any of its sub-recipients or contractors, or the Workforce Development Board.
3. Any entity or joint agency created or designated by this local workforce development area, including the Workforce Development Board, and Administrative Entity, shall be considered a public agency for the purposes of the Local Government Budget and Fiscal Control Act.

## ARTICLE VII. ESTABLISHMENT OF A WORKFORCE DEVELOPMENT BOARD

The member units of government agree that the Workforce Development Board shall be established in accordance with Section 107 of the Workforce Innovation and Opportunity Act and applicable State of North Carolina laws including G.S. 143B-438.11.

The Chief Elected Official, as noted in Article III. 4., shall appoint members of the Workforce Development Board from among persons nominated in accordance with the Workforce Innovation and Opportunity Act.

# CAPITAL AREA WORKFORCE DEVELOPMENT CONSORTIUM AGREEMENT

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## ARTICLE VIII. APPOINTMENT OF PERSONNEL

Appointment of personnel shall follow the Wake County Government hiring and recruitment process for regular full-time staff.

## ARTICLE IX. REAL PROPERTY, EQUIPMENT AND SUPPLIES

The Capital Area Workforce Development Consortium will follow all Workforce Innovation and Opportunity Act requirements governing the title, use and disposition of real property, equipment and supplies purchased with federal funds,

## ARTICLE X. AMENDMENTS

The agreement may be amended at any time upon the consent of all the parties as evidenced by resolution of the governing bodies of each member government and as approved by the State.

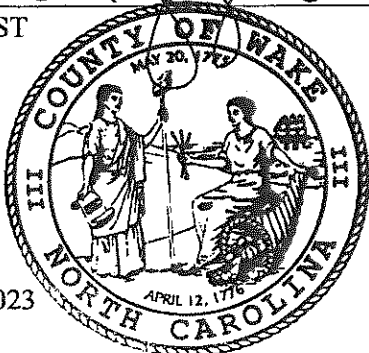
## ARTICLE XI. TERMINATION

The parties to this agreement may request termination at any time upon six months prior written notice, such termination to be effective when the Governor considers local Workforce Development Area re-designations or at the end of the then current grant administration agreement program year.

\_\_\_\_\_  
ATTEST

*Lyone G. Lind*  
\_\_\_\_\_  
ATTEST

5/01/2023



\_\_\_\_\_  
(Signature) Date

**R.S. Lawter, Jr.**

Chairman,  
Johnston County Board of Commissioners

*Shinica Thomas*  
\_\_\_\_\_  
(Signature) Date

**Shinica Thomas**

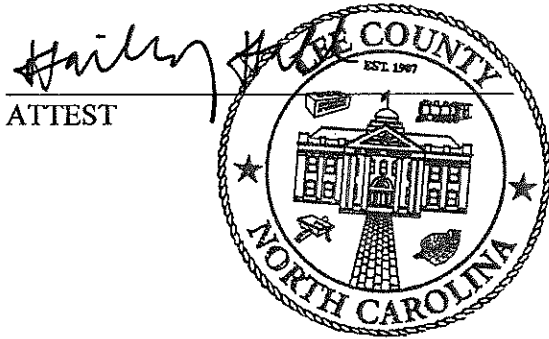
Chairman,  
Wake County Board of Commissioners

\_\_\_\_\_  
(Signature) Date

CAPITAL AREA WORKFORCE DEVELOPMENT CONSORTIUM  
AGREEMENT

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Kirk D. Smith 05/16/2023  
(Signature) Date



**Kirk D. Smith**  
Chairman,  
Lee County Board of Commissioners

\_\_\_\_\_  
(Signature) Date

**Karen Howard**  
Chairman,  
Chatham County Board of Commissioners

\_\_\_\_\_  
ATTEST

\_\_\_\_\_  
(Signature) Date

**Jamezetta Bedford**  
Chairman,  
Orange County Board of Commissioners

\_\_\_\_\_  
ATTEST

\_\_\_\_\_  
(Signature) Date

**Contract # 1 23-24 Fiscal Year Begins July 1, 2023 Ends June 30, 2024**

This contract is hereby entered into by and between the Lee County Department of Social Services (the "County") and COLTS (the "Contractor") (referred to collectively as the "Parties"). The Contractor's federal tax identification number or Social Security Number is \_\_\_\_\_ and DUNS Number (required if funding from a federal funding source).

**1. Contract Documents:** This Contract consists of the following documents:

- (1) This contract
- (2) The General Terms and Conditions (Attachment A)
- (3) The Scope of Work, description of services, and rate (Attachment B)
- (4) Combined Federal Certifications (Attachment C)
- (5) Conflict of Interest Policy (Attachment D)
- (6) No Overdue Taxes (Attachment E)
- (7) *If applicable*, HIPAA Business Associate Addendum (checklist and forms) (Attachment I)
- (8) Certification of Transportation (Attachment J)
- (9) *If applicable*, IRS federal tax exempt letter or 501(c)3 (Attachment K) <http://www.irs.gov/pub/irs-fill/k1023.pdf>
- (10) Certain Reporting and Auditing Requirements (Attachment L)
- (11) State Certification (Attachment M)
- (12) Attachment N - Non-Discrimination, Clean Air, Clean Water
- (16) Contract Determination Questionnaire (required)

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

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

**3. Effective Period:** This contract shall be effective on July 1, 2023 and shall terminate on June 30, 2024. This contract must be twelve months or less.

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

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

a. There are no matching requirements from the Contractor.

b. The Contractor's matching requirement is \$ \_\_\_\_\_, which shall consist of:

|   |  |
|---|--|
| <input type="checkbox"/> In-kind          | <input type="checkbox"/> Cash                |
| <input type="checkbox"/> Cash and In-kind | <input type="checkbox"/> Cash and/or In-kind |

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

**6. Reversion of Funds:**

Any unexpended grant funds shall revert to the County Department of Social Services/Human Services upon termination of this contract.

Requirements:

(06/15)

Contractor shall comply with audit requirements as described in N.C.G.S. § 143C-6-22 & 23 and OMB Circular- CFR Title 2 Grants and Agreements, Part 200, and shall disclose all information required by 42 USC 455.104, or 42 USC 455.105, or 42 USC 455.106.

**8. Payment Provisions:**

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

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

**For the County:**

| IF DELIVERED BY US POSTAL SERVICE | IF DELIVERED BY ANY OTHER MEANS    |
|-----------------------------------|------------------------------------|
| Name & Title                      | Name & Title Angelina Noel         |
| County                            | County Lee                         |
| Mailing Address                   | Street Address 530 Carthage Street |
| City, State, Zip                  | City, State, Zip Sanford, NC 27330 |
| Telephone                         |                                    |
| Fax                               |                                    |
| Email                             |                                    |

**For the Contractor:**

| IF DELIVERED BY US POSTAL SERVICE | IF DELIVERED BY ANY OTHER MEANS            |
|-----------------------------------|--|
| Name & Title                      | Name & Title Deborah Davidson              |
| Company Name                      | Company Name COLTS                         |
| Mailing Address                   | Street Address 1615 S. 3 <sup>rd</sup> St. |
| City State Zip                    | City State Zip Sanford, NC 27330           |
| Telephone                         |  |
| Fax                               |  |
| Email                             |  |

**10. Supplementation of Expenditure of Public Funds:**

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

**11. Disbursements:**

As a condition of this contract, the Contractor acknowledges and agrees to make disbursements in accordance with the following requirements:

- (a) Implement adequate internal controls over disbursements;
- (b) Pre-audit all vouchers presented for payment to determine:
  - Validity and accuracy of payment
  - Payment due date
  - Adequacy of documentation supporting payment
  - Legality of disbursement
- (c) Assure adequate control of signature stamps/plates;
- (d) Assure adequate control of negotiable instruments; and
- (e) Implement procedures to insure that account balance is solvent and reconcile the account monthly.



**12. Outsourcing to Other Countries:**

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

**13. Federal Certifications:**


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

**14. Specific Language Not Previously Addressed:**

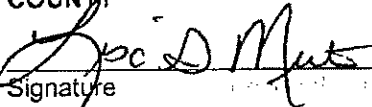
*( can be delted if not needed)*

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

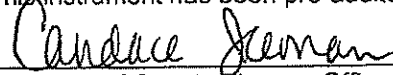
The Contractor and the County have executed this contract in duplicate originals, with one original being retained by each party.


05/02/2023  
 \_\_\_\_\_  
 Signature Date  
 Kirk D. Smith COMMISSION CHAIRMAN  
 \_\_\_\_\_  
 Printed Name Title

COUNTY


5/23/23  
 \_\_\_\_\_  
 Signature Date  
 Lisa G. Minter County Manager  
 \_\_\_\_\_  
 Printed Name Title

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


5/11/23  
 \_\_\_\_\_  
 Signature of County Finance Officer Date

## GENERAL TERMS AND CONDITIONS

### Relationships of the Parties

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

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

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

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

### Indemnity and Insurance

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

performance of this contract to the extent permitted by law.

### Default and Termination

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

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

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

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

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

**Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations,

guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

### **Intellectual Property Rights**

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

### **Compliance with Applicable Laws**

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

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

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

### **Confidentiality**

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

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

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

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

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

### **Oversight**

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

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

## Miscellaneous

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

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

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

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

**Gender and Number:** Masculine pronouns shall be read to include feminine pronouns and the singular of any word

or phrase shall be read to include the plural and vice versa.

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

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

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

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

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

**Advertising:** The Contractor shall not use the award of this contract as a part of any news release or commercial advertising.

ATTACHMENT B – Scope of Work

Federal Tax Id. or SSN 56-6000313  
Contract #

A. CONTRACTOR INFORMATION

1. Contractor Agency Name: COLTS

2. *If different* from Contract Administrator Information in General Contract:

Address 1615 Third Street

Sanford, NC 27330

Telephone Number: 919-776-0501 Fax Number: 919-774-7593 Email:

ddavidson@leecountync.gov

3. Name of Program (s): NEMT

4. Status:  Public  Private, Not for Profit  Private, For Profit

5. Contractor's Financial Reporting Year 2021 through 2024

B. Explanation of Services to be provided and to whom (include SIS Service Code):  
Emergency Medical Transportation

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

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

2. Negotiated County Rate.

\$2.50 Per mile – Lee County

Out of Town Medical – Chapel Hill, Raleigh, Durham, Southern Pines - \$40.00

per trip per person

Other locations negotiated at the time of scheduling

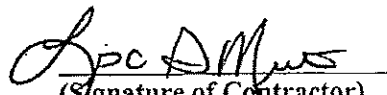
D. Number of units to be provided: TBD

E. Details of Billing process and Time Frames; NC Tracks Weekly

F. Area to be served/Delivery site(s): Lee and surrounding counties

  
(Signature of County Authorized Person)

05/02/2023  
(Date Submitted)

  
(Signature of Contractor)

5/23/23  
(Date Submitted)

## FEDERAL CERTIFICATIONS

The undersigned states that:

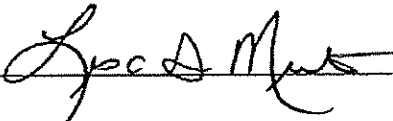

1. He or she is the duly authorized representative of the Contractor named below;
2. He or she is authorized to make, and does hereby make, the following certifications on behalf of the Contractor, as set out herein:
  - a. The Certification Regarding Nondiscrimination;
  - b. The Certification Regarding Drug-Free Workplace Requirements;
  - c. The Certification Regarding Environmental Tobacco Smoke;
  - d. The Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions; and
  - e. The Certification Regarding Lobbying;
3. He or she has completed the Certification Regarding Drug-Free Workplace Requirements by providing the addresses at which the contract work will be performed;
4. [Check the applicable statement]

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

OR

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

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

Signature    
Contractor Name Lisa G. Minter Date 5/20/23

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

### I. Certification Regarding Nondiscrimination

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

## II. Certification Regarding Drug-Free Workplace Requirements

1. The Contractor certifies that it will provide a drug-free workplace by:
  - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - b. Establishing a drug-free awareness program to inform employees about:
    - i. The dangers of drug abuse in the workplace;
    - ii. The Contractor's policy of maintaining a drug-free workplace;
    - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c. Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (a);
  - d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the agreement, the employee will:
    - i. Abide by the terms of the statement; and
    - ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
  - e. Notifying the Department within ten days after receiving notice under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction;
  - f. Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
    - i. Taking appropriate personnel action against such an employee, up to and including termination; or
    - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
  - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
2. The sites for the performance of work done in connection with the specific agreement are listed below (list all sites; add additional pages if necessary):

### Address

Street 1807 Douglas Dr.

City, State, Zip Code Sanford NC 27350

Street \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

3. Contractor will inform the Department of any additional sites for performance of work under this agreement.
4. False certification or violation of the certification may be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment. 45 C.F.R. 82.510.

### **III. Certification Regarding Environmental Tobacco Smoke**

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

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

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

#### **Instructions**

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

1. By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549, 45 CFR Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.



8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

#### **Certification**

1. **The prospective lower tier participant certifies**, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **V. Certification Regarding Lobbying**

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federally funded contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form SF-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) who receive federal funds of \$100,000.00 or more and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

#### **VI. Disclosure Of Lobbying Activities**

##### **Instructions**

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

Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

1. Identify the status of the covered Federal action.
2. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
3. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
4. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
5. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
6. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
7. Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
8. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
9. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
10. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
11. Check the appropriate boxes. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
12. Check the appropriate boxes. Check all boxes that apply. If other, specify nature.
13. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
14. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
15. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

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



CONFLICT OF INTEREST ACKNOWLEDGEMENT AND POLICY

State of \_\_\_\_\_

County \_\_\_\_\_

I, \_\_\_\_\_, Notary Public for said County and State, certify that

\_\_\_\_\_ personally appeared before me this day and acknowledged

that he/she is \_\_\_\_\_ of \_\_\_\_\_ [name of Organization]

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

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Official Seal)

Notary Public

My Commission expires \_\_\_\_\_, 20 \_\_\_\_

**Instruction for Organization:**

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

\_\_\_\_\_  
Name of Organization

\_\_\_\_\_  
Signature of Organization Official

## Conflict of Interest Policy Example

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

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

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

C. No Board member or other governing person, officer, employee, or agent of the Organization shall participate in the selection, award, or administration of a purchase or contract with a vendor where, to his knowledge, any of the following has a financial interest in that purchase or contract:

1. The Board member or other governing person, officer, employee, or agent;
2. Any member of their family by whole or half blood, step or personal relationship or relative-in-law;
3. An organization in which any of the above is an officer, director, or employee;
4. A person or organization with whom any of the above individuals is negotiating or has any arrangement concerning prospective employment or contracts.

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

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

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

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

G. Record of Conflict -- The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement that presents a possible conflict of interest, the content of the discussion, including any alternatives to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Approved by:

##ContractorName##

Name of Organization

---

Signature of Organization Official

---

Date

## State Grant Certification – No Overdue Tax Debts

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

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

*COLTS - County of Lee Transit System*  
**Date of Certification**

To: State Agency Head and Chief Fiscal Officer

**Certification:**

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

**Sworn Statement:**

[Name of Board Chair] and [Name of Second Authorizing Official] being duly sworn, say that we are the Board Chair and [Title of the Second Authorizing Official], respectively, of [insert name of organization] of [City] in the State of [Name of State]; and that the foregoing certification is true, accurate and complete to the best of our knowledge and was made and subscribed by us. We also acknowledge and understand that any misuse of State funds will be reported to the appropriate authorities for further action.

*[Signature]*  
Board Chair  
*COMMISSION CHAIRMAN*  
[Title of Second Authorizing Official]

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

*[Signature]*  
\_\_\_\_\_  
(Notary Signature and Seal)

My Commission Expires: *3-2-2025*

Simone Ross  
NOTARY PUBLIC  
Lee County, NC  
My Commission Expires March 02, 2025

If there are any questions, please contact the state agency that provided your grant. If needed, you may contact the  
Carolina Office of State Budget and Management:  
NCGrants@osbm.nc.gov-(919)807-4795

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

This document will be used to determine if you have a business associate relationship with a contractor. This form should be completed on all contracts that have a HIPAA covered health care component. This would include all health related information.

Contractor: COLTS Contract Number: \_\_\_\_\_ Date: \_\_\_\_\_

## HIPAA ASSESSMENT FORM

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



|  |   |  |
|--|---|--|
| <p>component that is directly related to the covered health component's continued operation?</p>   | <input type="checkbox"/> Patient Accounts Billing<br><input type="checkbox"/> Claims Processing<br><input type="checkbox"/> Claims Administration<br><input type="checkbox"/> Bill Collections<br><input type="checkbox"/> Professional Services<br><input type="checkbox"/> Special Population Assessments<br><input type="checkbox"/> Data Analysis<br><input type="checkbox"/> Data Processing<br><input type="checkbox"/> Data Administration<br><input type="checkbox"/> JCAHO<br><input type="checkbox"/> Council on Accreditation<br><input type="checkbox"/> Re-pricing<br><input type="checkbox"/> Rate Setting<br><input type="checkbox"/> Practice Management<br><input type="checkbox"/> Software Support<br><input type="checkbox"/> Utilization Review<br><input type="checkbox"/> Quality Assurance<br><input type="checkbox"/> Contract Analysis<br><input type="checkbox"/> Central Office Supervision<br><input type="checkbox"/> Security<br><input type="checkbox"/> Dietary<br><input type="checkbox"/> Machine Maintenance<br><input type="checkbox"/> Facility Maintenance<br><input type="checkbox"/> Landscaping<br><input type="checkbox"/> Housekeeping<br><input type="checkbox"/> Hardware Support<br><input type="checkbox"/> Audits/Surveys<br><input type="checkbox"/> Purchasing | <p>health information, is provided by the contractor. This constitutes a business associate relationship as such information must be protected the same as required of the HIPAA covered health care component. There are two types of business associate relationships: External Business Associate relationships: You have indentified an External business associate relationship if you are contracting with any entity outside city, county or state government. A <u>Business Associate Addendum</u> must be signed and included with the contract. If you are completing a Memorandum of Agreement (MOA) with a governmental entity the <u>Government Associate Addendum</u> must be utilized.<br/> NO—STOP. There is no business associate relationship.</p> |
| <p><b>ADDITIONAL REQUIRMENTS</b></p>   |   |  |
| <p><b>NOTE:</b> Make sure all county requirements are met for internally notifying the correct parties for External and Internal Business Associates</p> |   |  |

Rev: 7-1-2013

ATTACHMENT J

CERTIFICATION REGARDING TRANSPORTATION

Lee County Department of Social Services/Human Services

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

1. Insuring that all drivers (including employees, contractors, contractor's employees, and volunteers) shall be at least 18 years of age;
2. Insuring that all drivers (including employees, contractors, contractor's employees, and volunteers) shall be licensed to operate the specific vehicle used in transporting clients in accordance with Chapter 20-7 of the General Statutes of North Carolina and the Division of Motor Vehicle requirements;
3. Insuring that all vehicles transporting clients shall have at least the minimum level of liability insurance appropriate for the type of vehicle as defined by Article 7, Rule R2-36 of the North Carolina Utilities Commission;
4. Insuring that the contractor shall have written policies and procedures regarding how drivers handle and report client emergencies and/or vehicle crashes involving clients to contractor and how contractor notifies the Lee County Department of Social Services;
5. Insuring that no more than one quarter of one percent of all trips be missed by the contractor during the course of the contract period; *(Medicaid only)*
6. Insuring that that no more than five percent (5%) of trips should be late for recipient drop off to their appointment per month; *(Medicaid only)*
7. Contractor will maintain records documenting the following *(County may require contractor to provide)*:
  - a. Valid current copies of Drivers License for all drivers;
  - b. Current valid Vehicle Registration, for all vehicles transporting clients;
  - c. Driving records for all drivers for the past three years and with annual updates;
  - d. Criminal Background checks through North Carolina Law Enforcement or NCIC prior to employment and every three years thereafter;
  - e. Alcohol and Drug Testing policy to meet the Federal Transit Authority guidelines.
8. Disclosing, at the outset of the contract, upon renewal and upon request, any criminal convictions or other reasons for disqualifications from participation in Medicare, Medicaid or Title XX programs *(signature on this form confirms this statement)*.

*Kim D. Smith*  
Signature

COMMISSION CHAIRMAN  
Title

LEE COUNTY  
Agency/Organization

05/02/2023  
Date

(Certification signature should be same as Contract signature.)

## ATTACHMENT K

### What is a Private Non Profit Agency?

**Answer:** A private non profit is an organization that is incorporated under State law and whose purpose is not to make a profit, but rather to further a charitable, civic, religious, scientific, or other lawful purpose. The Secretary of State's office grants corporate status to organizations in North Carolina.

### What is a 501(c)(3) designation?

**Answer:** When the agency becomes a state private non profit corporation, it can then apply for 501(c)(3) designation through the IRS. Once the IRS grants 501(c)(3) status, the organization is exempt from certain taxes and any donations to the charitable organization are tax deductible. Many individuals and organizations prefer to make donations to 501(c)(3) private non profits.

### Who can obtain a 501(c)(3) designation?

**Answer:** Any organization or group can apply for 501(c)(3) status, provided their charter or mission focuses on the non profit's objective.

Another option is to apply for a 509(a)(1) status which falls under the 501(c)(3) umbrella. Being a 509(a)(1) designates an organization as a tax-free public charity that receives most of its support from a governmental unit or from the general public. Becoming a 509(a)(1) provides public recognition of tax-exempt status, advance assurance to donors of deductibility of contributions, exemption from certain State and federal taxes, and non profit mailing privileges. Organizations that typically qualify are churches, educational institutions, hospitals, and governmental units.

### How does a Private Non Profit obtain Tax Exempt Status?

EO Web Site [[www.irs.gov/eo](http://www.irs.gov/eo)]

#### IRS TE/GE Customer Service

You may direct technical and procedural questions concerning charities and other nonprofit organizations, including questions about your tax-exempt status and tax liability, to the IRS Tax Exempt and Government Entities Customer Account Services at (877) 829-5500 (toll-free number).

If you prefer to write, you may write at:

Internal Revenue Service  
Exempt Organizations Determinations  
P.O. Box 2508  
Cincinnati, OH 45201

You may also contact the Taxpayer Advocate Service, an independent organization within the IRS that helps taxpayers resolve problems with the IRS and recommends changes that will prevent problems.

A private non profit must apply to the IRS for tax exempt status. To qualify, applicants must complete and submit to the IRS Form 1023. Once federal tax exempt status is granted, the private non profit applies for State tax exempt status by completing Form CD-435 and submitting it to the N. C. Department of Revenue.

### What must a County Department of Social Services/Human Services do?

**Answer:** Verify the Tax Exempt Letter. Check date for expiration and check if current address of agency is reflected.

CONTRACT PROVIDER NAME: COLTS  
 CONTRACT NUMBER: N/A  
 CONTRACT PERIOD: FY 23-24  
 PROVIDER'S FISCAL YEAR: 23-24

**CONTRACT DETERMINATION QUESTIONNAIRE  
 (PURCHASE OF SERVICE VS. FINANCIAL ASSISTANCE)**

Instructions: Enter 5 points for each factor in either the yes or no column. Once the entire list has been completed tally the points in each column. The column with the most points should be a good indicator of the designation of the organization--either Financial Assistance (Grant) or Vendor (Purchase of Service).

| Determination Factors  | 5 points                    | 5 points                  |
|--|-----------------------------|---------------------------|
|  | Financial Assistance<br>YES | Purchase of Service<br>NO |
| 1 Does the provider determine eligibility?   |                             | X                         |
| 2 Does the provider provide administrative functions such as Develop program standards procedures and rules?               |                             | X                         |
| 3 Does the provider provide administrative functions such as Program Planning?   |                             | X                         |
| 4 Does the provider provide administrative functions such as Monitoring?   |                             | X                         |
| 5 Does the provider provide administrative functions such as Program Evaluation?   |                             | X                         |
| 6 Does the provider provide administrative functions such as Program Compliance?   |                             | X                         |
| 7 Is provider performance measured against whether specific objectives are met?  |                             | X                         |
| 8 Does the provided have responsibility for programmatic decision making?  |                             | X                         |
| 9 Is the provider objective to carry out a public purpose to support an overall program objective?                         |                             | X                         |
| 10 Does the provider have to submit a cost report to satisfy a cost reimbursement arrangement?                             |                             | X                         |
| 11 Does the provider have any obligation to the funding authority other than the delivery of the specified goods/services? |                             | X                         |
| 12 Does the provider operate in a noncompetitive environment?  |                             | X                         |
| 13 Does the provider provide these or similar goods and/or services only to the funding agency?                            |                             | X                         |
| 14 Does the provide these or similar goods and/or services outside normal business operations?                             |                             | X                         |
| <b>TOTAL</b>   | <b>0</b>                    | <b>70</b>                 |

Note: The authorized individual(s) must place an X in one of the boxes below to indicate the type of contractual arrangement for this contract , then sign and date where indicated.

FINANCIAL ASSISTANCE

PURCHASE SERVICE

Signature of Authorized Programmatic Individual

*Angel M. O.*

Signature of Authorized Administrative Individual

DATE

*5/23/2023*

DATE

## State Certifications

### Contractor Certifications Required by North Carolina Law

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

- Article 2 of Chapter 64: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter\\_64/Article\\_2.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf)
- G.S. 133-32: <http://www.nega.state.nc.us/gascrpts/statutes/statutelookup.pl?statute=133-32>
- Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009): <http://www.ethicscommission.nc.gov/library/pdfs/Laws/EO24.pdf>
- G.S. 105-164.8(b): [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_105/GS\\_105-164.8.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf)
- G.S. 143-48.5: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-48.5.html](http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html)
- G.S. 143-59.1: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.1.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf)
- G.S. 143-59.2: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.2.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf)
- G.S. 143-133.3: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-133.3.html](http://www.nega.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-133.3.html)
- G.S. 143B-139.6C: [http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143B/GS\\_143B-139.6C.pdf](http://www.nega.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143B/GS_143B-139.6C.pdf)

#### Certifications

- (1) Pursuant to G.S. 133-32 and Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009), the undersigned hereby certifies that the Contractor named below is in compliance with, and has not violated, the provisions of either said statute or Executive Order.
- (2) Pursuant to G.S. 143-48.5 and G.S. 143-133.3, the undersigned hereby certifies that the Contractor named below, and the Contractor's subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)
- (3) Pursuant to G.S. 143-59.1(b), the undersigned hereby certifies that the Contractor named below is not an "ineligible Contractor" as set forth in G.S. 143-59.1(a) because:
- (a) Neither the Contractor nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); and
- (b) [check one of the following boxes]
- Neither the Contractor nor any of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001; or
- The Contractor or one of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 but the United States is not the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.
- (4) Pursuant to G.S. 143-59.2(b), the undersigned hereby certifies that none of the Contractor's officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.
- (5) Pursuant to G.S. 143B-139.6C, the undersigned hereby certifies that the Contractor will not use a former employee, as defined by G.S. 143B-139.6C(d)(2), of the North Carolina Department of Health and Human Services in the administration of a contract with the Department in violation of G.S. 143B-139.6C and that a violation of that statute shall void the Agreement.
- (6) The undersigned hereby certifies further that:
- (a) He or she is a duly authorized representative of the Contractor named below;
- (b) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Contractor; and
- (c) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

Contractor's Name: \_\_\_\_\_

Contractor's Authorized Agent: Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

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

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

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

## ATTACHMENT N

Lee County Department of Social Services/Human Services

### CERTIFICATION REGARDING NONDISCRIMINATION, CLEAN AIR ACT, CLEAN WATER ACT

#### **Certification Regarding Nondiscrimination**

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

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

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

**The Contractor** should develop an implementing plan to address the language assistance needs of the LEP population served. This may include contracting for oral interpretation services, hiring bilingual staff, arranging telephone interpreters and/or language lines, coordinating community volunteers, translating vital documents, and providing written notice that language services are available in appropriate languages. Quality and accuracy of the language service is critical in order to avoid serious consequences to the LEP person and to the recipient. LEP needs should be considered in developing budgets and front line staff should understand how to obtain language assistance services. For additional assistance and information regarding LEP matters, please also visit <http://www.lep.gov>.

Ensuring Equal Opportunity Access for Persons with Disabilities: The Contractor must also ensure equal opportunity access for persons with disabilities. This includes ensuring that communications with applicants, participants, members of the public, and companions with disabilities are as effective as communications with people without disabilities. Contractors that do not provide persons with disabilities equal opportunity access to programs may risk violating prohibitions against disability discrimination in the Rehabilitation Act of 1978, the American with Disabilities Act (ADA) of 1990, as amended, and SNAP program regulations. DOJ published revised final regulations implementing Title II and Title III of the ADA on September 15, 2010. These regulations are codified at 28 CFR Part 35 "Nondiscrimination on the Basis of Disability in State and Local Government Services" and at 28 CFR Part 36 "Nondiscrimination on the Basis of Disability in Public Accommodations and Commercial Facilities". In accordance with the implementing regulations, Contractors must provide auxiliary aids and services where necessary to ensure effective communication and equal opportunity access to program benefits for individuals with disabilities. The type of auxiliary aids and services required will vary, but a Contractor may not require an individual with a disability to bring another individual to interpret, and may rely on a person accompanying a disabled individual only in limited circumstances. When a Contractor communicates with applicants and beneficiaries by telephone, it must provide text telephone services (TTY) or have access to an equally effective electronic telecommunications system to communicate with individuals who are deaf, hard of hearing, or hearing impaired. Contractors must also ensure that interested persons, including persons with impaired vision or hearing, can obtain information as to the existence and location of accessible services, activities, and facilities. For more information, please visit the ADA website: <http://www.ada.gov>.

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

- a. No Federal agency may enter into any contract with any person who is convicted of any offense under section 113(c) for the procurement of goods, materials, and services to perform such contract at any facility at which the violation which gave rise to such conviction occurred if such facility is owned, leased, or supervised by such person. The prohibition in the preceding sentence shall continue until the Administrator certifies that the condition giving rise to such a conviction has been corrected. For convictions arising under section 113(c)(2), the condition giving rise to the conviction also shall be considered to include any substantive violation of this Act associated with the violation of 113(c)(2). The Administrator may extend this prohibition to other facilities owned or operated by the convicted person.
  - b. The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a).
  - c. In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's air, the President shall, not more than 180 days after enactment of the Clean Air Amendments of 1970 cause to be issued an order (1) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and (2) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.
  - d. The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.
  - e. The President shall annually report to the Congress on measures taken toward implementing the purpose and intent of this section, including but not limited to the progress and problems associated with implementation of this section. [42 U.S.C. 7606]
- (Federal Certification-Non-Discrimination, Clean Air, Clean Water) (01/2018)Page 2 of 3

V. The Clean Water Act; 33 U.S.C. §1251 et seq. (1972)

- a. No Federal agency may enter into any contract with any person who has been convicted of any offense under Section 309(c) of this Act for the procurement of goods, materials, and services if such contract is to be performed at any facility at which the violation which gave rise to such conviction occurred, and if such facility is owned, leased, or supervised by such person. The prohibition in preceding sentence shall continue until the Administrator certifies that the condition giving rise to such conviction has been corrected.
- b. The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a) of this section.
- c. In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's water, the President shall, not more than 180 days after the enactment of this Act, cause to be issued an order:
  - (i) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and
  - (ii) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.
- d. The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.
- e. The President shall annually report to the Congress on measures taken in compliance with the purpose and intent of this section, including, but not limited to, the progress and problems associated with such compliance.
- f. No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.
- g. In paragraph (1), the term "commercial item" has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

Wm D. Smith  
Signature

COMMISSION CHAIRMAN  
Title

LEE COUNTY  
Agency/Organization

05/02/2023  
Date

(Certification signature should be same as Contract signature.)



The County of Lee North Carolina

Vendor/Contractor Name: County of Lee Transit System - COLTS

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

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

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

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

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

Kirk D. Smith  
Signature

KIRK D. SMITH  
Printed Name

05/02/2023  
Date

COMMISSION CHAIRMAN  
Printed Title



**RESOLUTION RATIFYING, ACCEPTING AND APPROVING THE AMENDED  
CHARTER RESOLUTION OF CENTRAL PINES REGIONAL COUNCIL (FORMERLY  
TRIANGLE J COUNCIL OF GOVERNMENTS)**

**WHEREAS**, the Councils of Governments system was created by the State of North Carolina in 1970 by Governor Bob Scott designating seventeen Regional Councils to serve across the state and Triangle J Council of Governments (TJCOG), formerly the Research Triangle Regional Planning Commission, as the regional entity serving Chatham, Durham, Johnston, Lee, Moore, Orange, and Wake counties, and the municipalities within those counties; and

**WHEREAS**, the TJCOG Board of Delegates approved an organization rebrand process in its Fiscal Year 2022-2023 budget to identify and implement a new name, logo, and brand for the organization, and rebranding consultant Carrboro Creative was selected to conduct the process in the Fall of 2022; and

**WHEREAS**, the proposed rebrand, including a name change from Triangle J Council of Governments to Central Pines Regional Council was presented to the TJCOG Officers, TJCOG Executive Committee, and TJCOG Board of Delegates in December, February, and March of 2023 for consideration; and

**WHEREAS**, the TJCOG Executive Committee and TJCOG Board of Delegates unanimously approved the name Central Pines Regional Council and approved a proposed amended charter to reflect this change; and

**WHEREAS**, the charter is TJCOG's governing document and must be endorsed by all member governments when they join the organization and by a minimum of 2/3 when amendments to the document are made; and

**NOW, THEREFORE, BE IT RESOLVED BY GOVERNING BODY** that the Lee County Board of Commissioners does hereby ratify, accept, and approve the amended Charter Resolution reflecting the organization's new name of Central Pines Regional Council. Further, the governing body authorizes that the new name will be effective July 1, 2023, or once 2/3 of the member governments approve the Charter amendment, if it is after July 1, 2023.

Presented this 15<sup>th</sup> day of May, 2023.

Kirk D. Smith, Chair  
Lee County Board of Commissioners

ATTEST:

Hailey Hall, Clerk to the Board



MEMO TO: LEE COUNTY BOARD OF COMMISSIONERS  
 FROM: LISA MINTER, LEE COUNTY MANAGER  
 SUBJECT: BUDGET AMENDMENT:# 5/15/23/15  
 DATE: May 15, 2023

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

| DEPARTMENT    | ACCOUNT #       | DESCRIPTION               | CURRENT BUDGET | CHANGE         | NEW BUDGET |
|---------------|-----------------|---------------------------|----------------|----------------|------------|
| Other Revenue | 1100-3930-38330 | Insurance Refund          | 43,134         | 20,655         | 63,789     |
| Fund Balance  | 1100-3990-39900 | Fund Balance Appropriated | 5,983,547      | 105,000        | 6,088,547  |
| TOTAL CHANGES |                 |                           |                | <u>125,655</u> |            |

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

| DEPARTMENT     | ACCOUNT #       | DESCRIPTION                 | CURRENT BUDGET | CHANGE         | NEW BUDGET |
|----------------|-----------------|-----------------------------|----------------|----------------|------------|
| Sheriff Office | 1100-4310-43310 | Maintenance- Vehicle        | 168,622        | 18,786         | 187,408    |
| Parks and Rec  | 1100-6120-43320 | Maintenance-Buildings       | 8,000          | 1,869          | 9,869      |
| Jail           | 1100-4320-43961 | Contracted Services Medical | 367,362        | 65,000         | 432,362    |
| Finance        | 1100-4130-46400 | Capital Outlay              | -              | 27,466         | 27,466     |
| Finance        | 1100-4130-46415 | Equipment < \$500           | 317            | 11,035         | 11,352     |
| Finance        | 1100-4130-44100 | Office Supply               | 3,500          | 1,499          | 4,999      |
| TOTAL CHANGES  |                 |                             |                | <u>125,655</u> |            |

  
 KIRK SMITH, CHAIR

  
 HAILEY HALL, CLERK TO THE BOARD



**APPLICATION  
PUBLIC SCHOOL BUILDING CAPITAL FUND  
NORTH CAROLINA EDUCATION LOTTERY**

Approved: \_\_\_\_\_

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

8

County: Lee County

Contact Person: Chris McNeill

LEA: Dr. Andy Bryan

Title: Director of Facilities & Mainten

Address: 106 Gordon St Sanford NC 27330

Phone: 919-776-4013

Project Title: Security, Camera, and Vape Detectors Purchase and Installation

Location: All Schools

Type of Facility: K-12

North Carolina General Statutes, Chapter 18C, provides that a portion of the proceeds of the North Carolina State Lottery Fund be transferred to the Public School Building Capital Fund in accordance with G.S. 115C-546.2. Further, G.S. 115C-546.2 (d) has been amended to include the following:

(3) No county shall have to provide matching funds...

(4) A county may use monies in this Fund to pay for school construction projects in local school administrative units and to retire indebtedness incurred for school construction projects.

(5) A county may not use monies in this Fund to pay for school technology needs.

As used in this section, "Public School Buildings" shall include only facilities for individual schools that are used for instructional and related purposes, and does not include central administration, maintenance, or other facilities. **Applications must be submitted within one year following the date of final payment to the Contractor or Vendor.**

Short description of Construction Project: Upgrade Camera system to a web servers at all schools and add Vape Detectors to Middle and High School

Estimated Costs:

|                              |       |           |                   |
|------------------------------|-------|-----------|-------------------|
| Purchase of Land             | _____ | \$        | _____             |
| Planning and Design Services | _____ |           | _____             |
| New Construction             | _____ |           | _____             |
| Additions / Renovations      | _____ |           | 500,000.00        |
| Repair                       | _____ |           | _____             |
| Debt Payment / Bond Payment  | _____ |           | _____             |
| <b>TOTAL</b>                 | _____ | <b>\$</b> | <b>500,000.00</b> |

Estimated Project Beginning Date: July 1, 2023

Est. Project Completion Date: June 30, 2025

We, the undersigned, agree to submit a statement of state monies expended for this project within 60 days following completion of the project.

The County Commissioners and the Board of Education do hereby jointly request approval of the above project, and request release of \$ 500,000.00 from the Public School Building Capital Fund (Lottery Distribution). We certify that the project herein described is within the parameters of G.S. 115C-546.

[Signature]  
(Signature — Chair, County Commissioners)

05/16/2023  
(Date)

[Signature]  
(Signature — Chair, Board of Education)

10 May 2023  
(Date)



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

Candace Icceman  
Candace Icceman, Finance Director

5/16/23  
Date

FY 2023 Application Public School Building Capital Fund - NC Educational Lottery



**PROCLAMATION RECOGNIZING THE SERVICE AND RETIREMENT OF  
SANDHILLS CENTER CHIEF EXECUTIVE OFFICER VICTORIA WHITT**

**WHEREAS**, Victoria Whitt graduated from Rockingham High School in 1972, then from St. Andrews Presbyterian College in 1976 with a Bachelor of Arts Degree in Religion and Philosophy and a Master of Public Administration from the University of North Carolina at Charlotte in 1994, attended the Mental Health Leadership Academy at the University of Chapel Hill and the Kenan Flagler School of Business in 2008 and 2009; and

**WHEREAS**, she worked as a Vocational Evaluator at the McLaurin Vocational Training Center from March 1977 until April 1980 when she became an Alternative Care Network Case Manager with the Sandhills Center/UNC Chapel Hill Research Project from April 1980 until August 1983; and

**WHEREAS**, Ms. Whitt moved into the Deinstitutionalization Program Director role at the Sandhills Center, the Coordinator of Psycho-Social Rehabilitation programs, the Coordinator of Outpatient Commitment efforts and processes, then the Hospital Liaison between Sandhills Center and all local and State psychiatric/substance abuse inpatient programs from August 1983 until April 1985; and

**WHEREAS**, she then became the Deinstitutionalization/Severe and Persistent Mental Illness Services Coordinator at Sandhills Center in April 1985 to September 1995, and assumed the role of Assistant Area Director until June 2003; and

**WHEREAS**, Ms. Whitt became the Chief Operating Officer/Deputy Area Director in June 2003 until September 2009 before assuming the duties of Interim Chief Executive Officer (CEO) September 2009 until February 2010 when she was appointed as CEO/Area Director of the Sandhills Center Managed Care Organization, Local Management Entity and Area Authority, which was the highest rated LME-MCO on the annual Provider Satisfaction Survey for five years; and

**WHEREAS**, as CEO, Ms. Whitt oversaw the purchase and building of administrative offices in Greensboro, West End and Asheboro; the building of Child and Adolescent Facility Based Crisis Centers in Greensboro and Rockingham; and the building and staffing of a Behavioral Health Urgent Care Center in Asheboro; and

**WHEREAS**, Ms. Whitt oversaw the administration of \$21,190,456, providing services to 1,054 Lee County residents seeking Behavioral Health Care in 2022; and

**WHEREAS**, it is the desire of the Lee County Board of Commissioners to recognize the achievements of Victoria Whitt for her dedicated service and many contributions to the Sandhills Center, as well as to the residents of Lee County; and

**NOW, THEREFORE, BE IT PROCLAIMED**, by the Lee County Board of Commissioners that it congratulates Victoria Whitt for a career in public service and a genuine interest in and concern for Lee County, and wishes her continued success in all her future endeavors, for both her and her family.

Presented this 15<sup>th</sup> day of May, 2023.

ATTEST:

Hailey Hall, Clerk to the Board



Kirk D. Smith, Chair  
Lee County Board of Commissioners



COMMERCIAL LEASE AGREEMENT  
(Single Tenant Facility)

(Note: This form is not intended to be used as a Sublease and SHOULD NOT be used in Sublease circumstances)

THIS COMMERCIAL LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between Lee County Growth V LLC, a(n) North Carolina limited liability company ("Landlord"), (individual or State of formation and type of entity)

whose address is PO Drawer 9, Sanford, NC 27331, and Lee County, a North Carolina body politic corporate in nature, and the City of Sanford, a(n) North Carolina municipal corporation ("Tenant"). (individual or State of formation and type of entity)

whose address is Lee County: 408 Summit Drive, Sanford, NC 27330; City of Sanford: 225 E. Weatherspoon Street, Sanford, NC 27330

If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of \_\_\_\_\_ (name(s) of guarantor(s)) attached hereto and incorporated herein by reference. (Note: Any guaranty should be prepared by an attorney at law.)

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**PREMISES**

1. Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property, including any improvements located thereon (hereinafter called the "Premises"), to wit:

(Address): 6000 Enterprise Park Drive, Sanford, North Carolina

All  A portion of the property in Deed Reference: Book 1686, Page No. 336, Lee County; consisting of approximately 17.693 acres.

Plat Reference: Lot(s) 6, Block or Section \_\_\_\_\_, as shown on Plat Book or Slide 2022 at Page(s) 55, Lee County, consisting of 17.693 acres.

If this box is checked, Premises shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference.

(For information purposes only, the tax parcel number of the Premises is: 9655-17-7408-00)

**Occupancy Limitation:** If this box is checked, notwithstanding any greater occupancy of the Premises which may be permitted by any law, statute, ordinance, regulation, rule (including rules enacted pursuant to any private use restrictions), as the same may be amended from time to time, Tenant shall not allow occupancy of the Premises to exceed \_\_\_\_\_ persons per \_\_\_\_\_ square feet in the Premises at any one time.

**TERM**

2. The term of this Lease shall commence on April 1, 2023 ("Lease Commencement Date"), and shall end at 11:59 p.m. (based upon the time at the locale of the Premises) on March 31, 2025, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least \_\_\_\_\_ days prior to the end of the then expiring term of this Lease, for \_\_\_\_\_ additional term(s) of \_\_\_\_\_ years each.



Tenant Initials [Signature] Landlord Initials [Signature]

If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least \_\_\_\_\_ days prior to the end of the then expiring term of this Lease, for additional term(s) as specified on Exhibit B.

**Option to Lease-** If this box is checked, Tenant, upon the payment of the sum of \$ \_\_\_\_\_ (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a period of \_\_\_\_\_ days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workmanlike manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Premises. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to the tenant at the Premises of any entry onto the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Premises (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period.

**RENTAL**

3. Beginning on April 1, 2023 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of \$425,000.00, payable in equal monthly installments of \$35,417.00, in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every \_\_\_\_\_ Lease Year Anniversary by \_\_\_\_\_% over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every \_\_\_\_\_ Lease Year Anniversary by the greater of: (i) \_\_\_\_\_ percent (\_\_\_\_\_% ) over the amount then payable hereunder, or, (ii) the percentage increase (but not any decrease) in the numerical index of the "Consumer Price Index for All Urban Consumers" (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") for the immediately preceding twelve (12) month period over the amount then payable hereunder.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every \_\_\_\_\_ Lease Year Anniversary by \$150,000.00 over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted as provided on Exhibit B.

If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:  
\_\_\_\_\_

Tenant Initials MB Landlord Initials [Signature]



**LATE CHARGES**

4. If Landlord fails to receive full rental payment within thirty (30) days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to five percent (5%) of the overdue amount or \$750.00 whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment. The parties agree there will be no penalty assessed to the April 2023 and May 2023 invoices due to the timing of approval and execution of the Lease.

**SECURITY DEPOSIT**

5. Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of \$N/A as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of the last monthly installment of rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this paragraph 5. If any of the rental or other charges or sums payable by Tenant shall be over-due and unpaid or should payments be made by Landlord on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant; and in such event Tenant upon demand shall restore the security deposit to the amount set forth above in this paragraph 5. In the event Tenant furnishes Landlord with proof that all utility bills and other bills of Tenant related to the Premises have been paid through the date of Lease termination, and performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provisions of this Lease.

If this box is checked, Agent shall hold the security deposit in trust and shall be entitled to the interest, if any, thereon.

**UTILITY BILLS/SERVICE CONTRACTS**

6. Landlord and Tenant agree that utility bills and service contracts ("Service Obligations") for the Premises shall be paid by the party indicated below as to each Service Obligation. In each instance, the party undertaking responsibility for payment of a Service Obligation covenants that they will pay the applicable bills prior to delinquency. The responsibility to pay for a Service Obligation shall include all metering, hook-up fees or other miscellaneous charges associated with establishing, installing and maintaining such utility or contract in said party's name. Within thirty (30) days of the Lease Commencement Date, Tenant shall provide Landlord with a copy of any requested Tenant Service Obligation information.

| <u>Service Obligation</u>               | <u>Landlord</u>                     | <u>Tenant</u>            | <u>Not Applicable</u>               |
|---|-------------------------------------|--------------------------|-------------------------------------|
| Sewer/Septic                            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Water                                   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Electric                                | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Gas                                     | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Telephone                               | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| HVAC (maintenance/service contract)     | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Elevator (including phone line)         | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Security System                         | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Fiber Optic                             | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Janitor/Cleaning                        | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Trash/Dumpster                          | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Landscaping/Maintenance                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| Sprinkler System (including phone line) | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Pest Control                            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
|   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            |
|   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            |
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|   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            |
|   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            |

Tenant Initials 1/9/23 Landlord Initials [Signature]

Landlord shall not be liable for injury to Tenant's business or loss of income therefrom or for damage that may be sustained by the person, merchandise or personal property of Tenant, its employees, agents, invitees or contractors or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of any utility installations, air conditioning system or other components of the Premises, except to the extent that such damage or loss is caused by Landlord's gross negligence or willful misconduct. Landlord represents and warrants that the heating, ventilation and air conditioning system(s) and utility installations existing as of the Lease Commencement Date shall be in good order and repair. Subject to the provisions of this paragraph 6, Landlord shall not be liable in damages or otherwise for any discontinuance, failure or interruption of service to the Premises of utilities or the heating, ventilation and air conditioning system(s) and Tenant shall have no right to terminate this Lease or withhold rental because of the same.

**RULES AND REGULATIONS**

7.  If this box is checked, the rules and regulations attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with all Rules and Regulations of Landlord in connection with the Premises which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided notice of such new Rules and Regulations is given to Tenant in writing and the same are not in conflict with the terms and conditions of this Lease.

**PERMITTED USES**

8. The permitted use of the Premises shall be: the uses permitted by the MOU described on Exhibit B attached hereto and incorporated herein by reference ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use. Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant at the Premises. At Tenant's sole expense, Tenant shall procure, maintain and make available for Landlord's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Tenant's business in the Premises. Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

**TAXES AND INSURANCE**

(Note: The following box should only be checked if there are no boxes checked below in paragraph 9.)  
 If this box is checked, Tenant shall have no responsibility to reimburse Landlord for taxes or insurance.

9. Landlord shall pay all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises and shall procure and pay for such commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises as Landlord in its reasonable discretion may deem appropriate. Tenant shall reimburse Landlord for all taxes and insurance as provided herein within fifteen (15) days after receipt of notice from Landlord as to the amount due. Tenant shall be solely responsible for insuring Tenant's personal and business property and for paying any taxes or governmental assessments levied thereon. Tenant shall reimburse Landlord for taxes and insurance during the term of this Lease, and any extension or renewal thereof. **If boxes are checked below, the manner of reimbursement shall be as indicated:**

**Taxes**

The amount by which all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year exceed all taxes on the Premises for the tax year \_\_\_\_\_; or

All taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year.

If the final Lease Year of the term fails to coincide with the tax year, then any excess for the tax year during which the term ends shall be reduced by the pro rata part of such tax year beyond the Lease term. If such taxes for the year in which the Lease terminates are not ascertainable before payment of the last month's rental, then the amount of such taxes assessed against the Premises for the previous tax year shall be used as a basis for determining the pro rata share, if any, to be paid by Tenant for that portion of the last Lease Year.

Tenant Initials [Signature] Landlord Initials [Signature]

- If this box is checked, Tenant shall reimburse Landlord for taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current tax payments for the Premises. Upon receipt of bills, statements or other evidence of taxes due, Landlord shall pay or cause to be paid the taxes. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of taxes paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by

Landlord. Landlord shall have no obligation to segregate or otherwise account for the tax reimbursements paid hereunder except as provided in this paragraph 9.

**Insurance**

- the excess cost of commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises over the cost of the first year of the Lease term for each subsequent year during the term of this Lease; or
- the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises.
- If this box is checked, Tenant shall reimburse Landlord for insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current insurance premiums for the Premises. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this paragraph 9.

Provided however, notwithstanding any provision of the foregoing, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Premises, Tenant shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

**INSURANCE; WAIVER; INDEMNITY**

10. (a) During the term of this Lease, Tenant may maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than N/A combined single limit, per occurrence, specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages. Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.

**REPAIRS BY LANDLORD**

11. Landlord agrees to keep in good repair the roof, foundation, structural supports and exterior walls of the buildings located on the Premises (exclusive of all glass and exclusive of all exterior doors) and, except as may be specifically allocated to Tenant in paragraph 12 herein, Landlord agrees to be responsible for capital replacements on the Premises; provided that Landlord shall not be responsible for repairs or capital replacements rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair or replace and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

(Note: Should Landlord and Tenant need to further detail the allocation of responsibility hereunder, the Special Stipulations box at the end of the Lease should be checked and such allocation should be specified on an Exhibit B.)

Tenant Initials [Signature] Landlord Initials [Signature]

**ADDITIONAL REPAIRS BY LANDLORD**

12. (a) Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Landlord, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises, (except those repairs expressly required to be made by Landlord hereunder), specifically including but not limited to any building and other improvements located thereon, all light bulb and ballast replacements, plumbing fixtures and systems repairs within the Premises and water heater repairs. Landlord further agrees to care for the grounds around the building, including the mowing of grass, care of shrubs and general landscaping. Tenant shall use only licensed contractors for any repairs made by Tenant where such license is required. Landlord shall have the right to approve the contractor as to any repairs in excess of \$0.00.

If this box is checked, Tenant, at its expense, shall maintain the heating, ventilation and air conditioning system(s) ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Tenant shall be required to maintain a preventive maintenance contract for the HVAC Systems on terms and with a provider reasonably acceptable to Landlord, which contract shall call for at least semi-annual maintenance, inspection and repair of such HVAC Systems ("HVAC Contract"). Tenant shall provide a copy of the HVAC Contract to Landlord annually. Provided that: (i) Tenant has kept the HVAC Contract in force, and, (ii) Tenant shall have obtained Landlord's prior written approval of the contractor and the repair or replacement expenses for the HVAC Systems, then, for any calendar year, Tenant shall be responsible for the cost of repairing or replacing the HVAC Systems (or any major component thereof) up to \$10,000.00 per HVAC System with a maximum repair or replacement cost of \$25,000.00 for all HVAC Systems ("HVAC Cap") in such year. Tenant shall provide Landlord copies of all records related to the servicing, maintenance, repair, and replacement of the HVAC Systems upon the occurrence of any service, maintenance, repair, or replacement of the HVAC Systems. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap.

If this box is checked, Landlord, at its expense, shall maintain the heating, ventilation and air conditioning system(s) ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that, Tenant shall reimburse Landlord for the cost of repairing or replacing the HVAC Systems (or any major component thereof) an amount up to \$0.00 per HVAC System with a maximum replacement cost of \$0.00 for all HVAC Systems ("HVAC Cap") in such year. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap. Tenant shall reimburse Landlord for the amount of the HVAC Cap payable hereunder upon the written request of Landlord.



(b) Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this paragraph 12.

**ALTERATIONS**

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord, in connection with Landlord's consent to same, may designate any such alterations, additions, or improvements to the Premises as subject to removal upon the expiration or earlier termination of this Lease, in which case, upon Landlord's written notice to Tenant to remove same at the expiration or earlier termination of this Lease, Tenant shall do so and restore the Premises to the condition that existed prior to such alterations, additions, or improvements being made. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this paragraph 13 upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Tenant has no authority to allow, and will not permit, any contractors', laborers', mechanics', or materialmen's liens, or any other similar liens filed against the Premises in connection with any alterations, additions, or improvements to the Premises.

**SURRENDERING THE PREMISES**

14. Tenant shall schedule its move date with Landlord, in writing, in advance of the expiration or earlier termination of this Lease. Tenant agrees to return the Premises to Landlord at the expiration or earlier termination of this Lease, broom clean and in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. By written notice to Tenant, Landlord may require Tenant to remove any alterations, additions or improvements at the expiration or earlier termination of this Lease (whether or not made with Landlord's consent and whether or not designated via paragraph 13 as subject to removal) and to restore the Premises to its prior condition as of the Lease Commencement Date, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove

Tenant Initials  Landlord Initials 

any of Tenant's personal property or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such personal property or trade fixtures. (Note: Should Landlord and Tenant need to further enumerate their intent/understanding as to the status of items or property as fixtures, trade fixtures, or personal property hereunder, the Special Stipulations box at the end of the Lease should be checked and such enumeration should be specified by listing same by category on an Exhibit B.)

**DESTRUCTION OF OR DAMAGE TO PREMISES**

15. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under paragraph 15(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction. The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

(e) In the event of the termination of this Lease under any of the provisions of this paragraph 15, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

**GOVERNMENTAL ORDERS**

16. Tenant, at its own expense, agrees to comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority having jurisdiction over the Premises, (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Premises and Tenant's activities therein; (c) provisions of or rules enacted pursuant to any private use restrictions, as the same may be amended from time to time and (d) the Americans with Disabilities Act (42 U.S.C.S. §12101, et seq.) and the regulations and accessibility guidelines enacted pursuant thereto, as the same may be amended from time to time. Landlord and Tenant agree, however, that if in order to comply with such requirements the cost to Tenant shall exceed a sum equal to one (1) year's rent, then Tenant may terminate this Lease by giving written notice of termination to Landlord in accordance with the terms of this Lease, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements, unless, within thirty (30) days of receiving such notice, Landlord agrees in writing to be responsible for such compliance, at its own expense, and commences compliance activity, in which case Tenant's notice given hereunder shall not terminate this Lease.

**CONDEMNATION**

17. (a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) If more than twenty-five percent (25%) of the floor area of any building of the Premises is taken, or if by reason of any taking, regardless of the amount so taken, the remainder of the Premises is not one undivided space or is rendered unusable for the Permitted Use, either Landlord or Tenant shall have the right to terminate this Lease as of the date Tenant is required to vacate the portion of the Premises taken, upon giving notice of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that said Premises have been or will be so taken. In the event of such termination, both Landlord and Tenant shall be

Tenant Initial                      Landlord Initials

released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

(c) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(d) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken and the parties shall proceed as follows: (i) at Landlord's cost and expense and as soon as reasonably possible, Landlord shall restore (or shall cause to be restored) the Premises remaining to a complete unit of like quality and character as existed prior to such appropriation or taking, and (ii) the annual rent provided for in paragraph 3 and other sums due under the Lease shall be reduced on an equitable basis, taking into account the relative values of the portion taken as compared to the portion remaining. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises.

(e) Landlord shall be entitled to the entire condemnation award for any taking of the Premises or any part thereof. Tenant's right to receive any amounts separately awarded to Tenant directly from the condemning authority for the taking of its merchandise, personal property, relocation expenses and/or interests in other than the real property taken shall not be affected in any manner by the provisions of this paragraph 17, provided Tenant's award does not reduce or affect Landlord's award and provided further, Tenant shall have no claim for the loss of its leasehold estate.

**ASSIGNMENT AND SUBLETTING**

18. Tenant shall not assign this Lease or any interest hereunder or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant, without Landlord's prior written consent, which consent may be withheld, conditioned or delayed in Landlord's sole discretion. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

**EVENTS OF DEFAULT**

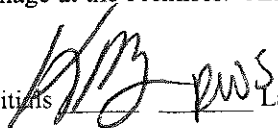
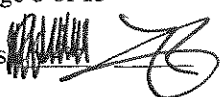
19. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; (b) Tenant abandons or vacates the Premises; (c) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

**REMEDIES UPON DEFAULT**

20. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law: (a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof. Tenant acknowledges and understands that Landlord's acceptance of partial rental will not waive Tenant's breach of this Lease or limit Landlord's rights against Tenant hereunder or Landlord's right to evict Tenant through a summary ejectment proceeding, whether filed before or after Landlord's acceptance of any such partial rental.

**EXTERIOR SIGNS**

21. Tenant shall place no signs upon the outside walls, doors or roof of the Premises, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises. Any and all signs placed on the Premises by Tenant shall be maintained in compliance

Tenant Initials  Landlord Initials 

Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attend to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

**ABANDONMENT**

27. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises, at the option of Landlord, shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

**NOTICES**

28. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered or sent to the address shown at the beginning of this Lease, except that upon Tenant taking possession of the Premises, then the Premises shall be Tenant's address for such purposes. Notices to Landlord shall be delivered or sent to the address shown at the beginning of this Lease and notices to Agent, if any, shall be delivered or sent to the address set forth in Paragraph 3 hereof. All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

**BROKERS**

29. Except as expressly provided herein, Tenant and Landlord agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the lease of the Property to Tenant. Tenant and Landlord represent and warrant to each other that: (i) except as to the brokers designated below ("Brokers"), they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Tenant and/or the Landlord.

N/A ("Listing Agency"),  
("Listing Agent" - License # \_\_\_\_\_)  
Acting as:  Landlord's Agent;  Dual Agent  
and N/A ("Leasing Agency"),  
("Leasing Agent" - License # \_\_\_\_\_)  
Acting as:  Tenant's Agent;  Landlord's (Sub)Agent;  Dual Agent

**GENERAL TERMS**

30. (a) "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in Paragraph 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of

Tenant Initials [Signature] Landlord Initials [Signature]

with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

### LANDLORD'S ENTRY OF PREMISES

22. Landlord may advertise the Premises "For Rent" at all times days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs to the Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

### QUIET ENJOYMENT

23. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

### HOLDING OVER

24. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Paragraph 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be twice the monthly rental otherwise payable under Paragraph 3 above.

### ENVIRONMENTAL LAWS

25. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove from the Premises, all Hazardous Materials that were placed on the Premises by Tenant or Tenant's employees, agents, invitees or contractors, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Tenant shall provide Landlord with copies of all such items upon request. Tenant shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.



(c) Intentionally omitted.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties contained in this paragraph 25 shall survive the termination of this Lease.

### SUBORDINATION; ATTORNMENT; ESTOPPEL

26. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this

Tenant Initials  Landlord Initials 



Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(c) Time is of the essence in this Lease.

(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.


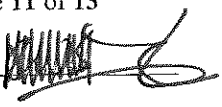
(f) Upon request by either Landlord or Tenant, the parties hereto shall execute a short form lease (memorandum of lease) in recordable form, setting forth such provisions hereof (other than the amount of annual rental and other sums due) as either party may wish to incorporate. The cost of recording such memorandum of lease shall be borne by the party requesting execution of same.

(g) If legal proceedings are instituted to enforce any provision of this Lease, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

**SPECIAL STIPULATIONS**

If this box is checked, additional terms of this Lease are set forth on **Exhibit B** attached hereto and incorporated herein by reference. (Note: Under North Carolina law, real estate agents are not permitted to draft lease provisions.)

[Signatures on following page(s).]

Tenant Initials  Landlord Initials 

THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. THE NORTH CAROLINA ASSOCIATION OF REALTORS® MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

\_\_\_\_\_

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

\_\_\_\_\_

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

Business Entity

LEE COUNTY GROWTH V LLC

(Name of Firm)

By: [Signature]

Kirk J. Bradley

Title: Manager

Date: 5.26.2023

TENANT:

County

LEE COUNTY

By: [Signature]

Print Name: Kirk D. Smith

Title: Chair, Board of Commissioners

Date: 5/15/2023

City

CITY OF SANFORD

By: [Signature]

Print Name: Rebecca Wyhof Salmon

Title: Mayor

Date: MAY 16, 2023

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

[Signature]  
Finance Officer, Lee County

Date: 5/15/23

\_\_\_\_\_  
Finance Officer, City of Sanford

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

This disbursement has been approved as required by the Local Government Budget and Fiscal Control Act.

[Signature]  
Finance Officer, Sanford North Carolina

**Exhibit B to Commercial Lease Agreement  
between Lee County Growth V LLC, Landlord, and  
Lee County and City of Sanford, Tenant**

1. Memorandum of Understanding. This Lease is subject to the terms and conditions of that certain Memorandum of Understanding dated March 15, 2021, among Landlord, Tenant and Sanford-Lee County Partnership for Prosperity d/b/a Sanford Area Growth Alliance, a nonprofit corporation, as amended by that certain First Amendment to Memorandum of Understanding effective as of January 18, 2022 (as amended, the "MOU"), and the terms and conditions of the MOU are incorporated into and made a part of this Lease to the same extent as if set forth fully herein. Landlord shall have the right to terminate the term of this Lease by written notice to Tenant at any time after Landlord enters into an agreement to sell or lease the Premises to an "End User" as defined in the MOU.
  
2. No Obligation to Provide HVAC Systems. Notwithstanding any provisions of this Lease to the contrary, including, but not limited to, Section 12, Landlord and Tenant acknowledge and agree that as of the date of execution of this Lease, no HVAC Systems have been installed or are operable on the Premises. Landlord shall have no obligation to install or provide HVAC Systems on the Premises during the term of this Lease.

Page 13 of 13

Tenant Initials                      Landlord Initials

Space above line for Processing Data

Prepared By and Return To:  
Paul M. Fogleman  
Womble Bond Dickinson (US) LLP  
555 Fayetteville Street, Suite 1100  
Raleigh, NC 27601

#### SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this \_\_\_ day of \_\_\_\_\_, 2023, by and among LEE COUNTY GROWTH V LLC, a North Carolina limited liability company (hereinafter referred to as the "Owner"), CARTER BANK & TRUST, a Virginia banking corporation (hereinafter referred to as the "Lender"), and LEE COUNTY, a North Carolina body politic corporate in nature, and CITY OF SANFORD, a North Carolina municipal corporation (collectively hereinafter referred to as the "Tenant").

#### WITNESSETH:

WHEREAS, the Owner owns all right, title and interest in that certain real property being, lying and situated in Lee County, North Carolina, and more particularly described in the on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Property and the improvements located thereon are the subject of a lease dated as of \_\_\_\_\_, 2023 made by and between the Owner and Tenant (together with all modifications thereto, the "Lease"), whereby the Tenant has agreed to lease the all or a portion of the Property and the improvements located thereon from Owner (the "Leased Premises"); and

WHEREAS, a promissory note has or will be given by the Owner to the Lender, secured by, among other things, a Deed of Trust, Assignment of Rents and Security Agreement dated as of May 6, 2022 (collectively the "Security Instrument"), encumbering the Property and the Leased Premises and recorded or to be recorded with the real estate records where the Property is located; and

WHEREAS, it is the desire and intention of the parties hereto to subordinate the operation of the Lease for the full term thereof to the lien and operation of the Security Instrument, so that the Security Instrument shall and will become a lien upon the Leased Premises and the Lease will be subordinated thereto in every manner whatsoever, subject to the express terms hereof.

NOW, THEREFORE, the parties thereto intending to be legally bound hereby, for and in consideration of the mutual covenants contained herein, the sum of Ten and No/100ths Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. Subordination. The Lease, together with all rights, options, liens and charges created thereby, is and shall be junior, inferior, subject and subordinate in each and every respect to the lien, operation and effect of the Security Instrument and to any and all advancements made thereunder and to any renewals, modifications, consolidations, replacements, advances and extensions thereof and all other documents, including an Assignment of Leases, Rents and Profits executed by Owner in favor of Lender (the "Assignment"), and all extensions, modifications and renewals thereof, now or hereafter additionally securing said sum, to the same extent as if such Security Instrument and other documents have been executed, delivered and recorded prior to the execution of the Lease, subject to the terms of this Agreement.

2. Non-Disturbance. Lender does hereby agree with the Tenant that, so long as the Tenant complies with the terms, conditions and covenants of the Lease and performs its obligations under the Lease, (a) the Lender will take no action which will interfere with or disturb the Tenant's possession or lawful use of the Leased Premises or other rights under the Lease, and (b) in the event the Lender becomes the owner of the Property by foreclosure, conveyance in lieu of foreclosure or otherwise, the Property shall be subject to the Lease and the Lender shall recognize the Tenant as a tenant on the Property for the remainder of the term of the Lease in accordance with the provisions thereof; provided, however, that in no event shall the Lender be liable for any act or omission of any prior landlord, or subject to any offsets or defenses which the Tenant might have against any prior landlord, nor shall the Lender be bound by any rent or additional rent which the Tenant might have paid for more than the current month to any prior landlord (other than prepaid estimates for tax, insurance and common area maintenance charges paid in the ordinary course as such estimates become due under the Lease) nor shall it be bound by any amendment or modification of the Lease made without its consent or liable for any security deposit the Tenant might have paid to the Owner or any other person, except to the extent the Lender has actually received said security deposit.

3. Attornment. The Tenant does hereby agree with the Lender that in the event the Lender becomes the owner of the Property by foreclosure, conveyance in lieu of foreclosure or otherwise, then the Tenant shall attorn to and recognize the Lender as the landlord under the Lease for the remainder of the term thereof, and the Tenant shall perform and observe its obligations thereunder, subject only to the terms and conditions of said Lease. The Tenant further covenants and agrees to execute and deliver upon request of the Lender, or its successors or assigns, an appropriate agreement of attornment to any subsequent title holder of the Property.

4. Notices Under Lease. So long as the Security Instrument remains outstanding and unsatisfied, the Tenant will mail or deliver to the Lender, at the address and in the manner hereinbelow provided, a copy of all notices permitted or required to be given to the Owner by the Tenant under and pursuant to the terms and provisions of the Lease. Prior to terminating the Lease due to a default by the Owner, the Tenant agrees to notify the Lender of such default and give the Lender the 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 necessary to cure the default, provided that the Lender commences the cure within such period and diligently pursues the cure thereafter).

5. Assignment of Lease. The Tenant acknowledges that the Owner will execute and deliver to the Lender the Assignment as security for the loans which the Security Instrument secures, and that Lender would not complete the financing arrangements but for the execution by Tenant of this Agreement, and the Tenant hereby expressly consents to such Assignment and agrees that Lender may rely hereon for all purposes, including consummation of the loans. The Tenant agrees that if Lender, pursuant to the Assignment, and whether or not it becomes a mortgagee in possession, shall give notice to the Tenant that the Lender has elected to require the Tenant to pay the Lender rent and other charges payable by the Tenant under the Lease, the Tenant shall, until the Lender shall have canceled such election, thereafter pay to the Lender all rent and other sums payable under the Lease.

6. Estoppel. The Owner and the Tenant hereby certify to the Lender that the Lease is in full force and effect subject to the express terms thereof; that the Lease and any modifications and amendments specified herein are a complete statement of the agreement between the Owner and the Tenant with respect to the leasing of the Leased Premises, and the Lease has not been modified or amended except as specified herein; that to the knowledge of the Owner and the Tenant, no party to the Lease is in default thereunder; that no rent under the Lease has been paid more

than one month in advance of its due date; and that the Tenant as of this date, has no charge, lien or claim of offset under the Lease, or otherwise, against the rents or other charges due or to become due thereunder.

7. Notices. Any and all notices, elections or demands permitted or required to be made under this Agreement shall be in writing, signed by the party giving such notice, election or demand and shall be delivered personally, or sent by registered or certified United States mail, postage prepaid, or by national overnight courier to the other party at the address set forth below, or at such other address within the United States as may have theretofore been designated in writing. The date of personal delivery, the first business day after delivery to a national overnight courier or the date of mailing, as the case may be, shall be the date of such notice, election or demand. For the purposes of this Agreement the address of:

Lender: Carter Bank & Trust  
1001 South Horner Boulevard  
Sanford, North Carolina 27330  
Attn: G. Todd Baker

Tenant: Lee County  
408 Summit Drive  
Sanford, North Carolina 27330  
Attn: \_\_\_\_\_

and: City of Sanford  
225 E. Weatherspoon Street  
Sanford, NC 27330  
Attn: \_\_\_\_\_

Owner: Lee County Growth V LLC  
603 Carthage Street, Suite 120  
Sanford, North Carolina 27330  
Attn: Kevin Scanlon

8. Binding Effect. This Agreement shall be binding upon all 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 Lender's interest in the Property by virtue of a judicial or non-judicial foreclosure of the Security Instrument or by virtue of a conveyance in lieu of a foreclosure or other transfer of the Property.

9. Non-Waiver. No indulgence, waiver, election or non-election by the Lender under the Security Instrument, the Assignment or any other loan documents associated with the Security Instrument and Assignment shall affect this Agreement.

10. Modification of Agreement. The parties hereby agree that this document contains the entire agreement between the parties, and this Agreement shall not be modified, changed, altered or amended in any way except through written amendments signed by all of the parties hereto.

11. Governing Law. It is agreed that the laws of the State where the Security Instrument is recorded shall govern the construction and interpretation of this Agreement and the rights and obligations set forth herein.

12. Severance. The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions hereof.

13. Term of Agreement. The terms and provisions of this Agreement shall terminate upon the cancellation of record of the Security Instrument, unless the same is earlier terminated by a termination agreement executed and delivered to the Tenant by the Lender.

*[SIGNATURES BEGIN ON FOLLOWING PAGE]*

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be duly executed under seal as of the day and year first above written.

WITNESS/ATTEST:

TENANT:

LEE COUNTY,  
a North Carolina body politic corporate in nature

Hailey Hull  
Print Name: Hailey Hull  
Clerk, Board of Commissioners

By: Kirk D. Smith (SEAL)  
Print Name: Kirk D. Smith  
Title: Chair, Board of Commissioners

ACKNOWLEDGMENT

STATE OF North Carolina  
COUNTY OF Lee



I certify that the following person(s) personally appeared before me this day, each acknowledging to me as a Notary Public that they voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

Clerk to the Board of County Commissioners - Hailey Hull  
Kirk Smith - Chair, Board of Commissioners

Date: 5/15/2023

Official Signature of Notary: Jennifer Gamble

Notary's Printed or Typed Name: Jennifer Gamble, Notary Public

My Commission Expires: 1/16/2028

(Official Seal)

JENNIFER GAMBLE  
NOTARY PUBLIC  
Lee County  
North Carolina  
My Commission Expires January 16, 2028

SIGNATURES CONTINUED ON THE FOLLOWING PAGE]



**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT  
- SIGNATURES CONTINUED -**

WITNESS/ATTEST:

TENANT:

**CITY OF SANFORD,**  
a North Carolina municipal corporation

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

\_\_\_\_\_

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

Official Signature of Notary: \_\_\_\_\_

Notary's Printed or Typed Name: \_\_\_\_\_, Notary Public

My Commission Expires: \_\_\_\_\_

(Official Seal)

*[SIGNATURES CONTINUED ON THE FOLLOWING PAGE]*

**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT  
- SIGNATURES CONTINUED -**

WITNESS/ATTEST:

OWNER:

**LEE COUNTY GROWTH V LLC,**  
a North Carolina limited liability company

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

Print Name: Kirk J. Bradley

Title: Manager

ACKNOWLEDGMENT

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

\_\_\_\_\_  
Kirk J. Bradley

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

Official Signature of Notary: \_\_\_\_\_

Notary's Printed or Typed Name: \_\_\_\_\_, Notary Public

My Commission Expires: \_\_\_\_\_

(Official Seal)

*[SIGNATURES CONTINUED ON THE FOLLOWING PAGE]*

**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT**  
**- SIGNATURES CONTINUED -**

WITNESS/ATTEST:

LENDER:

**CARTER BANK & TRUST,**  
a Virginia banking corporation

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

Print Name: G. Todd Baker

Title: Senior Vice President

ACKNOWLEDGMENT

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

\_\_\_\_\_  
G. Todd Baker

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

Official Signature of Notary: \_\_\_\_\_

Notary's Printed or Typed Name: \_\_\_\_\_, Notary Public

My Commission Expires: \_\_\_\_\_

(Official Seal)

**EXHIBIT A**

**DESCRIPTION OF PROPERTY**

LYING AND BEING SITUATE IN THE STATE OF NORTH CAROLINA, COUNTY OF LEE, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL of Tract 6, containing 17.693 acres, more or less, as shown on a plat entitled, "RECOMBINATION AND EXEMPT SUBDIVISION OF LOTS 5, 6, 9-13 & 18 CENTRAL CAROLINA ENTERPRISE PARK PROPERTY OF CC ENTERPRISE PARK, LLC DEEP RIVER TOWNSHIP - LEE COUNTY - NORTH CAROLINA," prepared by C. E. Group, Inc., dated February 2022, and recorded March 11, 2022, in Plat Cabinet 2022, Slide 55, Lee County Registry.

LEE COUNTY  
SCHOOLS  
INSPIRED.

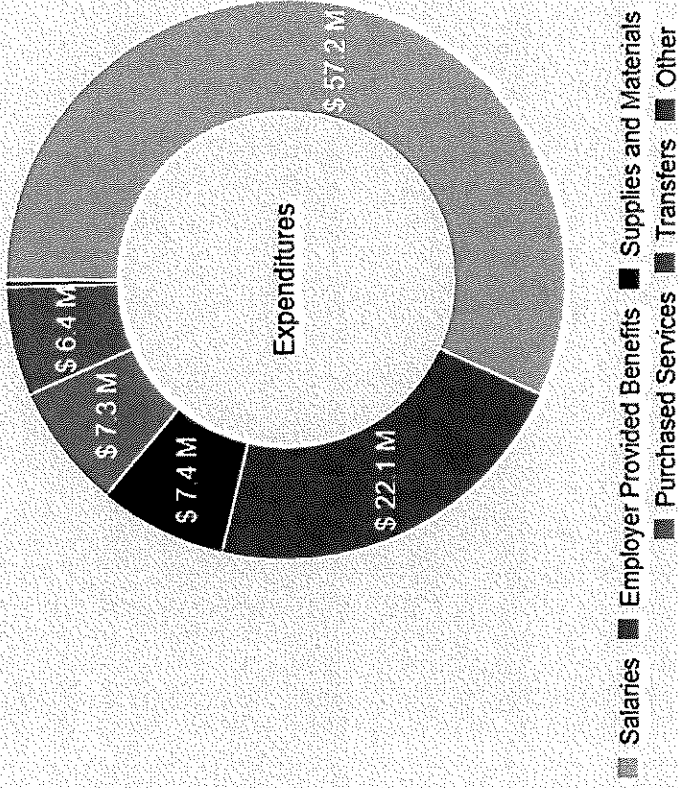
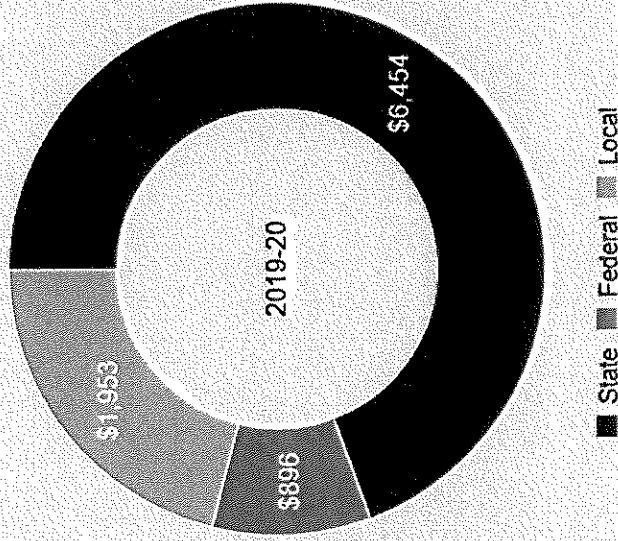
2023-24 Local Budget Request

# Agenda

1. School system funding breakdown
2. Local funding breakdown
3. 2023-24 Budget request
4. Capital breakdown/detail
5. Local supplement review
6. Bus drivers: Attendance bonus review
7. Board action for performance
8. Questions

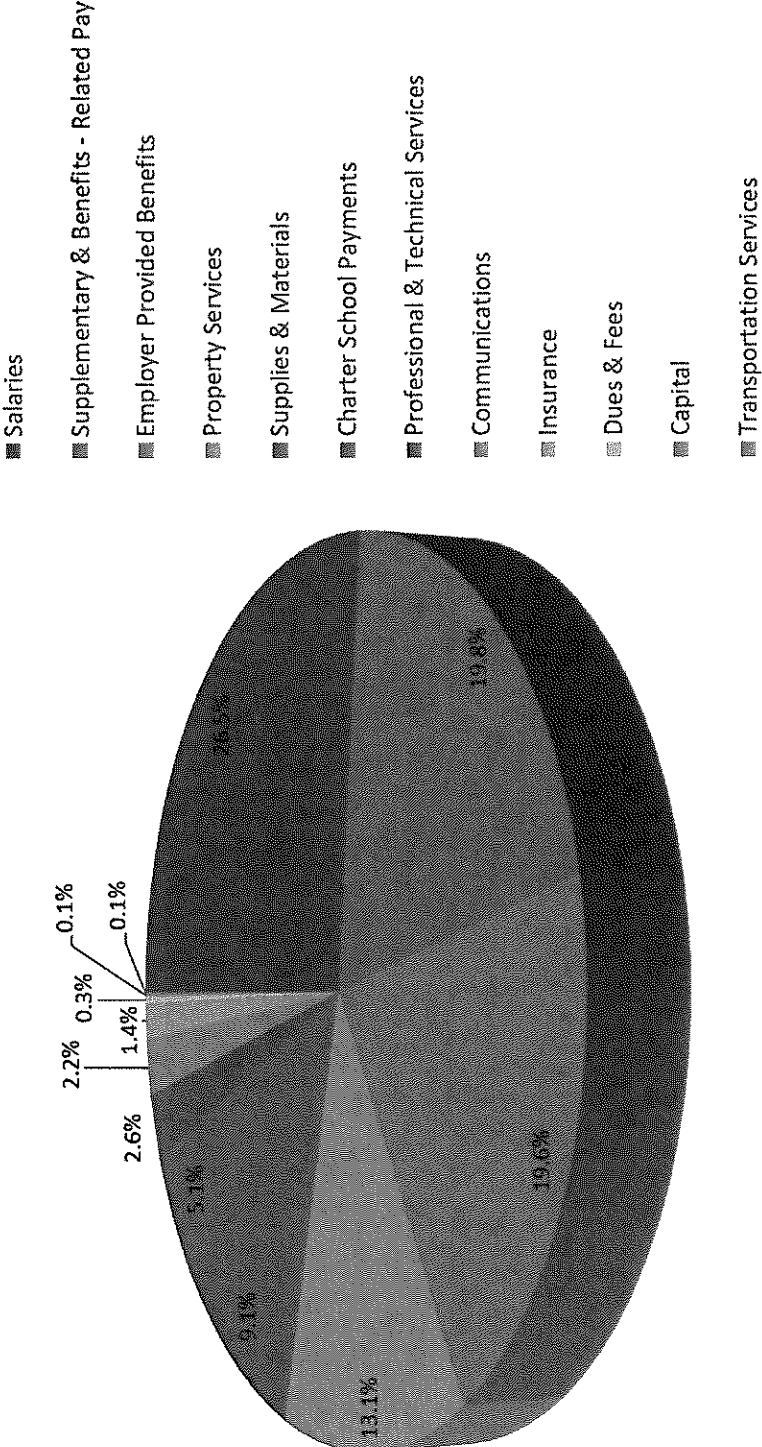
## Lee County Schools: Funding Breakdown 2019-2020 (DPI)

### School District Per Student Expenditures



# Breakdown of local budget

2021-2022 - Current Expense - By Category





# 2023-24 Budget Request

- 2023-24 Total CE request represents 14% increase over 2022-23
  - Base budget remains flat from 2022-23
  - One-time supplement boost for local inflation
  - Bus driver attendance bonus for route-filling

| BUDGET YEAR | STUDENT MEMBERSHIP | PER PUPIL FUNDING | % INC  |
|-------------|--------------------|-------------------|--------|
| 2008-2009   | 9,592              | \$ 1,626.58       | 13.94% |
| 2009-2010   | 9,603              | \$ 1,559.73       | -4.11% |
| 2010-2011   | 9,602              | \$ 1,580.72       | 1.35%  |
| 2011-2012   | 9,707              | \$ 1,631.61       | 3.22%  |
| 2012-2013   | 9,809              | \$ 1,614.64       | -1.04% |
| 2013-2014   | 10,017             | \$ 1,531.20       | -5.17% |
| 2014-2015   | 10,065             | \$ 1,528.07       | -0.20% |
| 2015-2016   | 10,023             | \$ 1,627.48       | 6.51%  |
| 2016-2017   | 10,007             | \$ 1,685.05       | 3.54%  |
| 2017-2018   | 10,032             | \$ 1,745.64       | 3.60%  |
| 2018-2019   | 9,945              | \$ 1,796.11       | 2.89%  |
| 2019-2020   | 9,868              | \$ 1,916.53       | 6.70%  |
| 2020-2021   | 9,899              | \$ 1,910.52       | -0.31% |
| 2021-2022   | 9,325              | \$ 2,068.69       | 8.28%  |
| 2022-2023   | 9,066              | \$ 2,163.08       | 4.56%  |
| 2023-2024   | 9,066              | \$ 2,424.23       | 17.19% |

| Current Expense Budget Request 2023-2024 |  | Cost                 |
|--|--|----------------------|
| More Than a Diploma                      |  |                      |
| Base Budget                              |  | \$ 19,610,524        |
| Supplement Bridge (\$1200 per employee)  |  | \$ 2,089,260         |
| Bus Driver Attendance Bonus Increase     |  | \$ 278,250           |
| <b>Total Increase</b>                    |  | <b>\$ 2,367,510</b>  |
| <b>Total Request</b>                     |  | <b>\$ 21,978,034</b> |

| County Allocation |                  |                  |                    |                  |        |  |
|-------------------|------------------|------------------|--------------------|------------------|--------|--|
| BUDGET YEAR       | TOTAL REQUEST    | CE ALLOCATION    | SPECIAL ALLOCATION | TOTAL ALLOCATION | % INC  |  |
| 2008-2009         | \$ 16,067,222.00 | \$ 15,602,134.00 |                    | \$ 15,602,134.00 | 15.55% |  |
| 2009-2010         | \$ 15,602,134.00 | \$ 14,978,050.00 |                    | \$ 14,978,050.00 | -4.00% |  |
| 2010-2011         | \$ 15,445,974.00 | \$ 15,178,050.00 |                    | \$ 15,178,050.00 | 1.34%  |  |
| 2011-2012         | \$ 19,228,291.00 | \$ 15,338,050.00 | \$ 500,000.00      | \$ 15,838,050.00 | 4.35%  |  |
| 2012-2013         | \$ 19,125,962.00 | \$ 15,338,050.00 | \$ 500,000.00      | \$ 15,838,050.00 | 0.00%  |  |
| 2013-2014         | \$ 18,619,423.00 | \$ 15,338,050.00 | \$ -               | \$ 15,338,050.00 | -3.16% |  |
| 2014-2015         | \$ 18,761,103.00 | \$ 15,338,050.00 | \$ 42,000.00       | \$ 15,380,050.00 | 0.27%  |  |
| 2015-2016         | \$ 18,453,579.00 | \$ 16,312,278.00 | \$ -               | \$ 16,312,278.00 | 6.06%  |  |
| 2016-2017         | \$ 18,169,819.00 | \$ 16,862,278.00 | \$ -               | \$ 16,862,278.00 | 3.37%  |  |
| 2017-2018         | \$ 18,996,527.00 | \$ 17,512,278.00 | \$ -               | \$ 17,512,278.00 | 3.85%  |  |
| 2018-2019         | \$ 19,583,881.00 | \$ 17,862,278.00 | \$ -               | \$ 17,862,278.00 | 2.00%  |  |
| 2019-2020         | \$ 20,226,298.00 | \$ 18,912,278.00 | \$ -               | \$ 18,912,278.00 | 5.88%  |  |
| 2020-2021         | \$ 18,912,278.00 | \$ 18,912,278.00 | \$ -               | \$ 18,912,278.00 | 0.00%  |  |
| 2021-2022         | \$ 20,387,278.00 | \$ 19,290,524.04 | \$ -               | \$ 19,290,524.04 | 2.00%  |  |
| 2022-2023         | \$ 20,951,491.00 | \$ 19,610,524.00 | \$ -               | \$ 19,610,524.00 | 1.66%  |  |
| 2023-2024         | \$ 21,978,034.00 | \$ 21,978,034.00 | \$ -               | \$ 21,978,034.00 | 13.93% |  |

# Capital Requests

## Various capital request for 2023-24

- Routine maintenance
- Security upgrades
- Field facility updates/repairs

## Special Allocation

- \$600k for demolition of old Jonesboro School
  - Recent fire may affect project cost
- Future site use still TBD

| BUDGET YEAR | County Allocation |                 |                    |                  |                 |  |  | % INCREASE |
|-------------|-------------------|-----------------|--------------------|------------------|-----------------|--|--|------------|
|             | TOTAL REQUEST     | CO ALLOCATION   | SPECIAL ALLOCATION | TOTAL ALLOCATION | LOTTERY         |  |  |            |
| 2008-2009   | \$ 4,569,108.00   | \$ 777,268.00   |                    | \$ 777,268.00    | \$ 1,465,619.00 |  |  | -3.01%     |
| 2009-2010   | \$ 3,028,262.00   | \$ 746,177.00   | \$ 207,654.00      | \$ 953,831.00    | \$ 1,000,000.00 |  |  | 22.72%     |
| 2010-2011   | \$ 2,410,744.00   | \$ 396,177.00   | \$ 207,654.00      | \$ 603,831.00    | \$ 1,042,636.00 |  |  | -36.69%    |
| 2011-2012   | \$ 1,880,969.00   | \$ 546,177.00   | \$ 207,654.00      | \$ 753,831.00    | \$ 756,500.00   |  |  | 24.84%     |
| 2012-2013   | \$ 1,476,700.00   | \$ 850,331.00   |                    | \$ 850,331.00    | \$ 970,650.00   |  |  | 12.80%     |
| 2013-2014   | \$ 1,486,958.00   | \$ 850,331.00   |                    | \$ 850,331.00    | \$ 700,000.00   |  |  | 0.00%      |
| 2014-2015   | \$ 1,548,500.00   | \$ 850,331.00   |                    | \$ 850,331.00    | \$ 700,000.00   |  |  | 0.00%      |
| 2015-2016   | \$ 1,582,000.00   | \$ 1,337,445.00 |                    | \$ 1,337,445.00  | \$ 784,000.00   |  |  | 57.29%     |
| 2016-2017   | \$ 1,810,000.00   | \$ 1,347,506.04 |                    | \$ 1,337,445.00  | \$ 685,049.00   |  |  | 0.00%      |
| 2017-2018   | \$ 1,604,000.00   | \$ 1,347,506.00 |                    | \$ 1,347,506.00  | \$ 685,000.00   |  |  | 0.75%      |
| 2018-2019   | \$ 2,427,000.00   | \$ 1,347,506.00 |                    | \$ 1,347,506.00  | \$ 685,000.00   |  |  | 0.00%      |
| 2019-2020   | \$ 1,807,000.00   | \$ 1,347,506.00 |                    | \$ 1,347,506.00  | \$ 685,000.00   |  |  | 0.00%      |
| 2020-2021   | \$ 1,347,506.00   | \$ 1,347,506.00 | \$ 253,000.00      | \$ 1,600,506.00  | \$ 685,000.00   |  |  | 18.78%     |
| 2021-2022   | \$ 1,347,506.00   | \$ 1,347,506.00 | \$ 253,000.00      | \$ 1,600,506.00  | \$ 685,000.00   |  |  | 0.00%      |
| 2022-2023   | \$ 1,347,500.00   | \$ 1,347,500.00 | \$ 253,000.00      | \$ 1,600,506.00  | \$ 685,000.00   |  |  | 0.00%      |
| 2023-2024   | \$ 1,393,500.00   | \$ 1,393,500.00 | \$ 600,000.00      | \$ 1,993,500.00  | \$ 685,000.00   |  |  | 24.55%     |

## Capital Budget Request 2023-2024

More Than a Diploma

\* In House Construction - Repairs and maintenance that occur during the year throughout schools in the district.

\* Security camera upgrades Broadway, B.T. Bullock, Deep River, Greenwood, J. Glenn Edwards, J.R. Ingram and Tramway.

\* Field maintenance for athletic fields

\* Parking Lots - Resealing and stripping at Greenwood, Warren Williams, San Lee Middle & East Lee Middle.

\* Roof Maintenance at Lee County High School, Warren Williams and other repairs as needed.

\* Southern Lee High School - Replace two hot water heaters in cafeteria, culinary arts and locker rooms.

\* Replace truck and two vans for Maintenance Department

\* West Lee and East Lee Middle School - Replace football goal posts and soccer goals.

\* West Lee - Replace score boards for football, softball and baseball.

\* SanLee Middle School - Sand and paint lines on gym floor.

\* Replace outdoor sports bleachers for East Lee and West Lee.

\* HVAC upgrades: Warren Williams - replacement rooftop units, FLK - add unit for middle school restrooms, J. Glenn Edwards - replace units that serve main office and media center.

\* New Bus - Warren Williams - money was appropriated last FY but the costs have drastically increased.

### Total Request



Special Allocation: Demolition of the Jonesboro School site.

|   | Cost                |
|---|---------------------|
| * In House Construction - Repairs and maintenance that occur during the year throughout schools in the district.  | \$ 300,000          |
| * Security camera upgrades Broadway, B.T. Bullock, Deep River, Greenwood, J. Glenn Edwards, J.R. Ingram and Tramway.  | \$ 120,000          |
| * Field maintenance for athletic fields   | \$ 12,000           |
| * Parking Lots - Resealing and stripping at Greenwood, Warren Williams, San Lee Middle & East Lee Middle.   | \$ 250,000          |
| * Roof Maintenance at Lee County High School, Warren Williams and other repairs as needed.  | \$ 60,000           |
| * Southern Lee High School - Replace two hot water heaters in cafeteria, culinary arts and locker rooms.  | \$ 170,000          |
| * Replace truck and two vans for Maintenance Department   | \$ 150,000          |
| * West Lee and East Lee Middle School - Replace football goal posts and soccer goals.   | \$ 30,000           |
| * West Lee - Replace score boards for football, softball and baseball.  | \$ 30,000           |
| * SanLee Middle School - Sand and paint lines on gym floor.   | \$ 30,000           |
| * Replace outdoor sports bleachers for East Lee and West Lee.   | \$ 100,000          |
| * HVAC upgrades: Warren Williams - replacement rooftop units, FLK - add unit for middle school restrooms, J. Glenn Edwards - replace units that serve main office and media center. | \$ 100,000          |
| * New Bus - Warren Williams - money was appropriated last FY but the costs have drastically increased.  | \$ 41,500           |
| <b>Total Request</b>  | <b>\$ 1,393,500</b> |
| Special Allocation: Demolition of the Jonesboro School site.  | \$ 600,000          |

# Capital Requests

**In House Construction:** This annual request includes school projects requested by principals during the budget process, along with general maintenance and equipment Repairs.

**Security Cameras:** All security cameras are being moved to a web-based system to provide better viewing and to allow remote viewing access in case of an emergency.

**Parking Lots:** All school parking lots are inspected annually to see if lots need repaving/stripping and/or if additional parking spaces are needed.

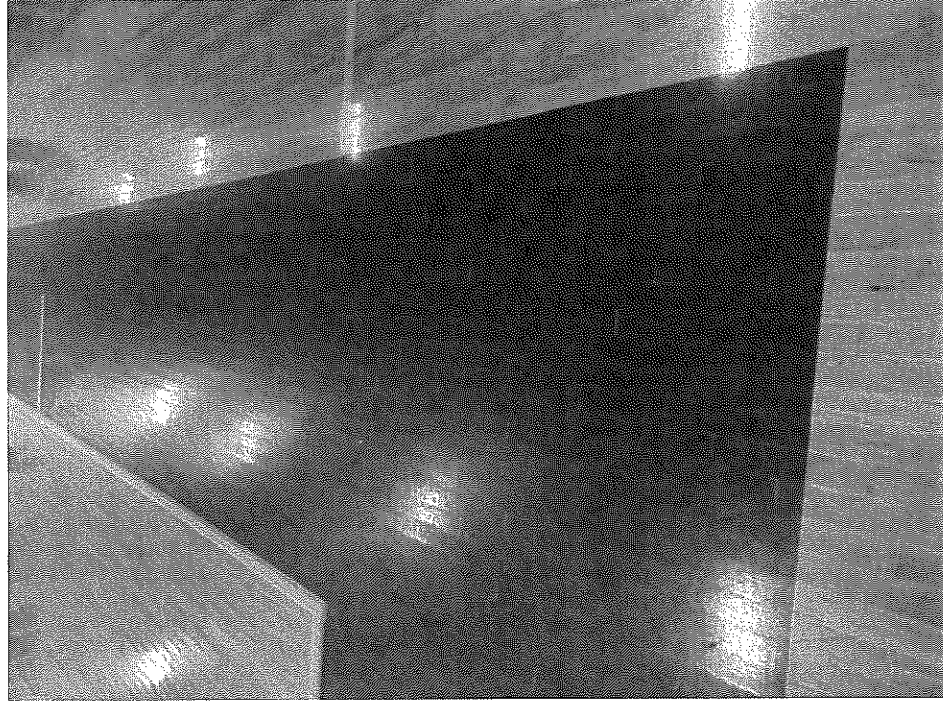
**Roof Maintenance:** Each year the maintenance staff evaluates all school roofs. If problems are detected, a roofing company is called to inspect and provide an estimate to evaluate the life-span of the roof and repair as needed.

**HVAC upgrades – FLK:** There is no air conditioning in the middle school restrooms and washer/dryer room. This project adds A/C to these rooms with a Mini Split Unit.

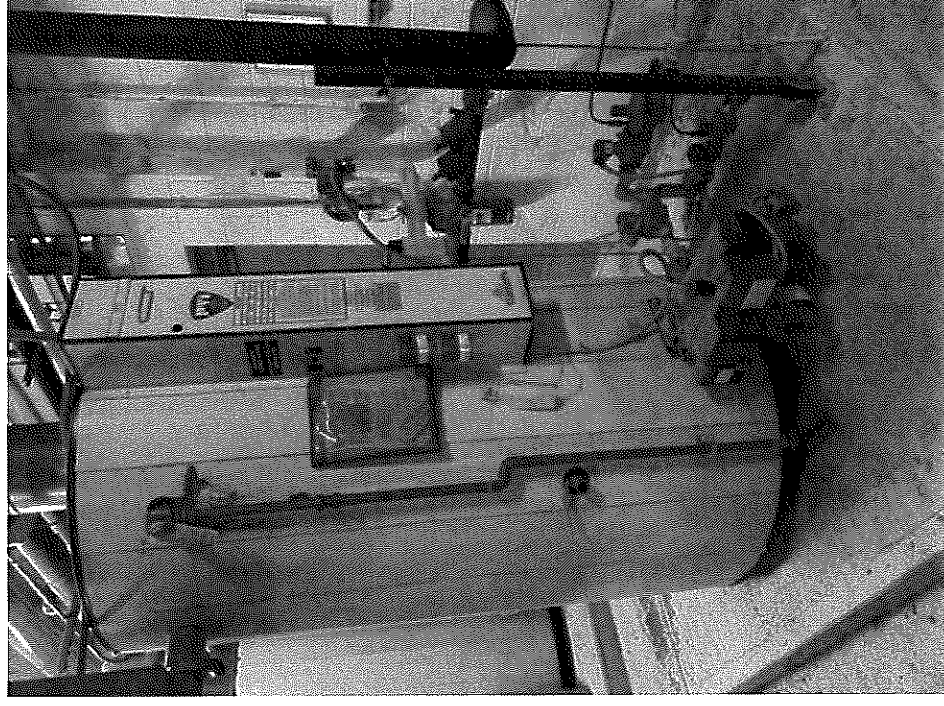
**HVAC upgrades - Warren Williams:** A 15 year-old rooftop unit that has had repairs needs to be replaced.

**HVAC upgrades – J. Glenn Edwards Elementary:** Replace rooftop unit that serves the main office and media center.

# Capital Requests - Sanlee Middle Gym Floor



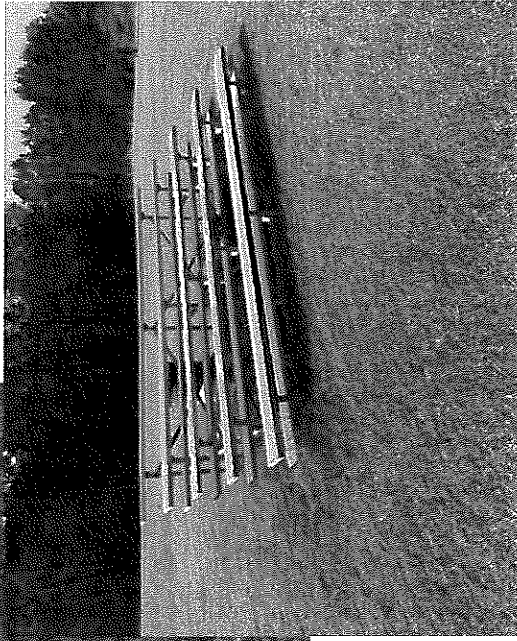
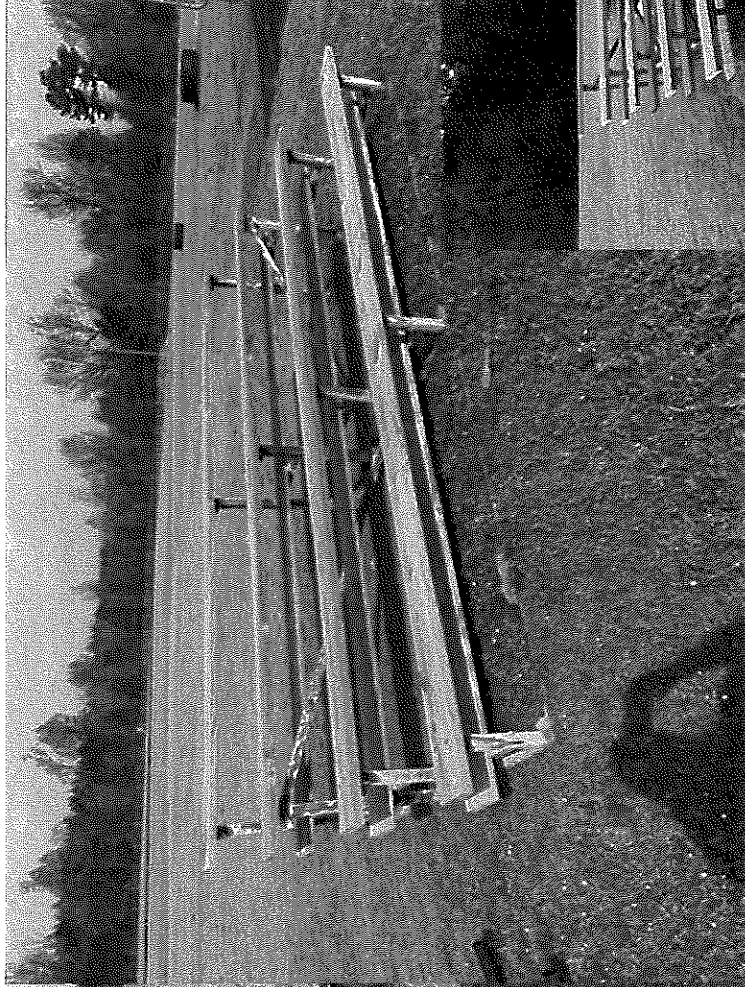
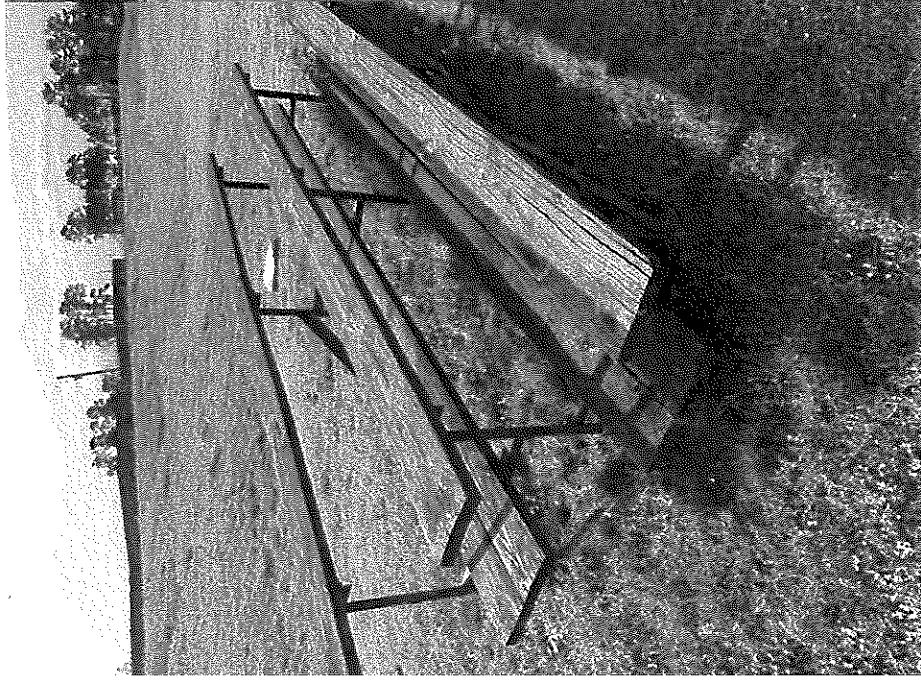
# Capital Requests - Southern Lee Hot Water Heater



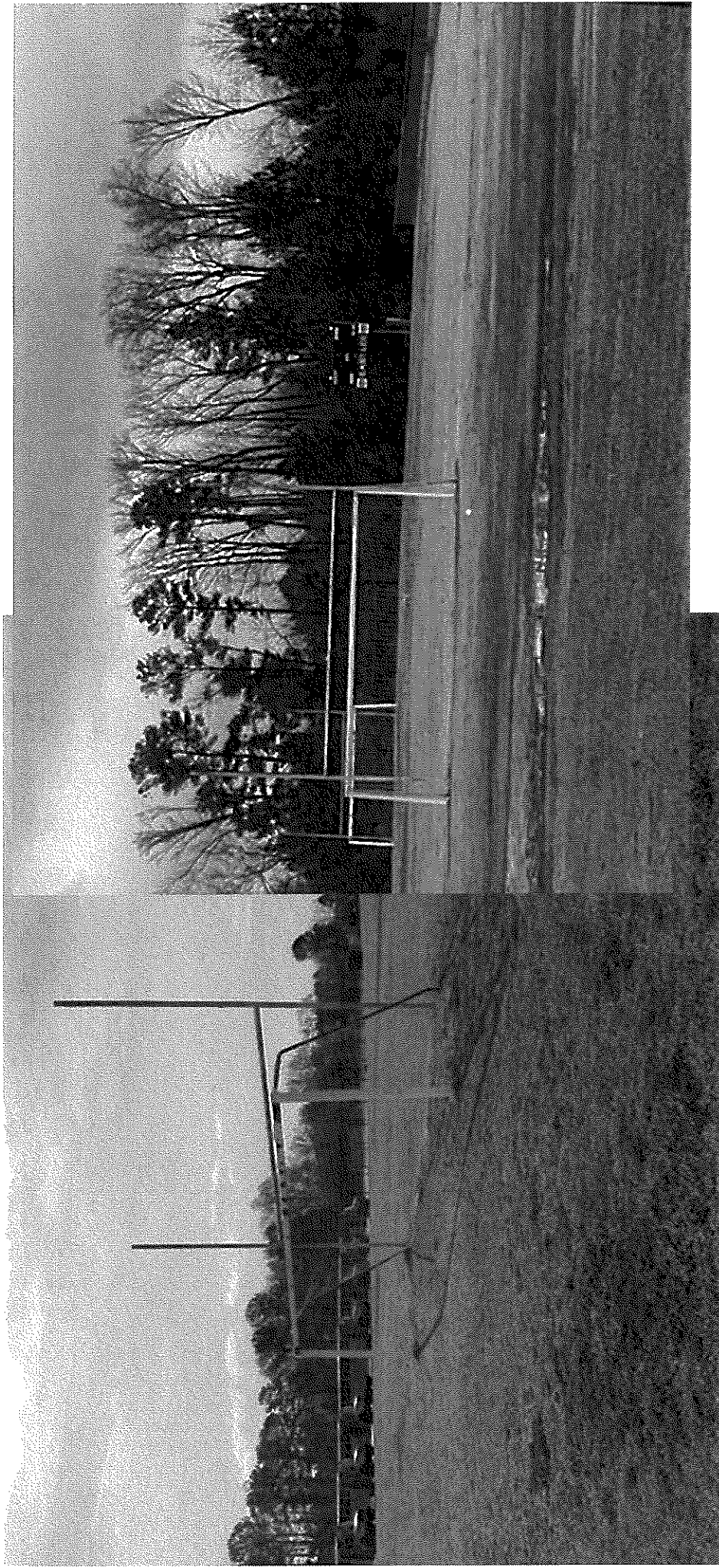
# Capital Requests - West Lee Scoreboards



# Capital Requests - East/West Lee Bleachers

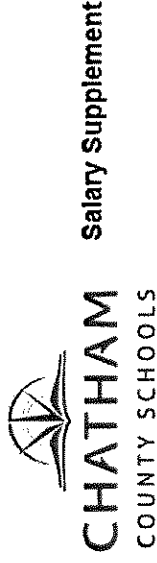


# Capital Requests - East/West Soccer/Football Goals





# Supplement: Impacts of state action



Salary Supplement

CHATHAM COUNTY SCHOOLS

State proposals 2023-24:

- 12% Certified salary increase
- 8% Classified increase

Impact to Lee Co: ~\$504k increase in supplement

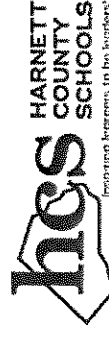
State action is uncertain at this time but is factored into the current budget request

Working on plan to switch from % supplement to fixed-rate or %+fixed rate system tiered for years of service (Similar to Harnett or Chatham Co)

- More predictable budgeting
- Opportunity to target tiers for employee retention
- Need more time to get a concrete proposal
  - Time to see state direction

| CERTIFIED EMPLOYEES* |                     |             |                          |
|----------------------|---------------------|-------------|--------------------------|
| License              | Years of Experience | Base Amount | Additional % of Salary** |
| A                    | 00-05               | \$4,800     | 0.00%                    |
| A                    | 06-10               | \$5,400     | 1.25%                    |
| A                    | 11-15               | \$6,000     | 2.00%                    |
| A                    | 16-20               | \$6,600     | 2.50%                    |
| A                    | 21-25               | \$7,200     | 2.75%                    |
| A                    | 26+                 | \$7,800     | 3.00%                    |
| M                    | 00-05               | \$5,800     | 0.50%                    |
| M                    | 06-10               | \$6,400     | 1.75%                    |
| M                    | 11-15               | \$7,000     | 2.75%                    |
| M                    | 16-20               | \$7,600     | 3.25%                    |
| M                    | 21-25               | \$8,200     | 3.50%                    |
| M                    | 26+                 | \$8,800     | 3.75%                    |

\*Administrator supplements will be paid off the teacher salary scale and percentage based upon years



2021-2022 School Year

Teachers' Local Supplement  
(disbursed in November '21 and June '22)

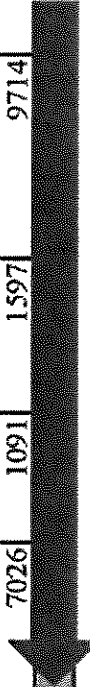
| Payroll Grade Code | Certificate Experience | Annual Supplement    | November & June Disbursements |
|--------------------|------------------------|----------------------|-------------------------------|
| 1                  | 0 - 2 years            | \$ 2,950.00 + 2 = \$ | 1,475.00                      |
| 2                  | 3 - 14 years           | \$ 3,200.00 + 2 = \$ | 1,600.00                      |
| 3                  | 15 - 25 years          | \$ 3,350.00 + 2 = \$ | 1,675.00                      |
| 4                  | 26 + years             | \$ 3,550.00 + 2 = \$ | 1,775.00                      |

# Supplement: Teacher Pay Analysis

Lee County has the lowest median teacher pay within its peer group

- Several factors can contribute:
  - Average seniority (state pay schedule is 100% by years of service)
  - Degree level and certifications
  - Local supplement
- Performance audit will evaluate teacher pay in more depth for Board to consider

| County School District | ADM   | Median HH Income | Mean Teacher Salary | State PPE | Fed PPE | Local PPE | Total Funding |
|------------------------|-------|------------------|---------------------|-----------|---------|-----------|---------------|
| Franklin County**      | 7685  | 50,908           | 53,175              | 6932      | 979     | 2117      | 10028         |
| Haywood County**       | 7009  | 49,800           | 53,109              | 6627      | 1357    | 2420      | 10404         |
| Pender County**        | 10681 | 52,989           | 52,869              | 6434      | 1024    | 1993      | 9451          |
| Wilson County**        | 10067 | 42,850           | 52,476              | 6579      | 1236    | 1757      | 9572          |
| Stanly County**        | 8554  | 49,590           | 52,317              | 6931      | 986     | 1634      | 9551          |
| Rockingham County**    | 10906 | 42,490           | 52,085              | 6997      | 1087    | 1682      | 9766          |
| Surry County**         | 7108  | 41,068           | 51,882              | 7066      | 1440    | 1746      | 10252         |
| Caldwell County**      | 10491 | 42,072           | 51,737              | 7026      | 1091    | 1597      | 9714          |
| Lee County             | 9005  | 48,873           | 51,284              |           |         |           |               |



# Supplement: Burning Platform

Beginning teacher pay: \$27.7k annual net

Lee Co Teacher service breakdown

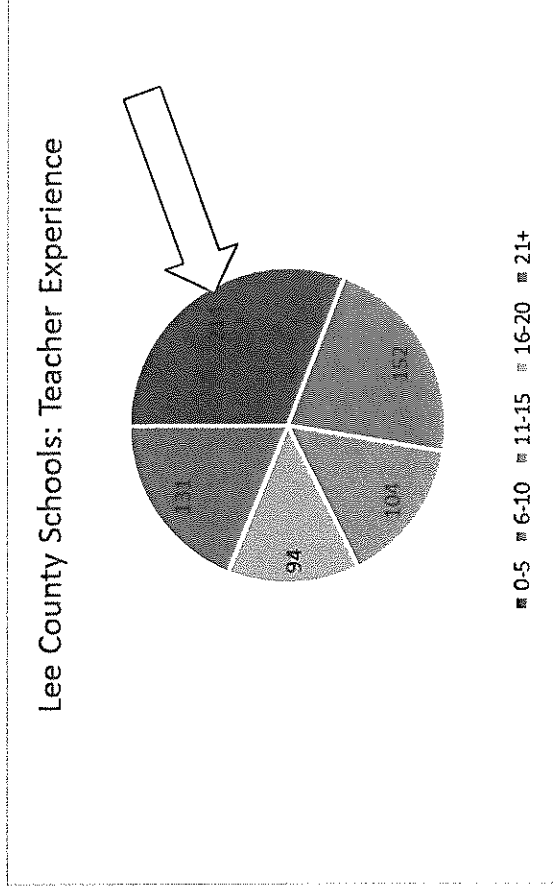
- 31% 0-5yrs experience

Local rent increases: 1br apartment \$800-1250/mo (up >\$100 from just last year)

- \$1000/mo apartment = 43% of annual take-home pay for 1st year teacher

Local property tax increases: ~45% average increase in 2023 assessment

- Significant revenue increase to county government



# Supplement: Request

**Proposal: Maintain existing supplement schedule +\$1200 per classified and certified (excluding senior staff)**

- ~\$2.1M increase to local budget

**1-year supplement bridge provides time to:**

- Work on new supplement schedule
  - Tiers and supplement levels must be thoroughly vetted
  - No unintended consequences
- State uncertainty will be cleared up
- Review performance audit results

| <u># of Employees</u> | <u>Recommendation</u>        |
|-----------------------|------------------------------|
| 1,314                 | \$1,200.00                   |
|                       | 1,576,800.00 Estimated Bonus |
|                       | 120,625.20 SS Mtg            |
|                       | 391,834.80 Retirement        |
|                       | <u>2,089,260.00 Total</u>    |

# Bus Drivers: Attendance Bonus Adjustment

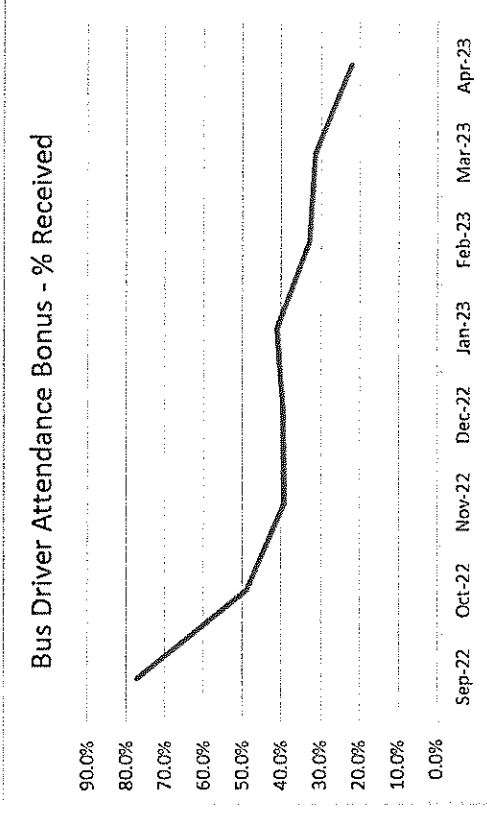
## Current State:

- \$2/day - \$40/mo
- Unfilled routes fall on APs to manage daily

## Future State:

- \$10/day - \$200/mo
- Goal of increasing route fill rates
- Data collection plan identified to measure effectivity
  - Monitor unfilled routes and # of drivers

\*Ultimate goal is to decouple TA/Bus Driver positions



|                | Recommendation    |                 |
|----------------|-------------------|-----------------|
| # of Employees | \$200.00          | per month max   |
| 105            | 210,000.00        | Estimated Bonus |
|                | 16,065.00         | SS Mtg          |
|                | 52,185.00         | Retirement      |
|                | <b>278,250.00</b> | <b>Total</b>    |

# Budget Increase: Board Action/Performance

The board recognizes that a pay increase isn't a singular solution to teacher/employee retention. The board further recognizes that Lee Co. tax payers can't be reasonably expected to fill a pay gap created by State inaction. Below is a list of actions taken and/or planned since Dec2022 to drive toward improvements.

School calendar updated to maximize student learning and performance

Upper management oversight

- Vision-led Sup evaluation tool will put renewed focus on performance metrics
  - Goals easily cascade to Sup direct reports for aligned targets

Updated monthly financial summary to board (in-process)

- Enhanced financial oversight by the school board

Updated policies for parents rights

- Get parents engaged in our school system

Non-monetary changes to bring in teachers

- Administration training on work-life morale enhancement (non-monetary workplace improvements)

Performance audit

- Audit report due JUN2023

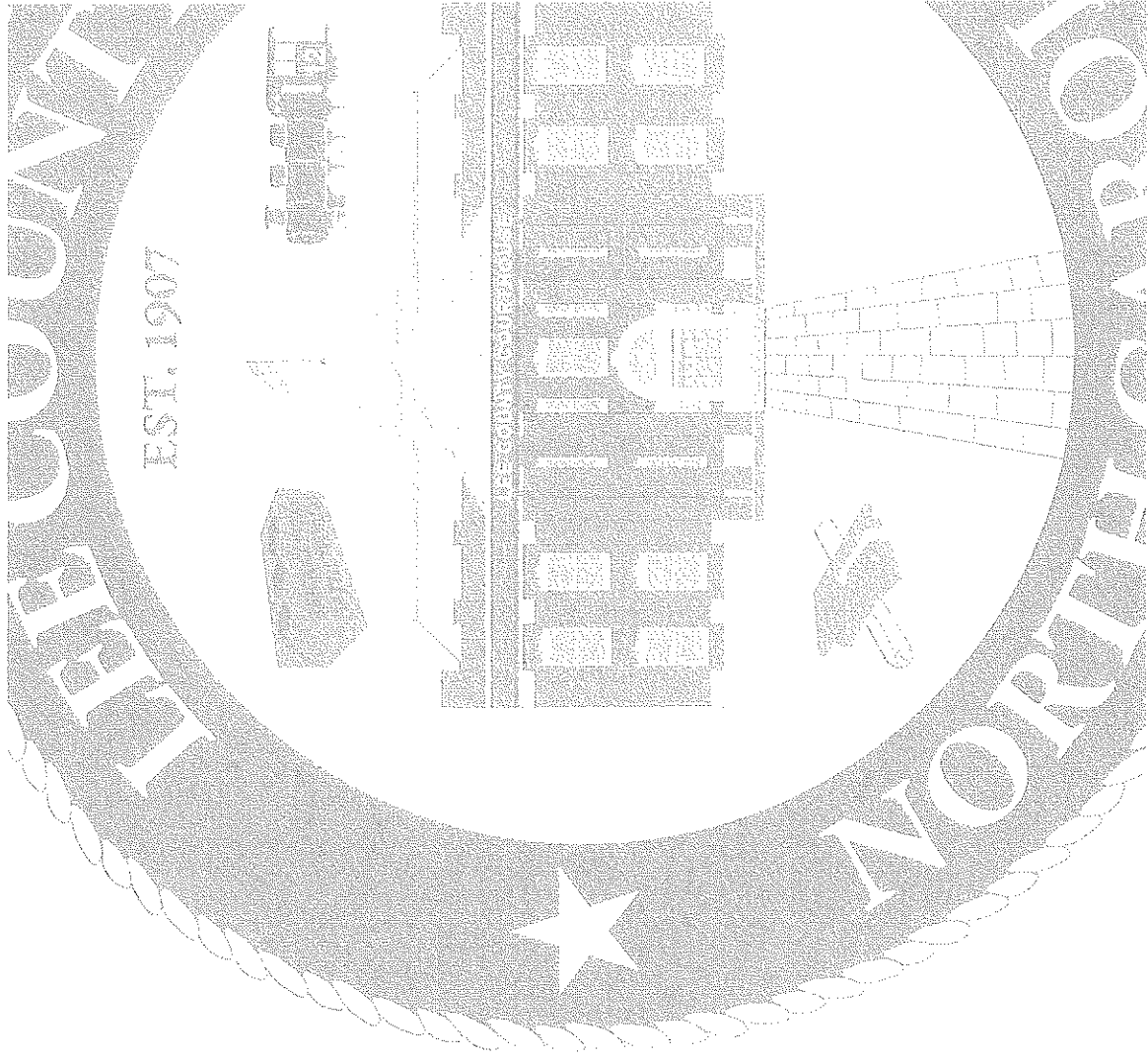
## Performance Audit Sections

- District Org and Mgt
- Educational Service Delivery
- HR and Personnel Mgt
- Facilities Use and Mgt
- Financial Mgt
- Transportation
- Food Services
- Technology

Questions?

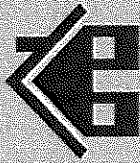
# FY 2023 - 24 Recommended Budget

**Lisa G. Minter**  
*County Manager*  
May 15, 2023





# Budget Goals



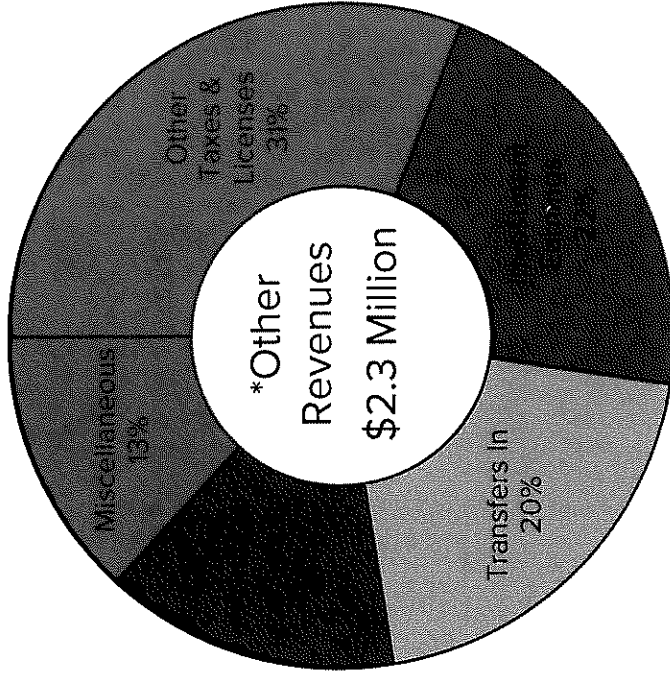
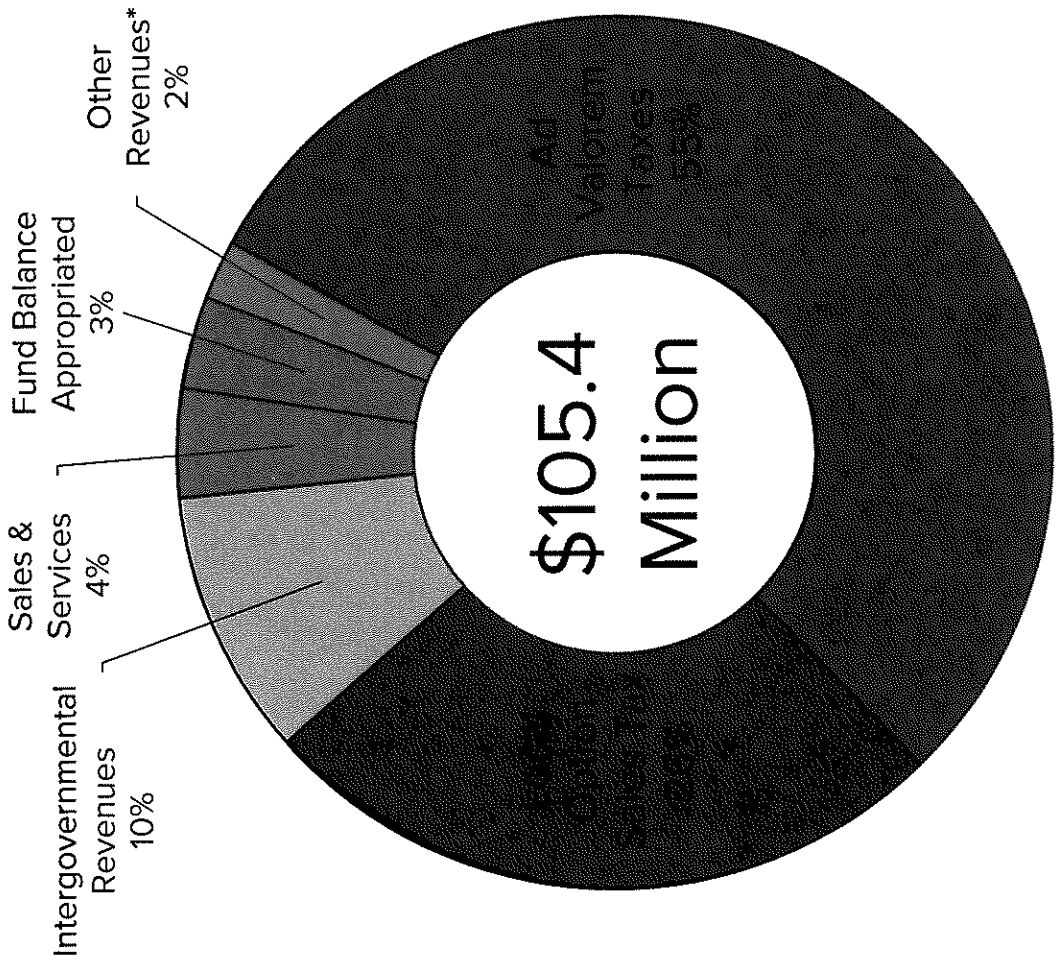
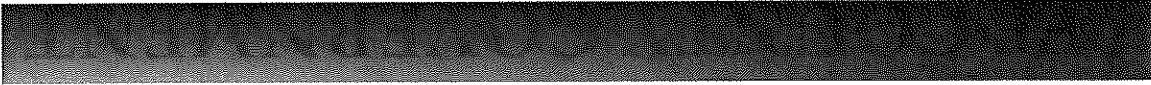
**Lower Property Tax Rate**



**Retain County Workforce**



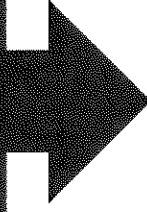
**Preserve Financial Stability**



# Projected Total Revenues

# Revenue Assumptions

FY 2023-24 Projected Revenue:  
\$105,438,073



## Property Tax Assumptions

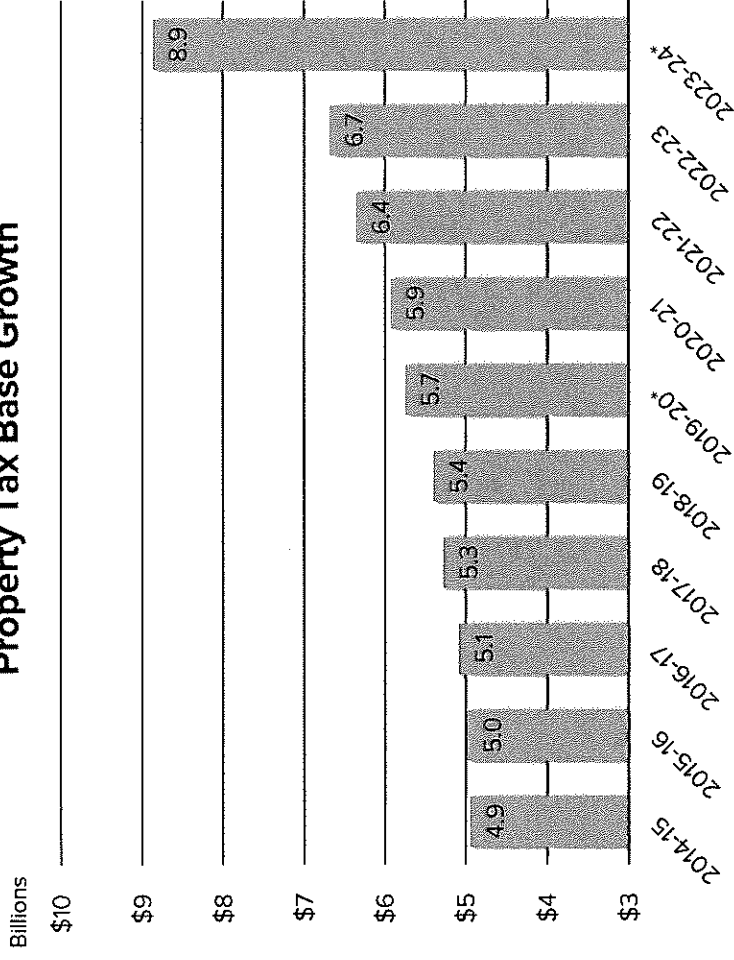
|   |                          |   |   |                          |  |
|---|--------------------------|---|---|--------------------------|--|
| Proposed<br>Tax Rate =<br>\$0.65 per<br>\$100 valuation | One Penny =<br>\$878,247 | Ad Valorem<br>Taxes for FY<br>2023-24 =<br>\$57,086,037 | Current Tax<br>Rate = \$0.73 per<br>\$100 valuation | One Penny =<br>\$662,353 | Revenue Neutral<br>Rate = \$0.5717<br>per \$100<br>valuation |
|---|--------------------------|---|---|--------------------------|--|

# Revenue Neutral Calculation

| Fiscal year   | Assessed Valuation as of June 30 | Total Adjusted for Annexation or Deannexation | Valuation Increase (Decrease)  | Percentage change  |
|---|----------------------------------|---|--|--|
| 2023-24   | 8,864,360,800                    | 8,864,360,800                                 |  |  |
|   |                                  | 23-24   |  |  |
|   |                                  | 22-23   |  |  |
| 2022-23   | 6,682,332,700                    | 6,682,332,700                                 | 100,454,153  | 1.53%  |
|   |                                  | 21-22   |  |  |
| 2021-22   | 6,581,878,547                    | 6,581,878,547                                 | 412,763,635  | 6.69%  |
|   |                                  | 21-22   |  |  |
|   |                                  | 20-21   |  |  |
| 2020-21   | 6,169,114,912                    | 6,169,114,912                                 | 205,528,085  | 3.45%  |
|   |                                  | 20-21   |  |  |
|   |                                  | 19-20   |  |  |
| 2019-20   | 5,963,586,827                    | 5,963,586,827                                 |  |  |
|   |                                  | Revaluation 1/1/2019                          |  | 3.89% Average growth % Doesn't include revaluation increase (decrease) |
| <b>Last year prior to revaluation</b>                       |                                  |   |  |  |
| 2022-23   | 6,682,332,700                    |   | Tax rate 0.7300  | Estimated tax levy 48,781,029  |
| <b>First year of revaluation</b>                            |                                  |   |  |  |
| 2023-24   | 8,864,360,800                    |   | Tax rate to produce equivalent levy 0.5503   | 48,781,029   |
| <b>Increase (decrease) tax rate for average growth rate</b> |                                  |   |  |  |
| 2023-24   | 8,864,360,800                    |   | Revenue neutral tax rate, to be included in budget ordinance, adjusted for growth 0.5717 | 50,677,540   |
|   |                                  |   | Increase (Decrease) in Tax Levy  | 1,896,511  |
|   |                                  |   | Average Percentage Increase (Decrease)   | 3.89%  |

# Revenue Assumptions- Property Tax

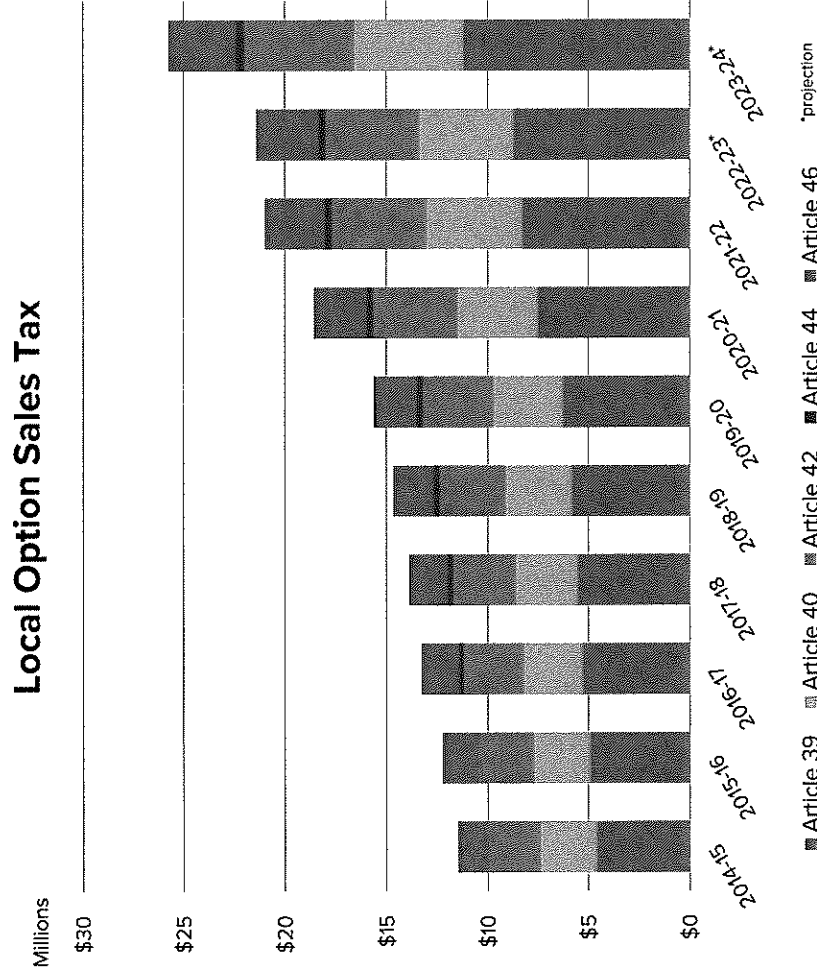
Property Tax Base Growth



\* Revaluation year

- FY 2023-24 Base
  - **\$8,864,360,800**
- FY 2022-23 Base
  - \$6,682,332,700
- Increase of \$2,182,028,100
- Increase in per penny levy
  - \$215,894
- Increase in revenue
  - **\$8,734,032 or 17.87%**

# Revenue Assumptions- Sales Tax



- Local Option Sales Tax

- Current Year Growth – 9%

- Budgeted Growth for FY24

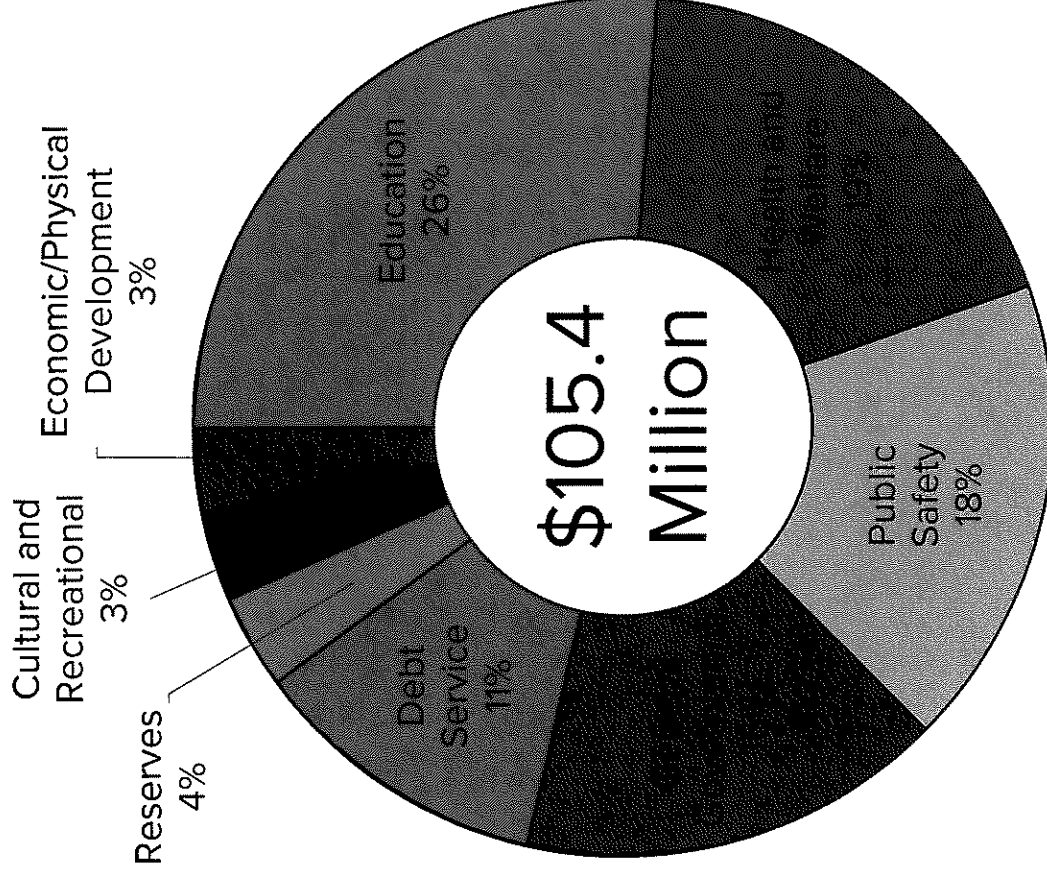
- **5%**

- Total Budgeted Sales Tax

- **\$27,219,851**

# Projected Total Expenditures

| Budget Area               | Recommended 23-24 Budget |
|---------------------------|--------------------------|
| General Government        | \$16,963,454             |
| Public Safety             | \$18,724,566             |
| Economic/Physical Dev.    | \$3,351,778              |
| Health and Welfare        | \$19,528,637             |
| Education                 | \$27,623,759             |
| Cultural and Recreational | \$3,550,462              |
| Debt Service              | \$11,928,312             |
| Reserves                  | \$3,767,105              |
| <b>Total Expenditures</b> | <b>\$105,438,073</b>     |

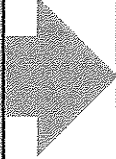


# Expenditure Assumptions

FY 2023-24 Projected Expenditures: \$105,438,073



| Personnel Impacts              |                           |                           |                                  |
|--------------------------------|---------------------------|---------------------------|----------------------------------|
| Implementation of new pay plan | Cost of Living Adjustment | Health Insurance increase | Retirement Contribution increase |
|                                |                           |                           | New Positions                    |



| Operating Impacts      |                    |  |
|------------------------|--------------------|--|
| Inflationary increases | Employee retention | Property & liability insurance increases |



# Personnel Impacts

Implementation of  
new pay plan

- \$2.4 million

Cost of Living  
Adjustment

- 7% based on County's financial policies
- \$1.8 million

Health Insurance  
increase

- 8% increase
- \$321,000

Retirement  
Contribution increase

- \$150,000

# Personnel Impacts

**32 new positions requested  
(15 recommended)**

- DSS – 4 (4)
  - Fire Marshal – 1 (1)
  - Health Department – 2 (1)
  - Sheriff – Animal Control – 2 (1)
  - Library – 3 (1)
- Emergency Management – 1 (0)
  - General Services – 11 (3)
  - Sheriff – 1 (1)
  - Jail (4) – (2)
  - Tax – 3 (1)

## Budget Impact

**Requested: \$1,831,419 | Recommended: \$787,205**

# Operating Impacts

## Inflationary Increases

- Utilities
- Contract for Employee Health Clinic
- Medical contracts for Jail
- Food contracts for Jail and Senior Services
- Shared department costs with the City due to positions and COLA adjustments
- Fuel costs
- Vehicles

# Operating Impacts

## Employee retention

- \$20,000 to begin a tuition reimbursement program

## Economic/Physical Development

- Incentives
  - Contractual commitments budgeted at \$1,518,423, a \$893,173 increase
  - Interest on Spec Building
    - \$231,252, a \$150,002 increase

Property & liability increase of approximately 30%

# Lee County Schools

## Request — Current Expense

- Current allocation \$ 19,610,524
- Requested increase 2,367,510
- Total request \$ 21,978,034

## Recommended — Current Expense

- Increase - \$523,500
- Total current expense recommendation - \$20,134,024
- Difference - \$1,844,010

## Request — Capital Outlay

\$1,347,500

- Recommended - \$1,347,500

## Request — Special Allocation

\$600,000

- Demolition Jonesboro Elementary
- Recommended - \$600,000

# Central Carolina Community College (CCCC)

## Request – Current Expense

- Current allocation \$ 3,412,305
- Requested increase 182,195
- Total request \$ 3,594,500

## Recommended – Current Expense

- Increase - \$100,000
- Total current expense recommendation: \$3,512,305
- Difference - \$82,195

## Request – Special Allocation

\$250,000

- College Promise Program
- Recommended - \$250,000

Request – Moore Center \$920,000

- Recommended - \$920,000

Request – Civic Center \$64,930

- Recommended - \$64,930

Request – Capital Outlay \$110,000

- Recommended - \$110,000

## **Other Items of Note**

- **Debt/Capital Reserve Funding**
  - 8.61 cents of tax rate dedicated to debt/capital reserve in previous budgets
  - Rate adjusted to 6.35 cents in FY 2023-24 budget due to revaluation
- **Solid Waste Fees will remain the same for FY 2023-24**

# Fire District Funding

- Recommended budget proposes flat tax of 10 cents
- Provides consistency in taxation
  - Every taxpayer is taxed at the same rate for same level of service
  - Fire Advisory Board will still review district budgets and make recommendations to the County
- FY 2022-23 Rates ranged from 8 cents to 14.5 cents
- At 10 cents, four districts will see a decreased rate and three will have increases. See page 11 of budget document



# Next Steps

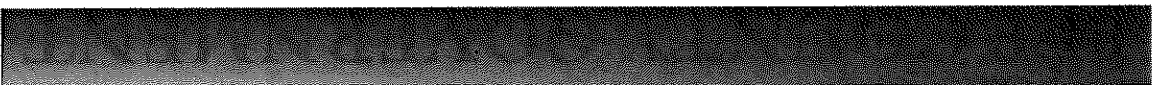
- Budget Work Session
  - Friday, May 19 at 8:30 am McSwain Center
  - General Services, DSS, Sheriff, Library, and Parks & Recreation
- Budget Public Hearing
  - Monday, June 5 at 6:00 pm
- After the public hearing, the Commissioners can adopt the budget at any time, before June 30 at 5:00 pm
- Monday June 19, 6:00 pm – Last scheduled Commissioners Meeting for FY 2022-23



# **Appreciation**

- Department Heads
- Administration
- Human Resources
- Finance
- Board of Commissioners

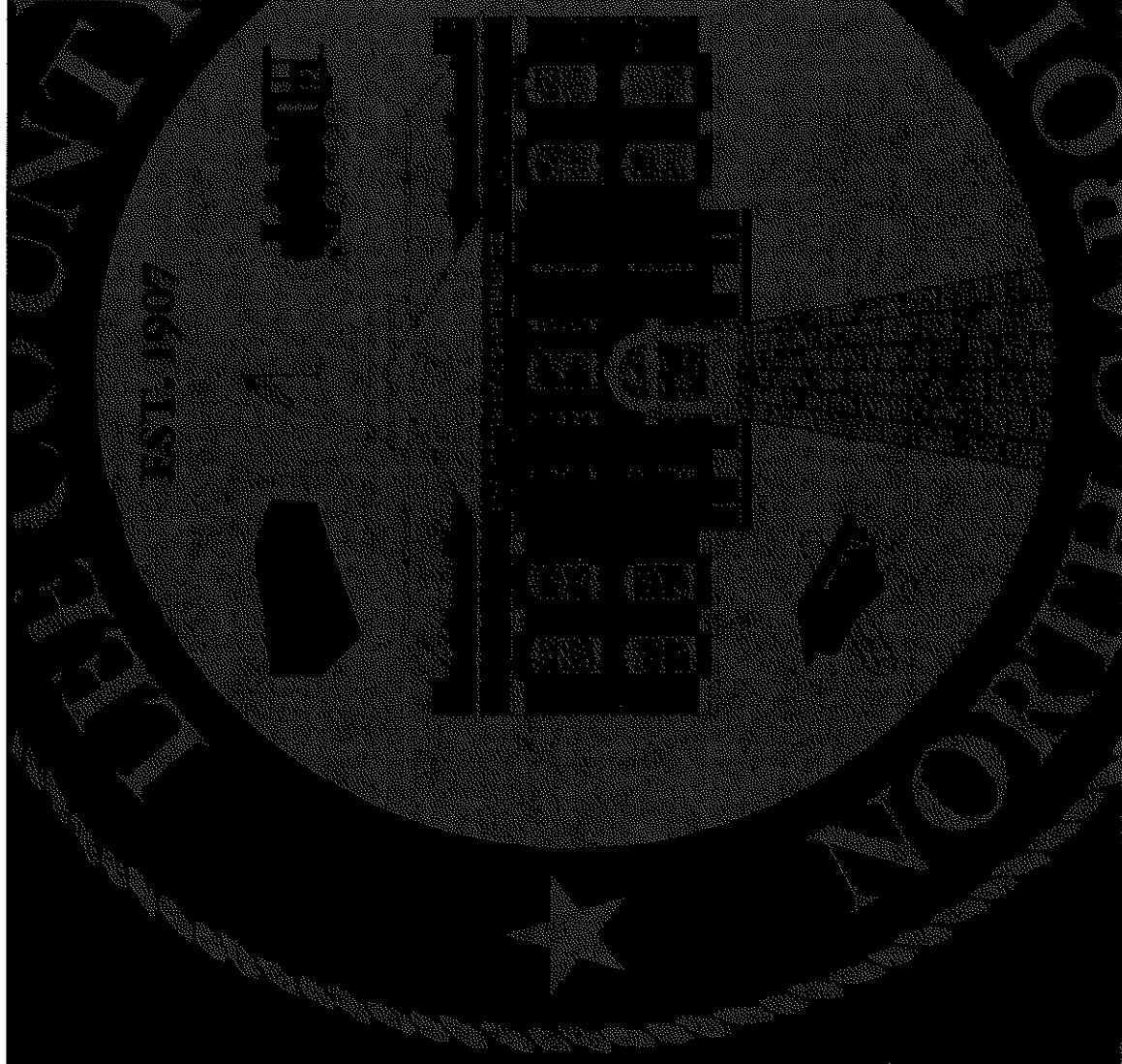
# Questions?



# **Recommended 2024-2028 Capital Improvement Plan “CIP”**

**Lisa G. Minter, County Manager**  
**Ben McQueary, Management Fellow**  
*Board of Commissioners Meeting*

**May 15, 2023**



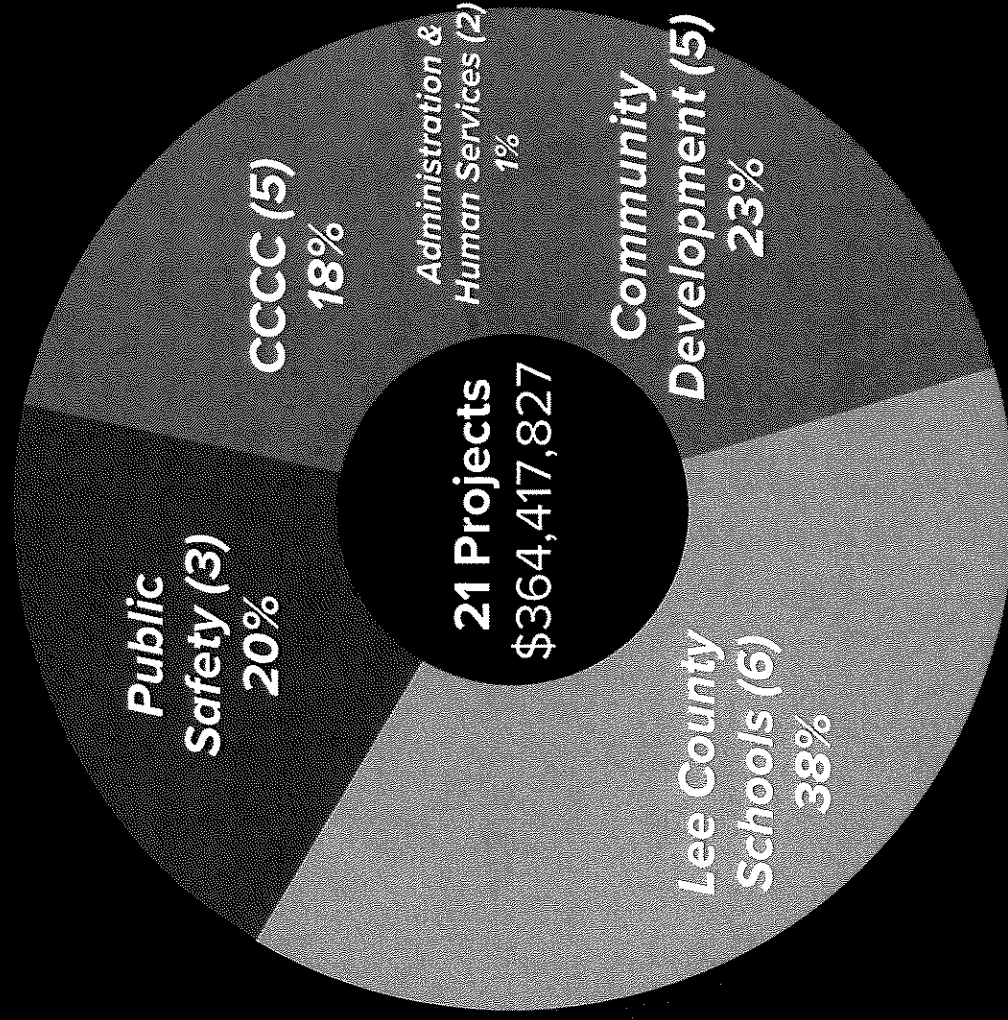
# Presentation Agenda

- CIP Overview
- Total Capital Requested FY 2024-2028
- Total Capital **Recommended** FY 2024-2028
  - Administration
  - Education- Lee County Schools
  - Education- CCCC
  - Community Development
  - Human Services
  - Public Safety
- Next Steps
- Questions

## Lee County's Capital Improvement Plan (CIP)

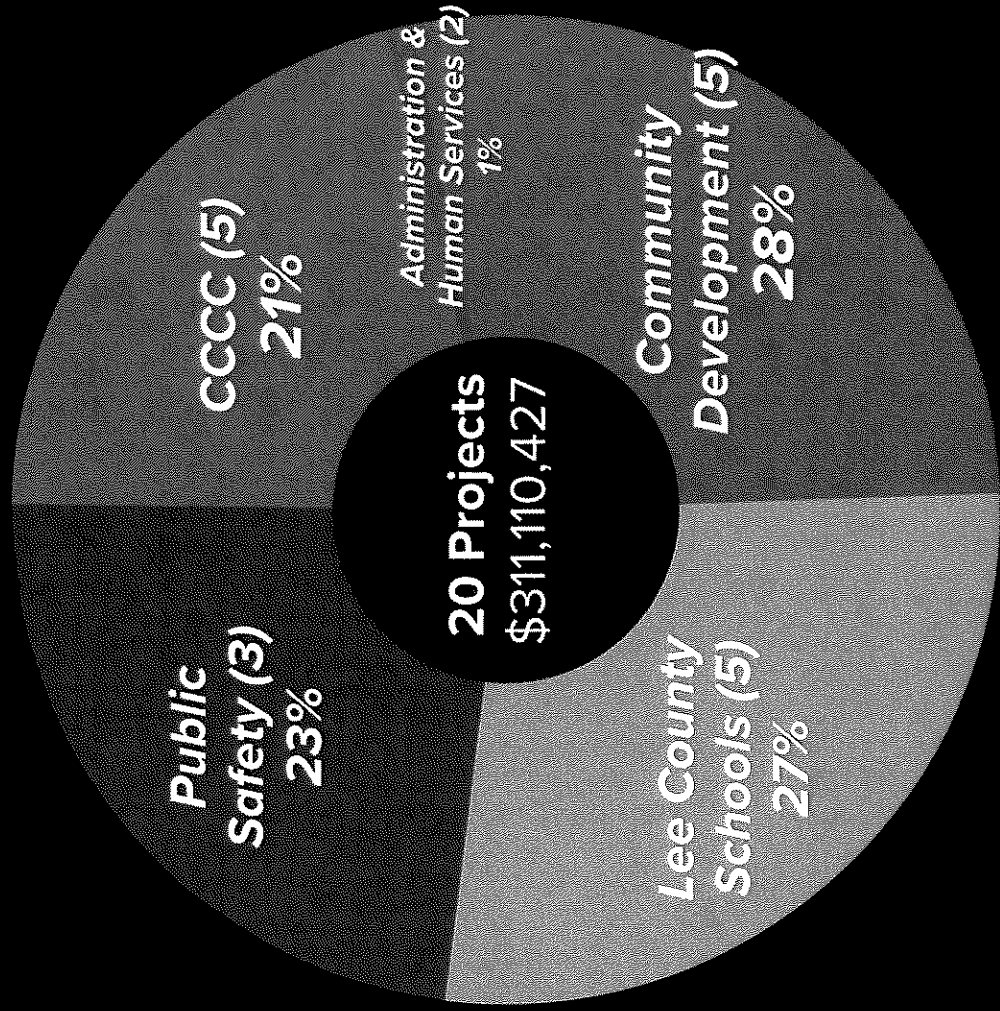
- The County's Capital Improvements Plan (CIP) is intended to be our **"strategic plan"** for major **capital improvements** (projects exceeding \$500,000)
- Five-year plan (FY24 through FY28)
- Prioritize projects + put funding plan in place for high priority projects

# Total Capital Requested



| Project Area (#)              | Total Amount         |
|-------------------------------|----------------------|
| Administration (1)            | \$2,122,435          |
| Lee County Schools (6)        | \$138,766,775        |
| CCCC (5)                      | \$64,615,617         |
| Community Development (5)     | \$85,720,000         |
| Human Services (1)            | \$693,000            |
| Public Safety (3)             | \$72,500,000         |
| <b>Total Capital Requests</b> | <b>\$364,417,827</b> |

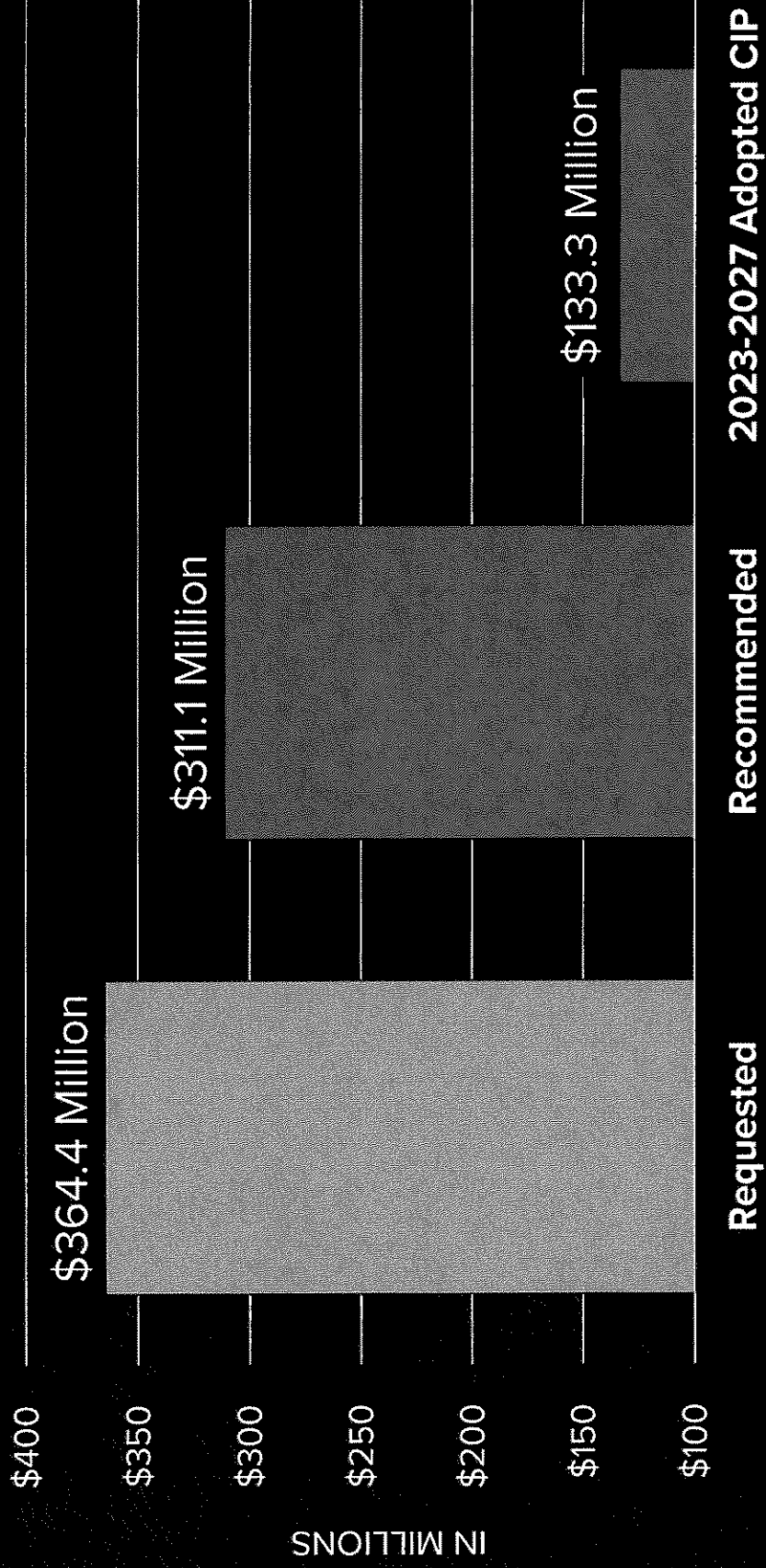
# Total Capital Recommended



| Project Area (#)              | Total Amount         |
|-------------------------------|----------------------|
| Administration (1)            | \$2,122,435          |
| Lee County Schools (5)        | \$85,459,375         |
| CCCC (5)                      | \$64,615,617         |
| Community Development (5)     | \$85,720,000         |
| Human Services (1)            | \$693,000            |
| Public Safety (3)             | \$72,500,000         |
| <b>Total Capital Requests</b> | <b>\$311,110,427</b> |



# Requested vs. Recommended



2023-2027 Adopted CIP

# Administration

# General Services Expansion

Total Cost: \$2,122,435

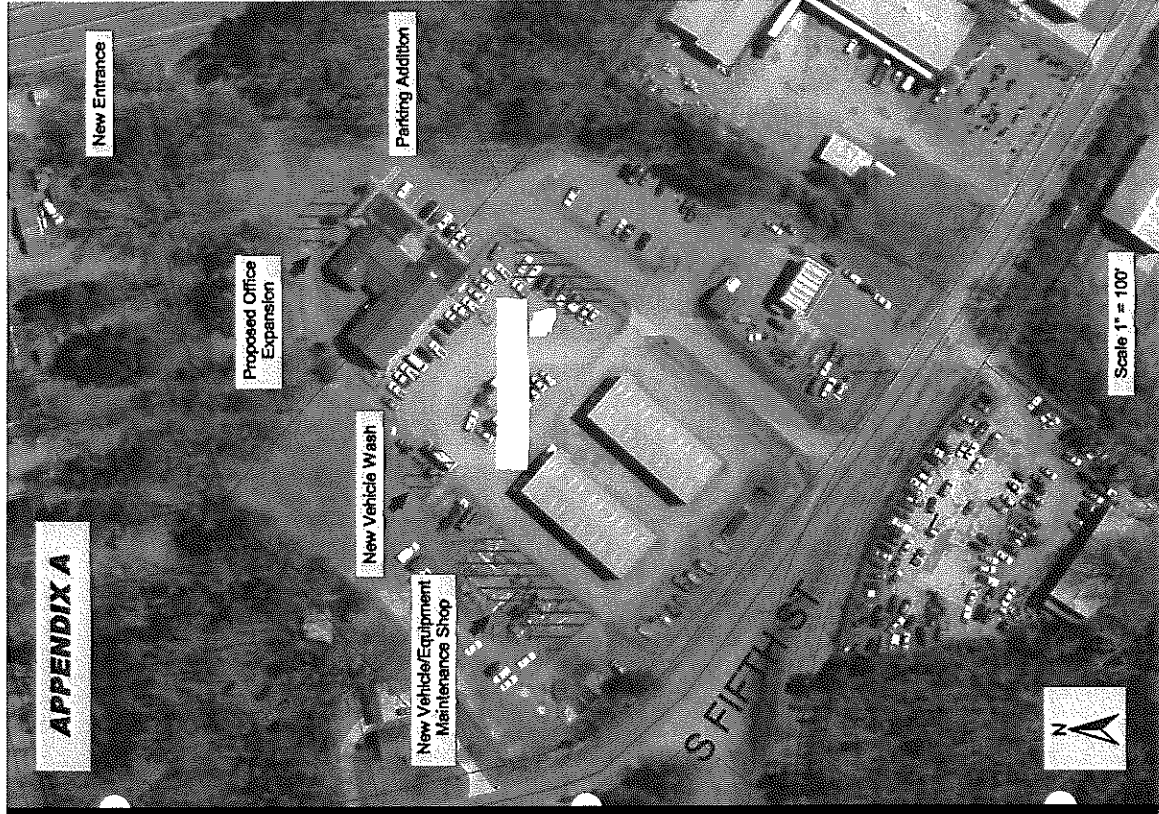
Requested Date: FY 23-24

Recommended Date: FY 25-26

Addition of Mechanical and Wash Bay to the existing General Services grounds.

Addition of a training room, parking lot, and new entrance to the existing General Services grounds.

*Funded by Financing Proceeds*



# Education: Lee County Schools

# Southern Lee High School Auditorium & 6 Classrooms

Total Cost: \$13,306,975

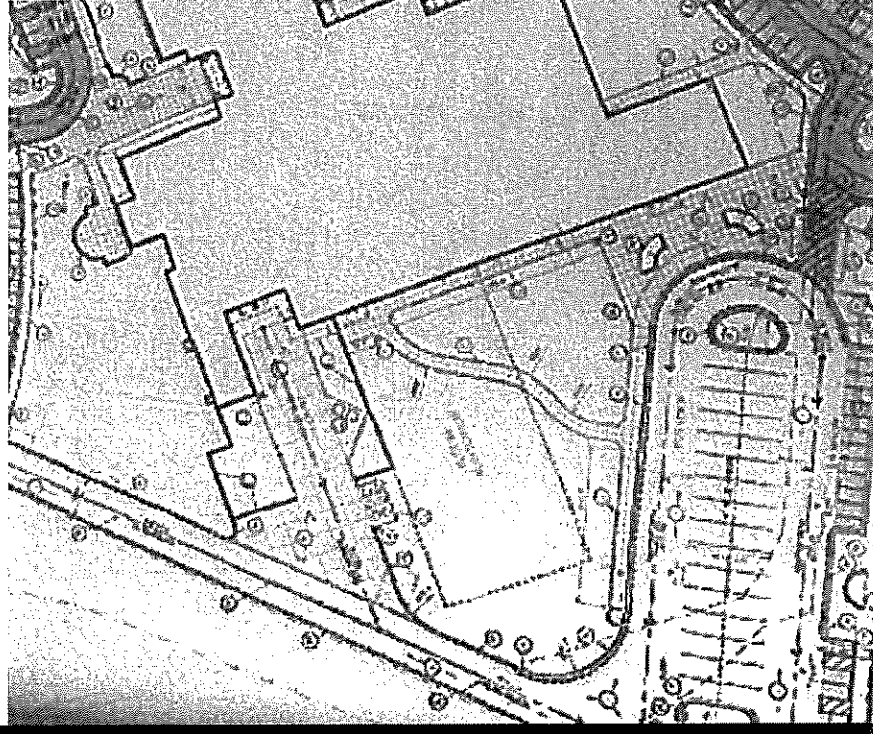
Requested Date: FY 23-24

Recommended Date: FY 24-25

650 Seat Auditorium with accompanying storage and classroom space for students.

Covered walkways in the front and from the bus lot for student drop off/pick up and covered walkways for the back courtyard.

*Funded by Lottery & Financing Proceeds*



# Lee County High School HVAC & Interior Renovation

Total Cost: \$6,492,500

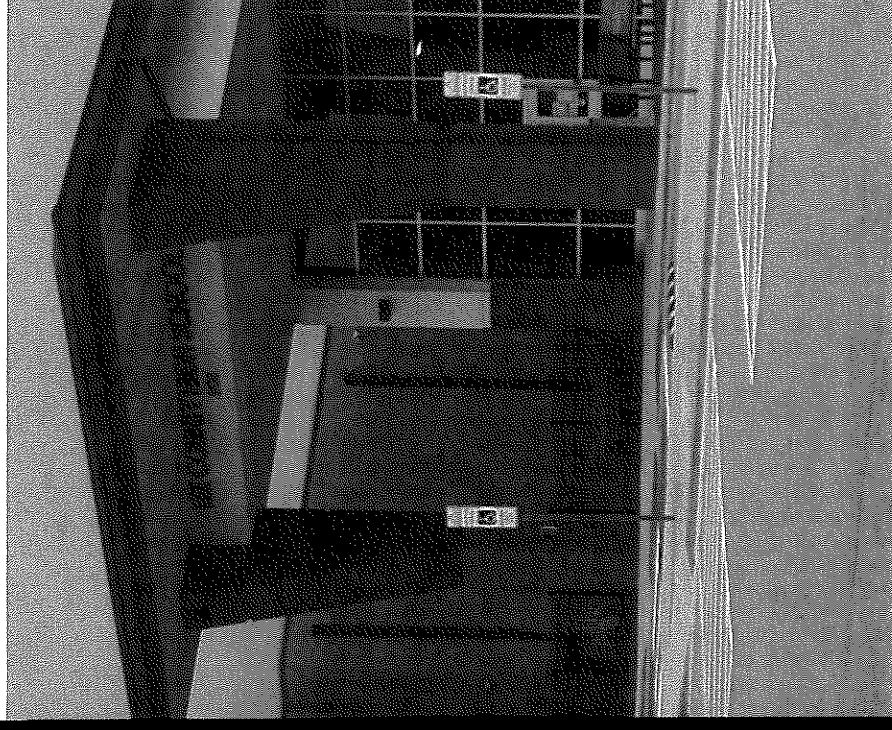
Requested Date: FY 23-24

Recommended Date: FY 24-25

Replace the old HVAC system in the auditorium and tie into the chiller plant and add a boiler.

Renovate all classrooms, restrooms, and hallways. Remove/abate all asbestos. Repair the outside of the building.

*Funded by Lottery & Financing Proceeds*



# West Lee Middle School New Gym and Renovations

Total Cost: \$11,167,100

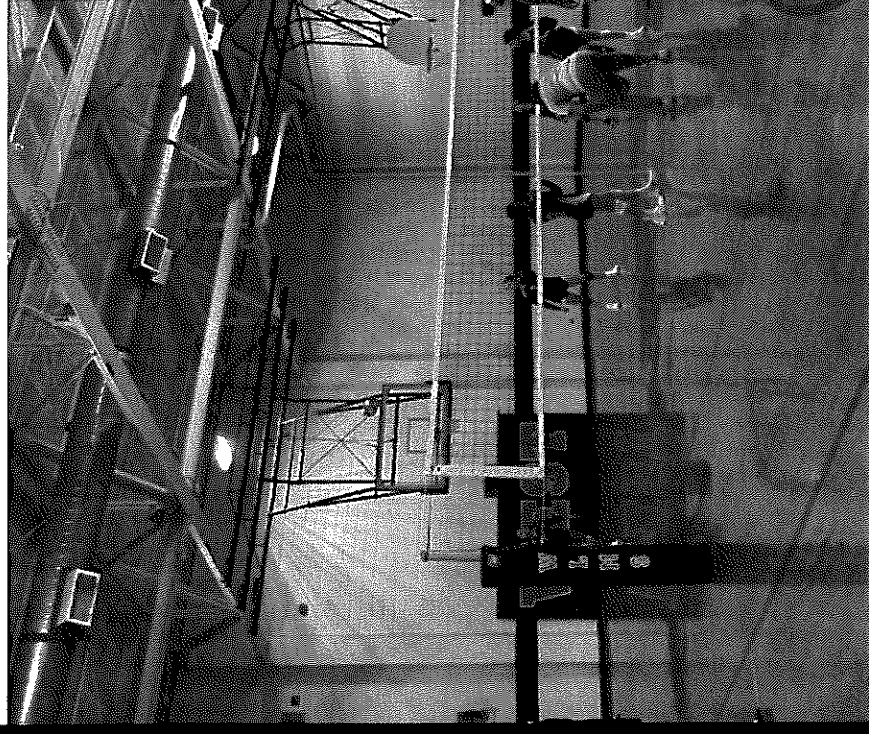
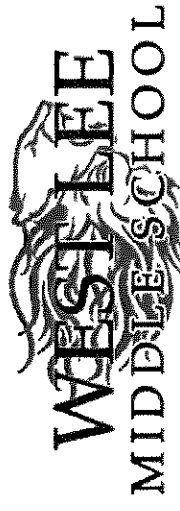
Requested Date: FY 24-25

Recommended Date: FY 25-26

Construction of a new gym with restrooms and locker rooms. More parking for games needs to be added.

Renovation of windows, mechanical room doors and painting done in the classrooms and hallways. Furniture and equipment in kitchen upgraded.

*Funded by Financing Proceeds*



# East Lee Middle School New Gym and Renovations

Total Cost: \$11,167,100

Requested Date: FY 24-25

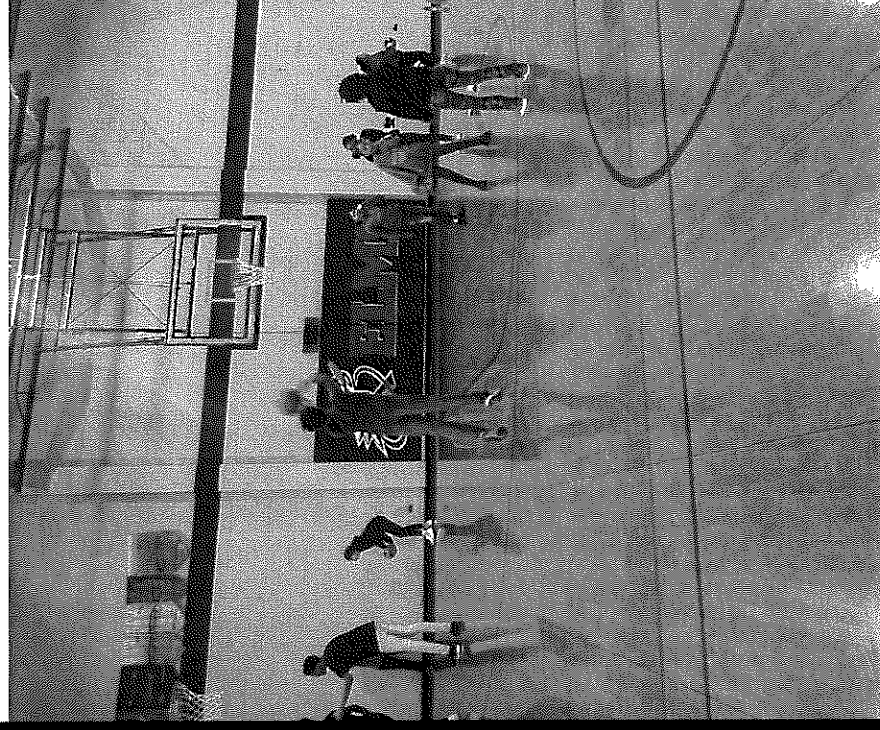
Recommended Date: FY 25-26

Construction of a new gym with restrooms and locker rooms. More parking for games needs to be added.

Renovation of windows, mechanical room doors and painting done in the classrooms and hallways. Furniture and equipment in kitchen upgraded.

*Funded by Financing Proceeds*

**EAST LEE**  
MIDDLE SCHOOL





# New Elementary School

Total Cost: \$43,325,700

Requested Date: FY 25-26

Recommended Date: FY 26-27

Construction of a new elementary school that holds 850 students.

*Funded by Bond Proceeds*

LEE COUNTY  
SCHOOLS  
INSPIRED.



## New Middle School

*Currently not recommended to be included in 2024-2028 CIP*

Total Cost: \$53,307,400

Requested Date: FY 27-28

Recommended Date: Beyond FY28

Construction of a new middle school that holds 850 students.

*Funded by Bond Proceeds*

LEE COUNTY  
SCHOOLS  
INSPIRED.



**Education:  
Central Carolina  
Community College  
(CCCC)**

# Moore Center: Truck Driver Training Center Renovation

Total Cost: \$200,000

Requested Date: FY 23-24

Recommended Date: FY 23-24

Renovating an approximately 2,700 square feet existing building located at the Moore Center to be used for Truck Driver training purposes.

*Funded by Financing Proceeds*



# Moore Center: Bioprocessing Building Renovation

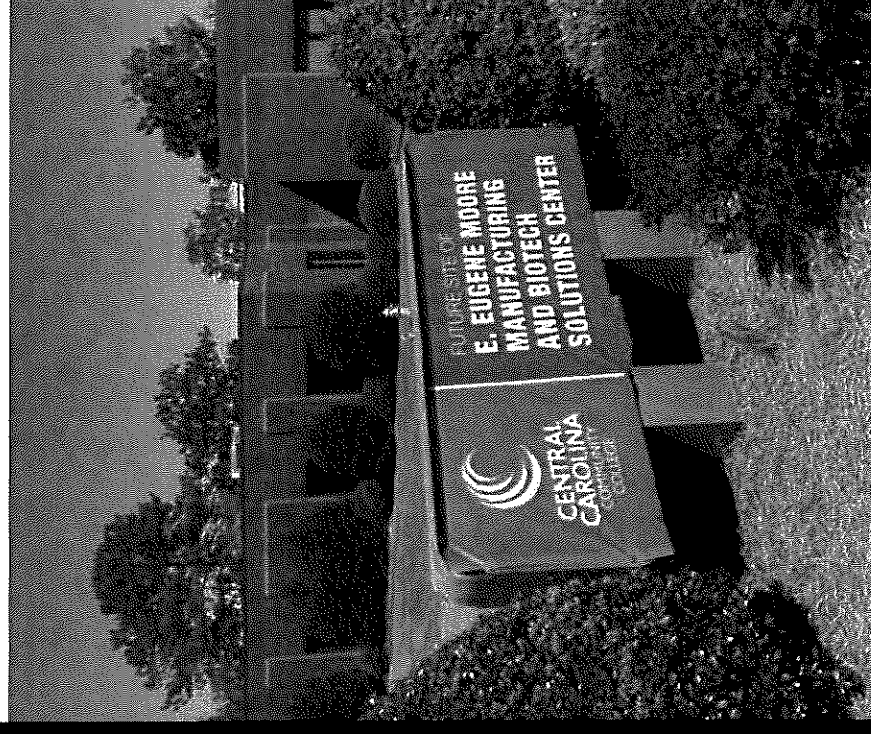
Total Cost: \$4,000,000

Requested Date: FY 23-24

Recommended Date: FY 23-24

Renovating an approximately 9,900 square feet existing building located at the Moore Center to be used for Bioprocessing training purposes.

*Funded by Financing Proceeds*



# Moore Center: Main Building Renovation (Phase One)

Total Cost: \$7,415,617

Requested Date: FY 23-24

Recommended Date: FY 23-24

Renovating approximately 25,000 square feet of an existing 180,000 square feet building located at the Moore Center to be used for a variety of continuing education and curriculum education training programs.

*Funded by Grants/Other Sources &  
Financing Proceeds*



# Lee Early College & CCCC Library

Total Cost: \$3,000,000

Requested Date: FY 24-25

Recommended Date: FY 25-26

Construction of a 40,000 sq ft library for CCCC students.

This building would also have classroom space and student break space for Lee Early College.

*Funded by Grants/Other Sources*

# LEE EARLY COLLEGE



# Moore Center: Main Building Renovation (Phase Two)

Total Cost: \$50,000,000

Requested Date: FY 25-26

Recommended Date: FY 26-27

Completion of renovations to the main building at the E. Eugene Moore Manufacturing and Biotech Solutions Center.

The final phase of this project will involve renovation of space for machining, electronics engineering, industrial systems, and other associated programs.

*Funded by Grants/Other Sources*





# Community Development

# New Lee County Library

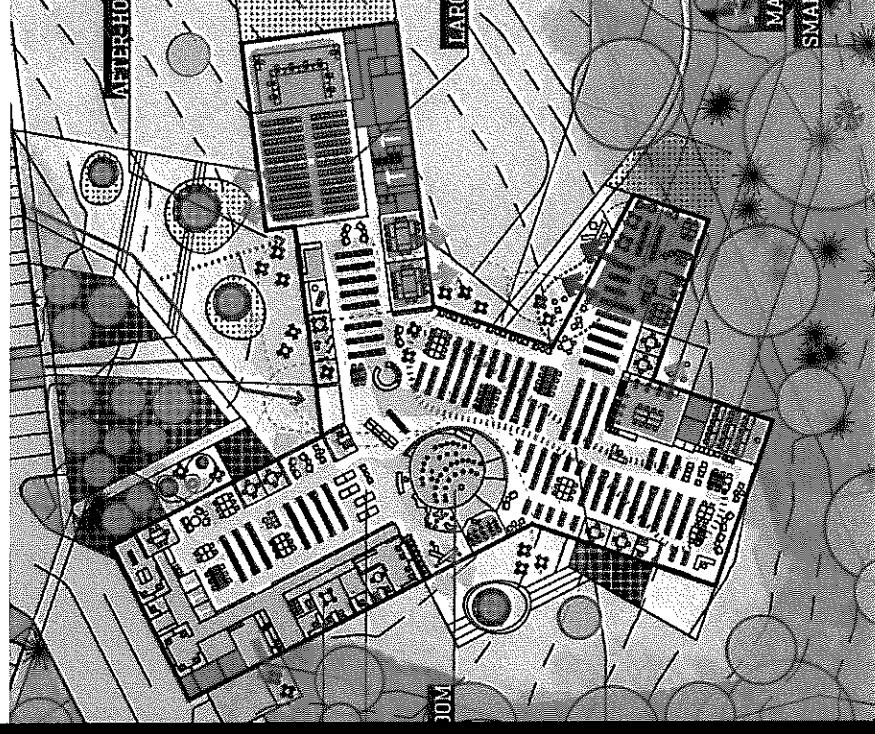
Total Cost: \$24,000,000

Requested Date: FY 23-24

Recommended Date: FY 23-24

Construction of a new 33,000 square foot main library located at OT Sloan Park.

*Funded by Financing Proceeds*



# Multi-Sports Complex

Total Cost: \$35,700,000

Previously Spent: \$4,250,000

Requested Date: FY 23-24

Recommended Date: FY 23-24

Construction of a new sports complex with rectangular and baseball fields designed to host tournaments.

*Funded by Bond & Financing Proceeds*

## PARKS & RECREATION

LEE COUNTY GOVERNMENT, NC



# Endor Iron Furnace

Total Cost: \$520,000

Requested Date: FY 24-25

Recommended Date: FY 24-25

Development and construction of a park on the Endor Iron Furnace site. Complete with possible mountain biking trails and a disc golf course.

*Funded by General Fund Proceeds*

**PARKS & RECREATION**

LEE COUNTY GOVERNMENT, NC



# OT Sloan Park Inclusive Playground

Total Cost: \$500,000

Requested Date: FY 23-24

Recommended Date: FY 23-24

The project includes the Inclusive Playground, ADA renovations to the bathroom and ADA access.

*Funded by Grants & General Fund Proceeds*

**PARKS & RECREATION**  
LEE COUNTY GOVERNMENT, NC



# OT Sloan Park Recreation Center

Total Cost: \$25,000,000

Requested Date: FY 24-25

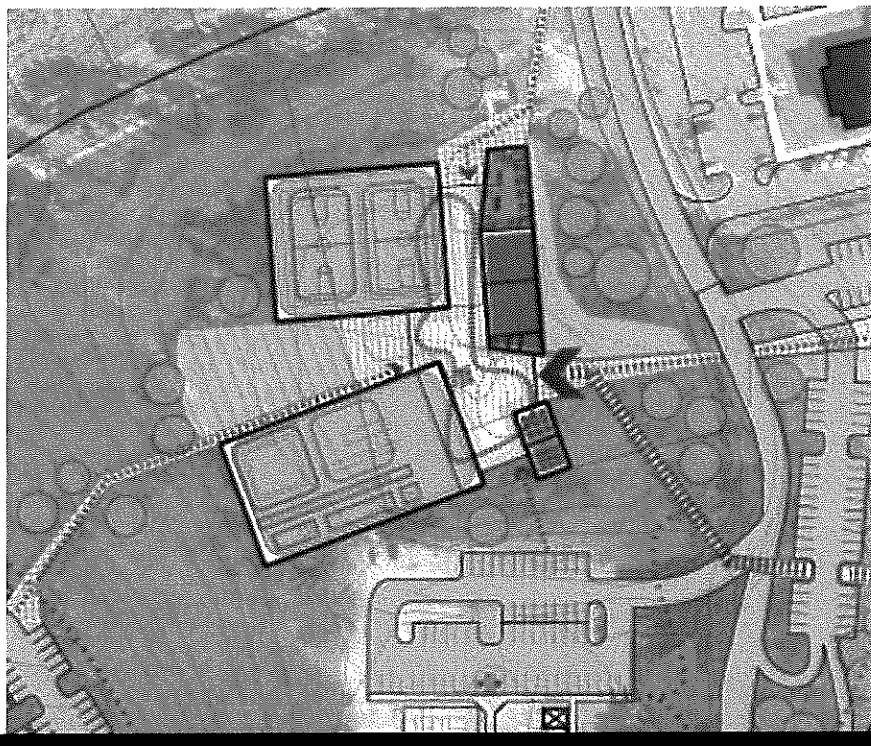
Recommended Date: FY 25-26

The Recreation Center would house the Parks and Recreation Department's gymnastic classes, art classes, dance classes, summer camps, 3 gymnasiums and staff offices.

*Funded by Bond Proceeds*

**PARKS & RECREATION**

LEE COUNTY GOVERNMENT, NC



# Human Services

# Animal Shelter Expansion

Total Cost: \$693,000

Requested Date: FY 24-25

Recommended Date: FY 25-26

Expanding the size of the current animal shelter to decrease euthanasia rates.

*Funded by General Fund Proceeds*





# Public Safety

# Public Safety Communications System Upgrade (VIPER)

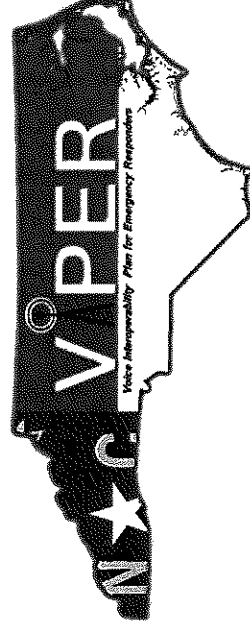
Total Cost: \$6,000,000

Requested Date: FY 23-24

Recommended Date: FY 23-24

Replacing the Counties current analog radio system with the state supported Voice Interoperability Plan for Emergency Responders (VIPER) system.

*Funded by Financing Proceeds*



# Combined Public Safety Warehouse

Total Cost: \$1,500,000

Requested Date: FY 23-24

Recommended Date: FY 24-25

Provide a location for the storage and maintenance of Lee County equipment, while also providing secure storage for any Law Enforcement evidence or seizures.

*Funded by Financing Proceeds*



# New Judicial/Law Enforcement Center

Total Cost: \$65,000,000

Requested Date: FY 23-24

Recommended Date: FY 27-28

Create a new judicial/law enforcement building for use by the court system and Sheriff's office.

*Funded by Bond Proceeds*



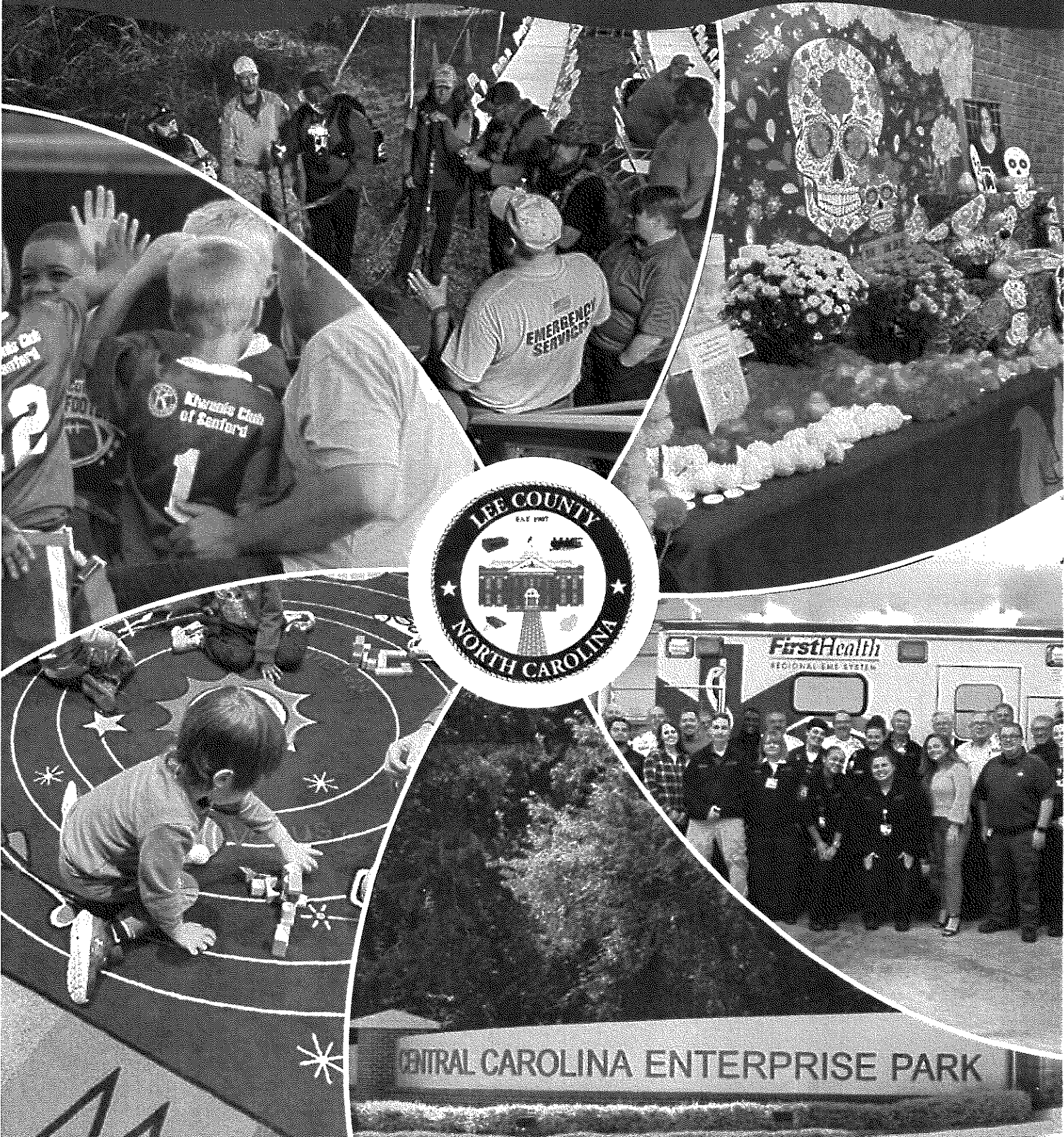
## Next steps

- Public Hearing
  - June 5, 2023
- CIP Work Session (If Requested)
- Adoption of 2024-2028 CIP
  - June 19, 2023

**Questions?**

# LEE COUNTY GOVERNMENT

## STRATEGIC PLAN 2023 – 2028



CENTRAL CAROLINA ENTERPRISE PARK

# LETTER FROM COMMISSIONERS

It is our pleasure to present the Lee County Government Strategic Plan for 2023 – 2028. This plan reflects the input of engaged community and business partners, the appointed and elected staff in Lee County, and the Lee County Commissioners. This effort represents an update to our original plan founded in 2020, and is a County-wide issues based strategic plan.

The community Vision, Mission, and Values provide the foundation for the plan's Key Areas of Focus: Arts and Culture, Community Safety, Economic Development, Education, Health and Well Being, and Partnerships. The team developed the strategic Goals and Objectives in each Key Area of Focus through an extensive series of feedback and meetings, local and national trends, and information provided by experts. Our strong commitment to protect and support our lifestyle underlies every strategic Objective. These Objectives will guide the work we do to create prosperity in Lee County.

The Strategic Plan is a tool that clearly captures the most important priorities and will direct the development of our budget and resource allocation. We are confident that this year's planning process will lead to a comprehensive and responsive budget that balances the diverse needs of our community through its emphasis on accountability, partnership, innovation, and efficiency.

We want to convey our appreciation to the residents who provided their time and input to the process, to the Senior Leadership Team for their commitment, and to the partners and agencies throughout Lee County who will continue to work on this Plan. As a living document, it is our commitment to update the strategic plan on a regular basis so that we can measure our success in coming years.

Sincerely,

*Lee County Commissioners*





LEE COUNTY GOVERNMENT CENTER

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# LEE COUNTY GOVERNMENT STRATEGIC PLAN



## VISION

Lee County Government is a celebrated community at the center of economic achievement and diverse cultural heritage, connected to all people.



## MISSION

Lee County Government cultivates a community of collaboration and innovation through visionary leadership and dedicated service.

### Health and Well Being

Lee County Government's community health programs and services will be well-marketed.

Create an environment that promotes physical and mental health and well-being in the community.



### Partnerships

Foster and grow long-established foundational partnerships within all sectors of the community.

Expand partnerships in the region.



### Arts and Culture

Create intentional opportunities and grow spaces for affordable entertainment to be known throughout North Carolina.

Increase awareness of cultural activities throughout the community.



### Key Areas of Focus

### Education

Lee County Government will have an established role in the provision of life long learning for the community and region.

Lee County Government will have solid, clear, and mutually beneficial relationships with all sectors of education in the region.



### Economic Development

Become a world-class center for the biotech industry.

Create the environment for community based Economic Development.

Increase tangible opportunities for economic growth.



### Community Safety

Increase opportunities and activities for youth of all ages.

Increase opportunities to grow public trust.

Ensure Lee County remains a safe environment for community interactions.

# ABOUT LEE COUNTY

Lee County is nestled in the heart of North Carolina. Established in 1907, the community is rooted in rural history and agricultural heritage that also embraces transformative growth bringing new industry and advancement opportunities to the local community and surrounding region.

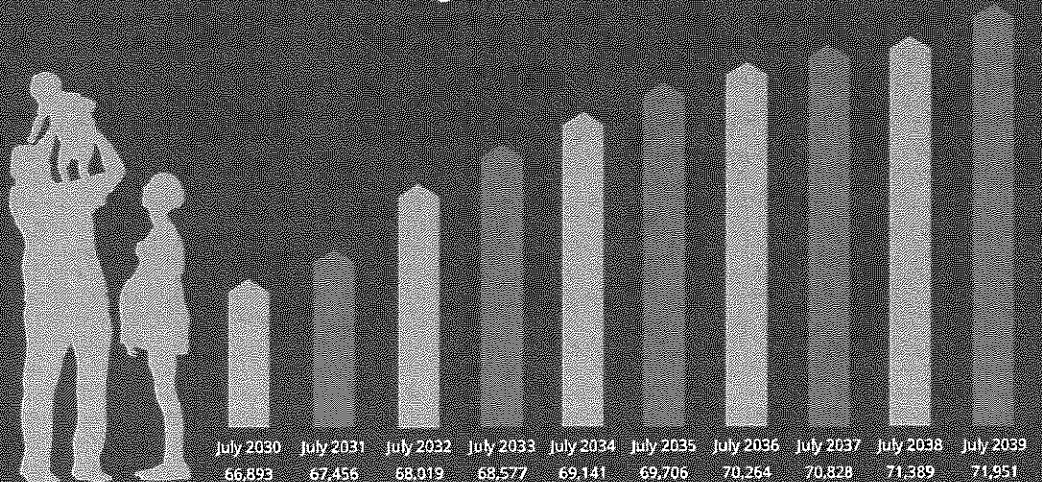
## POPULATION



Lee County is situated near the geographical center of the state in the Piedmont region. County residents have the benefit of being a within an hour drive to the Raleigh-Durham Metro Area to the northeast, Fort Bragg to the southeast, Southern Pines-Pinehurst to the southwest, and the Greensboro-Winston-Salem Metro Area to the northwest. The county is also within a three-hour drive to both the North Carolina mountains in the west and beaches in the east.

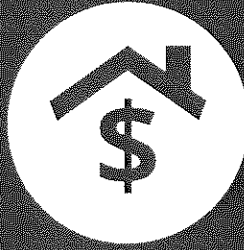
Lee County has two municipalities - the City of Sanford and Town of Broadway, which along with our unincorporated areas offer distinct charm and personality creating a unique community character that is welcoming to all!

## OVERALL POPULATION GROWTH PROJECTIONS



THE INFORMATION CAME FROM THE NORTH CAROLINA OFFICE OF STATE BUDGET AND MANAGEMENT





Median Household Income  
(in 2021 dollars), 2017 – 2021

**\$57,674**

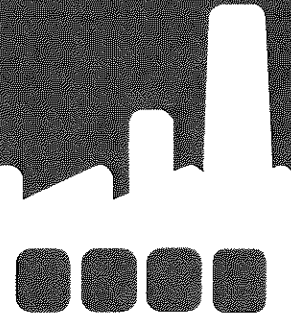
## MEDIAN HOUSEHOLD INCOME

*THIS INFORMATION COMES FROM THE US CENSUS.*

## MAJOR INDUSTRIES

Agri-Business and Tourism  
Education and Health Services  
Manufacturing

Bio-Tech and Science  
Employment Services



## LARGEST EMPLOYERS

*LISTED IN ORDER OF SIZE.*

|                                    |                          |                              |
|------------------------------------|--------------------------|------------------------------|
| CATERPILLAR                        | ARDEN                    | CHARLES R. UNDERWOOD (CRUCO) |
| LEE COUNTY SCHOOLS                 | PARKDALE                 | WST INDUSTRIES               |
| PILGRIM'S PRIDE                    | LIBERTY HEALTHCARE GROUP | AMERICAN TREATS              |
| PFIZER                             | FOOD LION                | LEE BRICK AND TILE           |
| COTY                               | MCDONALD'S RESTAURANTS   | SPANSET                      |
| PENTAIR                            | AMERICOLD                | MERTEK                       |
| CENTRAL CAROLINA COMMUNITY COLLEGE | NOBLE OIL SERVICES       | JMC TOOL                     |
| TYSON                              | LOWES HOME CENTER        | RED WOLF                     |
| CENTRAL CAROLINA HOSPITAL          | MOEN                     | LEE IRON AND METAL           |
| BEAR CREEK ARSENAL                 | CHALLENGE PRINTING       | CARGO CONTROL                |
| COUNTY OF LEE                      | TRION                    | ATLANTIC HYDRAULIC           |
| COREMARK                           | ZURN                     | WIND SOLUTIONS               |
| SANFORD CONTRACTORS                | PCC AIRFOILS             | HERITAGE CONCRETE            |
| CITY OF SANFORD                    | EDEBROCK                 | J&G MACHINERY                |
| WALMART                            | DESCO 3M                 | BOSTON FRUIT SLICES          |
| GKN                                | STI POLYMER              | CERTIFIED MACHINING          |
| FRONTIER SPINNING                  | THIS END UP              | METAL STAMPING SOLUTIONS     |
| STATIC CONTROL COMPONENTS          | HYDROTUBE                | OLIVIA MACHINE AND TOOL      |

*THIS INFORMATION PROVIDED BY SAGA*





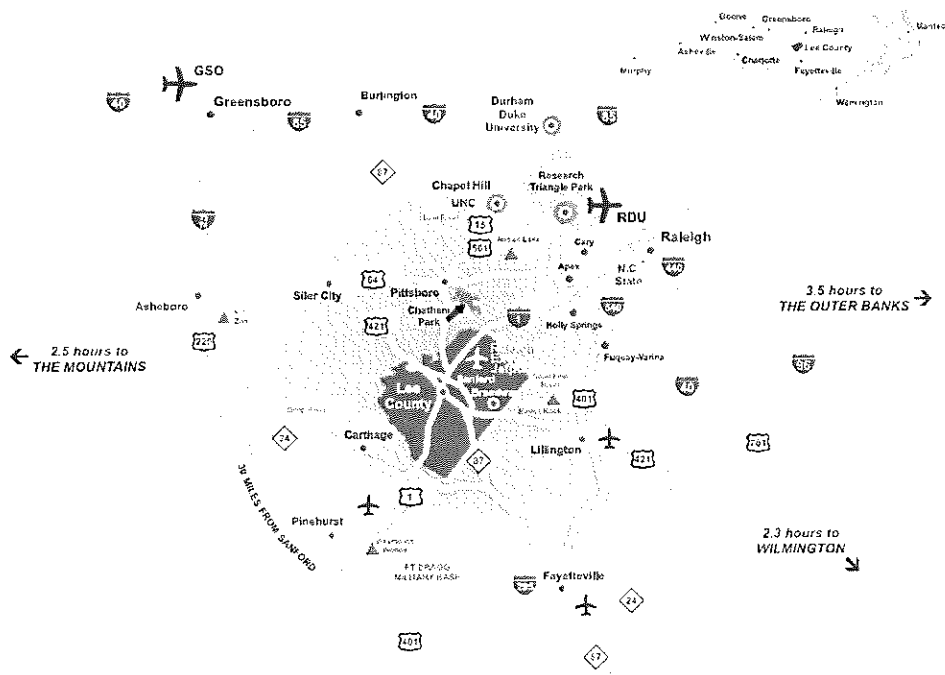
## HIGHER EDUCATION IN THE AREA

### Community Colleges and private secondary schools

|   |                        |
|---|------------------------|
| Central Carolina Community College .....      | Main Campus is 8 miles |
| Durham Technical Community College .....      | 48 miles               |
| Sandhills Community College .....             | 28 miles               |
| Fayetteville Tech .....                       | 35 miles               |
| Wake Technical Community College .....        | 43 miles               |
| ITT Technical Institute (Cary and Durham) ... | 44 miles               |
| CET (Durham) .....                            | 44 miles               |
| MyComputerCareer.com (Raleigh) .....          | 36 miles               |
| Miller-Motte College (Raleigh, Cary) .....    | 35 miles               |

### Universities (Public and Private)

|                              |          |
|------------------------------|----------|
| Benett College .....         | 57 miles |
| Campbell University .....    | 27 miles |
| Methodist University .....   | 34 miles |
| Fayetteville State .....     | 36 miles |
| UNC – Chapel Hill .....      | 38 miles |
| UNC – Greensboro .....       | 58 miles |
| NC A&T .....                 | 56 miles |
| NCSU .....                   | 39 miles |
| Meredith .....               | 39 miles |
| Shaw .....                   | 42 miles |
| William Peace University ... | 44 miles |
| St. Augustine .....          | 45 miles |
| NC Central .....             | 48 miles |
| Duke University .....        | 50 miles |



# COMMUNITY VISION

The community was asked what their Vision for the future of Lee County would be like, described in just one word. The results shown below indicate the importance of what Lee County is today and what it will continue to be moving into the future.

Diverse  
Family  
Urban  
Friendly  
Rural  
Inclusive

Welcoming  
Small  
Fun  
Cultural  
Safe

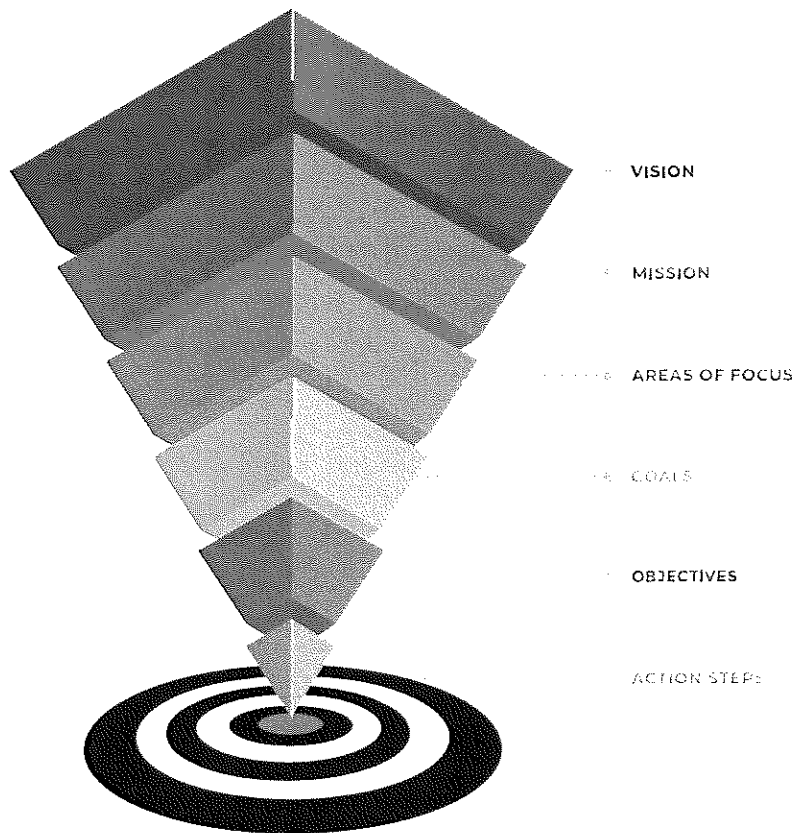


# THE STRATEGIC PLAN PROCESS

Lee County Government has a solid foundation of strategic planning through wise allocation of resources, staffing and services to the residents, businesses and visitors. This formal strategic plan was the result of an eight month process that involved the community, the Commissioners and the staff in creating each component of the plan.

The Commissioners met for a visioning session to start the process, which continued with a community wide survey with over 200 responses. Those responses guided the formation of the Key Areas of Focus, the Objectives and the Outcomes. Staff refined those Objectives and Outcomes in a series of meetings focused on implementing the Strategic Plan.

The community was also involved through a series of virtual meetings, social media outreach, and various engagement efforts that focused on the health and safety aspects. The result is a long range plan for the future of Lee County that is aspirational, realistic and achievable!



# VISION, MISSION, AND VALUES



## MISSION

Lee County Government cultivates a community of collaboration and innovation through visionary leadership and dedicated service.



## VISION

Lee County Government is a celebrated community at the center of economic achievement and diverse cultural heritage, connected to all people.



## CORE VALUES

- Accountable
- Competent
- Inclusive
- Integrity
- Visionary
- Welcoming





# KEY AREAS OF FOCUS

## MAJOR GOALS AND OBJECTIVES

Key Areas of Focus were developed for Lee County Government that align with the Vision and Mission. Each Key Area of Focus has specific Goals and each Goal has specific Objectives to accomplish as a part of this Strategic Plan. The Key Areas of Focus represent the most important issues that Lee County Government will work on over the coming years - assuring that resources, budgets, and planning are allocated to these areas as needed.

The Major Goals and Objectives on the following pages all align with the Key Areas of Focus to ensure that the Mission is completed and the Vision is realized.





**Arts and Culture:** Continue to create and support a vibrant and diverse cultural community in Lee County through support of facilities, programs, and regional partnerships.

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**Goal:** Create intentional opportunities and grow spaces for affordable entertainment to be known throughout North Carolina.

**Objective:** Assist in the expansion of spaces that promote local artists and makers.

**Goal:** Increase awareness of cultural activities throughout the community.

**Objective:** Identify and collaborate with local artists to highlight and integrate their works into county facilities and programming.

**Objective:** Facilitate/Grow an integrative learning mentorship experience (visual, teaching) between artists and the Lee County Community.





## **Community Safety: Support a safe community through programs, partnerships and trust.**

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### **Goal: Increase opportunities and activities for youth of all ages.**

**Objective:** Increase and encourage law enforcement participation in partnership with local events.

**Objective:** Identify community volunteer groups serving youth and market their presence/mission in a single place.

**Objective:** Host a volunteer/youth group summit where groups can connect with youth.

### **Goal: Increase opportunities to grow public trust.**

**Objective:** Begin a "community conversations" series where the community can meet staff and learn about programs and services.

**Objective:** Actively seek feedback from the community on events.

**Objective:** Foster events with direct involvement from community leaders with the intent of building connections.

### **Goal: Ensure Lee County is a safe environment for community interactions.**

**Objective:** Create safe spaces for the interaction of youth and the community to serve all areas of interest.

**Objective:** Incorporate safety of users in the design of all new buildings and public places.

**Objective:** Train all staff on situational awareness and public safety techniques to create an atmosphere of trust, safety, and accountability.



# CENTRAL CAROLINA ENTERPRISE PARK



**Economic Development:** Continue the upward trend of industrial recruitment, small business support, and workforce development through education partnerships.

**Goal: Become a world-class center for the biotech industry.**

**Objective:** Establish partnerships with a minimum of two universities in the region with Biotech specialties (NC State, UNC).

**Objective:** Work with CCCC to develop degree program in biotech.

**Goal: Create the environment for community based economic and workforce development.**

**Objective:** Grow and support a thriving ecosystem of support for economic development at all levels (large-scale recruitment-small business connections, workforce development).

**Objective:** Work with current large employers to enhance workforce development programs for all ages, from children's education programs to retraining for furloughed workforce.

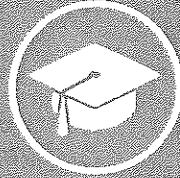
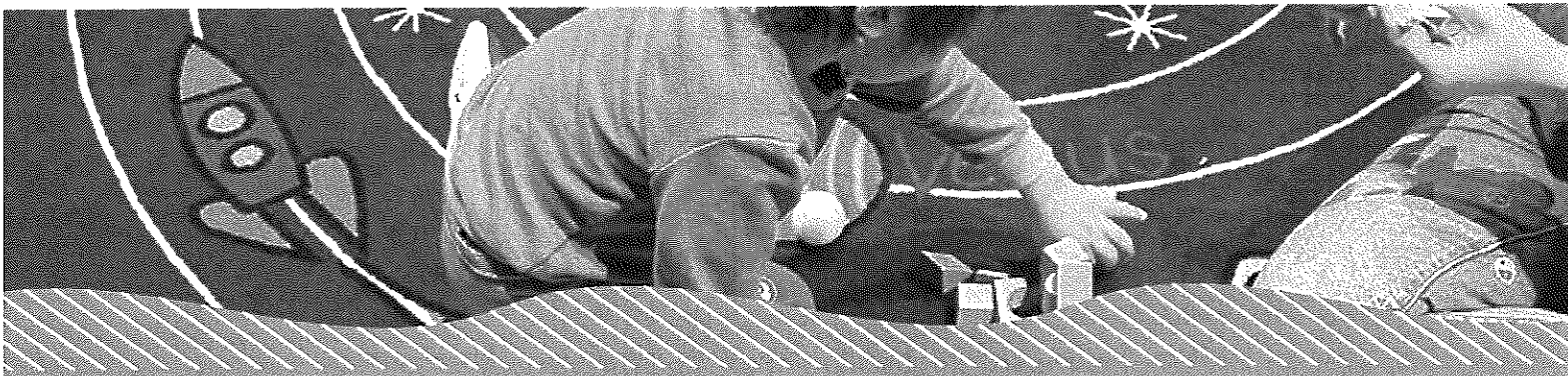
**Goal: Increase sustainable opportunities for economic growth.**

**Objective:** Provide supportive efforts to increase the availability of certified and shovel ready industrial sites.

**Objective:** Review the effectiveness of services provided by the county to agricultural producers and promote communication between agribusiness leaders and commissioners.

**Objective:** Grow non-industrial business opportunities in the community.





## **Education: Focus on supporting all levels and aspects of education to contribute to the knowledge base of the entire community.**

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**Goal: Lee County Government will define the role and intention of County government as it relates to community education and knowledge base.**

**Objective:** Lee County Government will define its role, identify opportunities, and allocate resources toward community education.

**Objective:** County staff must identify and aggressively market current educational programs to the community.

**Goal: Lee County Government will have solid, clear, and mutually beneficial relationships with all sectors of education in the region.**

**Objective:** Identify priorities for areas of new programs and target specific community members.

**Objective:** Cultivate programming and services that complement and support the work of K-12 public education in Lee County.

**Objective:** Assess opportunities to expand broadband in Lee County to increase accessibility to virtual learning opportunities.

**Goal: Increase public education regarding local government resources and services.**

**Objective:** Analyze data to determine location of new elementary/middle/high school.

**Objective:** Develop information hub via new County website with events, services, resources.





**Health and Well-being:** Promote and maintain the health and well-being of Lee County through parks, recreation, activities, and programs that improve quality of life for our community members.

---

**Goal: Lee County Government's community health programs and services will be well known and accessible.**

**Objective:** Identify community needs through the results of the annual Community Health Assessment.

**Objective:** Use results and data from the Community Health Assessment to drive marketing, resource and personnel allocation, and funding.

**Objective:** Compile mental health resources and post said resources on the County website and at relevant County facilities and local businesses and organizations.

**Goal: Create opportunities that promote physical and mental well-being in the community.**

**Objective:** Develop a marketing plan to target uninformed sectors of the community, as well as sectors that may require preemptive education.

**Objective:** Identify partners within Lee County Government as well as within the community at large to market programs to promote a healthy and active community.





## **Partnerships: Maintain partnerships within and beyond Lee County in business, education, community and partner governments.**

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**Goal: Foster and grow long-established foundational partnerships within all sectors of the community.**

**Objective:** Assess community need to find missing partnerships and new areas for involvement.

**Objective:** Reduce redundancies of mission and duplicate service providers among partners in order to identify areas for greater focus.

**Objective:** Tell the story better: develop a plan to market and identify partnerships between LCG and various community entities and explain the roles of each.

**Goal: Expand partnerships in the region.**

**Objective:** Identify and grow new partnerships with groups offering established community benefits.

**Objective:** Create new opportunities to make community collaboration more accessible.

**Objective:** Assess ways to promote the development of additional affordable housing for the current and growing workforce.



## THE PATH FORWARD

A strategic plan should never collect dust or sit on a shelf – it is a living document. The plan may need to be adjusted due to unforeseen circumstances and was designed to be flexible and adaptable to changing needs of the community, the economy, and many other factors.

The Commissioners will use the information and lessons learned from this plan to make decisions about policies, programs and services. Through various paths such as the budget, policy decisions by the Commissioners, and daily activities of the staff, this plan will come to life and be continuously updated and improved. A key part of that will be the implementation plan created by the staff, as well as a regular reporting process to the Commissioners and community.

Thank you to our community for your support and feedback during the creation of this plan for our future. We appreciate your effort and as we move into the future with this this living document, we look forward to realizing our vision of Lee County Government as a celebrated community at the center of economic achievement and diverse cultural heritage connected to all people.







**MCSWAIN CENTER POLLINATOR GARDEN AND PERGOLA**

Lee County Government | 408 Summit Drive | Sanford, NC 27330  
919-718-4605 | [www.leecountync.gov](http://www.leecountync.gov)





LEE COUNTY  
NORTH CAROLINA

# Lee County Government Strategic Plan Report

## Arts and Culture



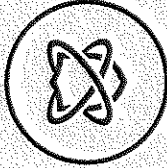
Continue to create and support a vibrant and diverse cultural community in Lee County through the support of facilities, programs, and regional partnerships.

**GOAL:** Create intentional opportunities and grow spaces for affordable entertainment to be known throughout North Carolina.

**GOAL:** Increase awareness of cultural activities throughout the community.

- The Enrichment Center Drama Club performed "A Day at the Center" at the Volunteers Recognition Reception, written by a County employee, which delighted those in attendance.
- The Enrichment Center also recently a 90s Jubilee to celebrate our residents who are 90 or better.

## Community Safety



Support a safe community through programs, partnerships and trust.

**GOAL:** Increase opportunities and activities for youth of all ages.

**GOAL:** Increase opportunities to grow public trust.

- The Commissioners agreed to fund a community clinical social worker. This position will coordinate and collaborate with the Lee County Magistrate's Office, local law enforcement, pre-trial, DJJ, Lee County Schools, the Consolidated Health and Human Services Agency, and other non-profits organizations.

**GOAL:** Ensure Lee County is a safe environment for community interactions.

- The Board recently allocated additional funds to replace the locks at the Jail, as well as replace a water pipe at the Courthouse in order to ensure the facility is safe for the public, staff, and inmates.
- Lee County and participating agencies on the Sharon Harris Nuclear Plant Task Force recently completed a graded exercise, which gives individuals involved an opportunity to experience what a real world incident may look like to be better prepared in case of an event.
- Social Services staff recognized Child Abuse Prevention Month in April to raise awareness by placing pinwheels outside of the Government Center, wearing blue, and providing educational materials to the community.

## Economic Development



Continue the upward trend of industrial recruitment, small business support, and workforce development through education partnerships.

**GOAL:** Become a world-class center for the biotech industry.

**GOAL:** Create the environment for community-based economic and workforce development.

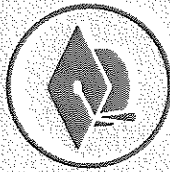
**GOAL:** Increase sustainable opportunities for economic growth.

- Completed a recommended budget for Lee County that both lowers the tax rate, but also accommodates for future growth, facilities, projects, employees, and expansion of services for the community.
- The Board recently approved to fully fund the County's pay study to compensate our employees and bring salaries to a competitive level within our region.

# VISION

Lee County Government is a celebrated community at the center of economic achievement and diverse cultural heritage, connected to all people.

## Education



Focus on supporting all levels and aspects of community education to contribute to the knowledge base of the entire community.

**GOAL:** Lee County Government will define the role and intention of County government as it relates to community education and knowledge base.

**GOAL:** Lee County Government will have solid, clear, and mutually beneficial relationships with all sectors of education in the region.

- Lee County Libraries participated in and partnered with NCSafest to host a Community Star Party event in April for the second consecutive year.

**GOAL:** Increase public education regarding local government resources and services.

- GIS Strategic Services Director Don Kovasckitz has been meeting with Board of Education members and staff to discuss the process for determining the need for new schools and projecting growth. This is an ongoing process, and the group is currently working on criteria for site selection.
- The Cooperative Extension held its second annual Agriculture "Ag" Week with additional recreational learning opportunities for the public, as well as kicked off the Farmers' Market in April.

## Health and Well-Being



Promote and maintain the health and well-being of Lee County through parks, recreation, activities, and programs that improve quality of life for our community members.

**GOAL:** Lee County Government's community health programs and services will be well known and accessible.

- The Public Health Department's Health Educators have participated in public community events (recently at Broadway Our Way) to raise awareness of services and resources available to residents.

**GOAL:** Create opportunities that promote physical and mental well-being in the community.

- Established the LCL StoryWalk Exercise & Engagement Trail at Kiwanis Children's Park to partner literacy and exercise together, in conjunction with the Parks & Recreation and General Services departments.
- Parks and Recreation was recently awarded the Accessibility for Parks Grant (AFP) to construct an inclusive playground, pavilion/restroom renovations, seating/retaining wall, and more at O.T. Sloan Park that may be accessed and enjoyed by all residents.

## Partnerships



Maintain partnerships within and beyond Lee County in business, education, community, and partner governments.

**GOAL:** Foster and grow long-established foundational partnerships within all sectors of the community.

- The County continues to strengthen relationships with community partners and recently hosted the Interlocal Committee meeting with the City of Sanford and Town of Broadway, as well as participated in SAGA's All Boards meeting in April.
- Parks and Recreation recently coordinated the Special Olympics Spring Games with several community partners, as well as offers opportunities for Special Olympics recreation including kickball, basketball, and bocce ball.
- Parks and Recreation also continues to collaborate with the City of Sanford Parks and Recreation, in which both agencies jointly hosted the first Egg-a-palooza event and was met with great success.

**GOAL:** Expand partnerships in the region.

- Broadway Library has a new Seed Library after partnering with the Collaboration is Prosperation Group and the NC Cooperative Extension office.

## County Manager's Report – May 15, 2023

### Ongoing Projects

**Moore Training Facility** – Terraquest continues to work on the mitigation plan for the facility. The most recent vacuuming event indicated that there is still product on site. We will meet with Terraquest in the next week to determine what actions we need to take to remove the product. All other SWMU's have been closed out with no further action required by the Department of Environmental Quality. Once the final SWMU receives "no further action" per DEQ's standards, the facility can be designated for residential use, which will allow the College to be able to occupy and develop all areas of the facility. Right now, they can occupy many areas, just not the areas near the tank site. There is no timeline as to when the final "no further action" will be given since it is contingent on DEQ's testing standards and authorization. We have communicated to the College that they can begin design and work at the facility with their proposed upgrades.

**Multi-Sports Complex** – The design of the Sportsplex is currently in the construction document review phase. DOT has provided a preliminary approval for an access break on Highway 42 that will be subject to final approval once DOT performs an appraisal to determine fees associated with the access break. DOT is anticipating providing this information by July, which may cause a delay with the bidding schedule. The Technical Review Committee approved the project plans on April 13. Erosion control for the site has also been approved. County staff are currently reviewing the 90% construction drawings. McAdams is working on submitting a temporary construction permit and a driveway permit that will need to be approved by DOT prior to getting zoning approval through the Planning Department. Building permits are also contingent on the issuance of a driveway permit.

**Horton Pool** – JMT (bathhouse contractor) has completed the construction of the bathhouse and is awaiting approval of substantial completion which is pending the County's approval of completion of final punch list items. While JMT is seeking substantial completion, some of their final items are impacted by Southeast Aquatics (pool contractor). Southeast Aquatics provided an anticipated substantial completion date of May 18. As of May 9, there are several unfinished items that were scheduled to be complete. The next on-site meeting with the engineer and contractors is scheduled for May 18.

**Phase I & II Parks Projects – Kiwanis Children's Park and Temple Park** – Staff met with DEQ on April 18 to review items that would need to be addressed to close out Phase I. Erosion control measures were taken in accordance with DEQ standards. DEQ has inspected the identified areas of concern and has approved the measures taken at Kiwanis Children's Park and Temple Park. Temple's playground delivery is 6 months out; the shelter/restroom is 6 weeks out. As soon as the shelter/restroom is in place, Duke Energy will be out to connect the service. Jeremy Thomas has located lines and is now drawing sewer and water connections to the bathroom. Sewer and water connections will need to go out to bid. Work on these projects will pick up in 2 to 3 months.

**Library Building Project** – Vines Architecture is moving forward with design development. This phase includes a review of the options for layout of program and staff spaces. This phase is anticipated to last until the end of August and will include another round of cost estimates. Staff is working with Telics to negotiate a sewer easement for utility connection to the site. This is one of two options available. A final determination for utility connection will depend on cost and feasibility. Once the easement is acquired and final determination for connection is made, J. Thomas Engineering will be able to complete the design work for the offsite sewer connection.

**Historic Courthouse** – Hobbs Architects is working on the design for the rehabilitation projects to include roof replacement, below grade waterproofing, masonry repair, portico slab and terrazzo repair, and replacement of doors/windows. The rehabilitation will depend on available funding, which includes grant funds received from the State. Due to the grant funding received for the project, the State Department of Natural and Cultural Resources will continue to play an active role in the design and rehabilitation. The priority of the project is to replace the roof with material complimentary to the historic building. Staff met with Hobbs Architecture, REI (roofing), and NC Department of Natural and Cultural Resources on May 5<sup>th</sup> for an on-site project kickoff meeting.

**EMS Parking Rehabilitation** – The parking lot at the EMS Ambulance Station located at 1218 Central Drive has been in disrepair for many years, which is requiring rehabilitation to ensure continued functionality and safety going forward. The rehabilitation is taking part in two phases broken down between the front parking lot and the back parking lot. Engineers have detected issues with unsuitable soils that will need to be addressed before the new parking lot is constructed. Due to the expense associated with addressing the below grade soil issues, Phase II of the project (back parking lot) will be contingent on available funding. General Services staff is working with both the contractor, engineers, and FirstHealth EMS to facilitate the project.

**Reports**

**Tax** – The Tax Department Collections report for April.

**Building Inspections** – Attached are the monthly inspection reports for April 2023.

**Library Board of Trustees** – The Library Director's April report and May's Board of Trustees meeting cancellation notice.

**Parks and Recreation** – The signed minutes from the P & R Advisory Board Meeting in January is attached. The Board will meet next on May 22, 2023.

**TRC** – The TRC Agenda for May is attached.

**Upcoming Meetings/Events:**

May 19, 2023 – Budget Work Session – McSwain Center – 8:30 am

May 23 & 24, 2023 – NCACC County Advocacy Days – Raleigh, NC

June 1, 2023 – Board of Commissioners Meeting – McSwain Center – 6:00 pm

June 15, 2023 – Board of Commissioners Meeting – Civic Center – 6:00 pm

**NORTH CAROLINA, LEE COUNTY**  
Presented for registration on this 9<sup>th</sup> day  
of June 20, 23 at 9:45 AM.PM  
recorded in Book 35 Page 502  
Pamela G. Britt, Register of Deeds